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The Punjab Khadi and Village Industries Board Act, 1955

Act 40 of 1956

Keyword(s):
Khadi, Village, Industry

Wondershare PDFelement

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THE PUNJAB KHADI AND VILLAGE INDUSTRIES BOARD ACT, 1955

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[1]THE PUNJAB KHADI AND VILLAGE INDUSTRIES BOARD ACT, 1955.

(PUNJAB ACT NO. 40 OF 1956)

[Received the assent of the President of India on the 16th October, 1956, and first published in the Punjab Government Gazette (Extraordinary) of the 25th October, 1956.]

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
1956	40	The Punjab Khadi and Village Industries Board Act, 1955	Extended to the territories which immediately before the 1st November, 1956, were comprised in the State of Patiala and East Punjab States Untion by Punjab Act, No. 5 of 1957[2] Amended in part by Punjab Act No. 29 of 1957[3] Amended in part by Punjab Act No. 12 of 1961[4] Amended by Punjab Act 29 of 1963[5] Amended by Punjab Act 30 of 1964[6] Amended byPunjab Khadi and Village Industries Board (Re-organisation) Order, 1969[7] Amended by Haryana Act 20 of 1972[8] Amended by Haryana Act 27 of 1973[9] Amended by Haryana Act 33 of 1976[10]

1. For Statement of objects and reasons, *see Punjab Government Gazette* (Extraordinary), 1955, page 697.
2. For Statement of objects and reasons, *see Punjab Government Gazette* (Extraordinary), 1957, page 339.
3. For Statement of objects and reasons, *see Punjab Government Gazette* (Extraordinary), 1957, page 1683. This Act shall be deemed to have come into force on the 1st September, 1957.
4. For Statement of objects and reasons, *see Punjab Government Gazette* (Extraordinary), 1960, page 2050.
5. For Statement of objects and reasons, *see Punjab Government Gazette* (Extraordinary), 1963, page 501.
6. For Statement of objects and reasons, *see Punjab Government Gazette* (Extraordinary), 1964, page 953.
7. See Gazette of India, (Extraordinary), Part II, Section 3 (ii), dated the 25th January, 1969.
8. For Statement of objects and reasons, *see Punjab Government Gazette* (Extraordinary), 1972, page 1202.
9. For Statement of objects and reasons, *see Haryana Government Gazette* (Extraordinary), dated 6-11-1973, page 2037.
10. For Statement of objects and reasons, *see Haryana Government Gazette* (Extraordinary), dated 2-7-1976 page 1242.

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1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
			Amended by Haryana Act 25 of 1979[1] Amended by Haryana Act 5 of 1980[2] Amended by Haryana Act 22 of 1980[3]

AN

ACT

to provide for the establishment of a State Statutory Board for encouraging and intensifying the Khadi and Village Industries in Punjab.

Be it enacted by the Legislature of the State of Punjab in the Sixth year of the Republic of India as follows :—

CHAPTER I-Preliminary

Short title, extent and commencement.

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

[4]*(2)* It extends to the territories which immediately before the 1st day of November 1966 were comprised in the erstwhile State of Punjab.

(3) It shall come into force at once.

Definitions.

2. In this Act unless there is anything repugnant in the subject or context,—

(i) "Board" means the [5][Haryana Khadi and Village Industries Board] constituted under section 3.

[6][*(ia)* "Chief Executive" means the Chief Executive of the Board ;

1. For Statement of objects and reasons, *see Haryana Government Gazette* (Extraordinary) dated the 21st September, 1979, page 1685.
2. For Statement of objects and reasons, *see Haryana Government Gazette* (Extraordinary) dated the 15th March, 1980, page 562.
3. For Statement of objects and reasons, *see Haryana Government Gazette* (Extraordinary) dated the 8th July, 1980, page 1318.
4. Substituted by the Punjab Khadi and Village Industries Board (Reorganisation) Order, 1969.
5. See section 2A.
6. Inserted by Haryana Act 22 of 1980.

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(ii) "Khadi" means any handloom cloth woven from yarn handspun in India.

(iii) "Prescribed" means prescribed by rules made under this Act.

(iv) "Village Industries" means such industries which generally form the normal occupation whether whole-time or part time of any class of the rural population of the [1][State of Haryana in and particular such Industries as may be recommended from time to time by the [2][Commission] appointed by the Government of India and such other industries as the State Government may, by notification in the official gazette, specify in this behalf in consultation with the Board.

(v) "Government" means the Government of the [1][State of Haryana].

[3]*(vi)* "Commission" means the Khadi and Village Industries Commission established under section 4 of the Khadi and Village Industries Commission Act, 1956 (No. 61 of 1956).

[4][*(viii)* "member" includes "Chairman" and "Chief Executive" and "member of the Board" includes "Chairman of the Board" and "Chief Executive of the Board"].

[5][2A. In the application of the provisions of this Act.— Construction of certain reference in the Act.

(1) to the State of Haryana, any reference therein to any expression mentioned in column *(1)* of the Table below shall be construed as a reference to the corresponding expression mentioned in column *(2)* of the said Table.

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1. *See* section 2A.
2. Substituted for the words "All India Khadi and Village Industries Board" by Punjab Act No. 29 of 1957.
3. Added by Punjab Act 29 of 1957, section 2(b).
4. clause (vii) to section 2 added by Punjab Act 30 of 1964 and further substituted Haryana Act 22 of 1980.
5. Added by Punjab Khadi and Village Industries Board (Re-organisation) Order, 1969.

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TABLE

(1)	(2)
State Government or Governement State of Punjab except in section 1 of the Act	The Government of the State of Haryana State of Haryana
Punjab Khadi and Village Industries Board Official Gazette.	Haryana Khadi and Village Industries Board Official Gazette of the Government of Haryana.

(2) (* *)

* (3) (* * *)

CHAPTER II-Establishment and constitution of the Board

Incorporation of Board.

3. *(1)* For carrying out the purpose of this Act, the Government shall, as soon as possible, after the commencement of this Act, by a notification in the official gazette, establish a Board to be called the [1][Haryana Khadi and Village Industries Board.]

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

Powers of the Board in respect of the transferred territory.

[2]**3A.** [* * *]

Powers of the Board in respect of the Union territory of Chandigarh.

[2]**3B.** [* * *]

* Not applicable to the State of Haryana.

1. See section 2A.

2. Sections 3A and 3B added by the Punjab Khadi and Village Industries Board (Reorganisation) Order, 1969, but not applicable to the State of Haryana.

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Constitution of Board.

4. *(1)* The Board shall consist of not more than 15 members appointed by the Government, from time to time, including Chairman, [1][Chief Executive], Secretary, Joint Secretary and other official and non-official members :

Provided that —

[2][*(a)* the Chairman shall be a non-official member appointed by the Government,]

[3][*(b)* the Government shall appoint a [1][Chief Executive], a Secretary and a Joint Secretary from amongst the members of the Board,]

[4][*(c)* the Chief Executive shall be appointed from amongst officers of the rank of Head of the Department or Joint Secretary to the Government.]

[5][*(2)* The Chairman and each non-official member of the Board shall be paid from the funds of the Board such allowances as the Government may, from time to time, fix. The Chairman of the Board, if he is not a member of Parliament, shall also be paid from the funds of the Board such honorarium as the Government may, from time to time, fix. The official members shall draw their travelling allowance for attending meetings of the Board, or in connection with the performance of any duty assigned to them by the Board or the Government for the purposes of this Act admissible to them under the Punjaqb Travelling Allowances Rules as applicable to the State of Haryana from their respective departments.]

[4][*(2A)* Notwithstanding anything contained in sub-section *(2)*, the Chief Executive shall be paid from the funds of the Board such salary any allowances as may be prescribed.]

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1. Substituted by Haryana Act 22 of 1980.
2. Substituted for Clause (a) of sub-section (1) of section 4 by Punjab Act No. 30 of 1964.
3. Substituted by Haryana Act 5 of 1980.
4. Inserted by Haryana Act 22 of 1980.
5. Substituted by Haryana Act 27 of 1973.

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(3) The Board shall have powers to invite persons specially qualified to advice on matter before the Board relating to an industry or having special knowledge of local conditions in the area where the industry in question is situated. These persons shall be paid allowances at the rate admissible to other non-offical members of the Board.

Term of office and dissolation of Board.

5. *(1)* The Board shall, unless sooner dissolved by the Government, continue for a period of three years from the date of its establishment or till a new Board is appointed thereafter :

Provided that the Government may, at any time, with the previous approval of the State Legislature, by a notification in the official gazette, make a declaration that from such date, as may be specified in the notification, the Board shall be dissolved.

(2) Any member [1][* * *] may at any time, resign his office by giving notice in writing to the Chairman of the Board and on its being accepted by the Government he shall be deemed to have vacated his office from the date of such acceptance :

[2][Provided that the [3][Chairman and the Chief Executive] shall give such notice to the Government.]

[4][*(3)* On the Board ceasing to exist, either by afflux of time or by dissolution by the Government, as provided in sub-section *(1)* any committee appointed under section 11 shall cease to function and —

(i) all funds and other properties, which immediately before the Board ceased to exist were in its possession for the purposes of this Act, shall vest in the Government ;

(ii) all members shall vacate office as members of the board ; and

(iii) all rights, obligations and liabilities (including any liabilities under any contract) of the Board shall become the rights, obligations and liabilities of the Government.]

1. The words, "other than a Chairman" omitted by Punjab Act 30 of 1964.
2. Proviso to sub-section (2) added by ibid.
3. Substituted by Haryana Act 22 of 1980.
4. Substituted for sub-section (3) by Haryana Act 20 of 1972.

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Chairman, [2][Chief Executive] Secretary, Joint Secretary and other members to held office during pleasure of Governor.

[1][**5A.** Notwithstanding anything contained in section 5 or any other provision of this Act, the Chairman, [2][Chief Executive] Secretary, Joint Secretary and other members of the Board shall hold office during the pleasure of the Governor.]

Disqualification for appointment as members of the Board.

6. *(1)* A person shall be disqualified for being, appointed or for continuing as a member of the Board, if he—

[3][*(a)* holds any office of profit under the Board other than the office of [2][Chairman, Chief Executive], Secretary or Joint Secretary thereof ; and]

(b) is of unsound mind and stands so declared by a competent Court ;

(c) is or at any time has been adjudicated insolvent ;

(d) has directly or indirectly by himself, by his wife or son, or by any partner any share or interest in any subsisting contract or employment with, by or on behalf of the Board ;

(e) is a Director or a Secretary or a manager or other salaried officer of any incorporated company or any co-operative society, which has any share or interest in any contract or employment with, by or on behalf of the Board ;

[4][*(f)* being a non-official member, does not habitually wear khadi ;

(g) is convicted of an offence involving moral turpitude.]

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1. Inserted by Haryana Act 25 of 1979.
2. Substituted by Haryana Act 22 of 1980.
3. Substituted for clause (a) of section 6 by Punjab Act 30 of 1964.
4. Clauses (f) and (g) added by Punjab Act 29 of 1963.

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[1][*(1A)* A person shall also be disqualified for continuing as a member of the Board, if he—

(a) is absent without permission from all the meetings of the Board for four sussessive months or for the period in which three successive meetings are held whichever period is longer; or

(b) ceases to reside in Haryana.]

(2) *(a)* A person shall not be disqualified under clause *(a)* of sub-section *(1)* by reason only of his being a member receiving allowance [2][or the Chairman receiving any honorarium or allowances] as provided in sub-section *(2)* of [3][section 4 or the Chief Executive recieving salary and allowances as provided in sub-section *(2A)* of the said section.]

(b) A person shall not be disqualified under clause *(d)* or *(e)* of sub-section *(1)* or be deemed to have any share or interest in any contract or employment within the meaning of these clauses by reason only of his, or of the incorporated company or of a co-operative society of which he is a Director, Secretary, Manager or other salaried officer having a share or interest in any newspaper in which any advertisement relating to any affairs of the Board is inserted.

(c) A person shall not also be disqualified under clause *(d)* or *(e)* of sub-section *(1)* or be deemed to have any share or interest in any contract or employment with, by or on behalf of the Board by reason only of his being a shareholder or member of such a company or society :

Provided that such person discloses to the Government the nature and extent of the share held by him from time to time.

[4][*(d)* A person shall not also be disqualified, or be deemed ever to have been disqualified, under clause *(d)* or clause *(e)* of sub-section *(1)*, or be deemed to have any share or interest in any contract or employment, with by or on behalf of, the Board, by reason of his being a Director or a Secretary or a Manager or other salaried officer

1. Inserted by Haryana Act 25 of 1979.
2. The words added by Punjab Act 30 of 1964.
3. Substituted by Haryana Act 22 of 1980.
4. Clause (d) added by Punjab Act 29 of 1963.

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of a society registered or deemed to be registered under the Registration of Societies Act, 1860, or any of institution certified by the Commission or the Board:

Provided that such person discloses to the Government the nature and extent of the share held by him from time to time.

7. [1][*(1)* * * * * * *]

8. When a member dies or resigns as provided in sub-section *(2)* of section 5 or is subject to any of the disqualifications specified in section 6 [2][or is otherwise removed], he shall cease to be a member of the Board, and any vacancy so occuring shall be filled by the Government as early as practicable: Vacancy to be filled in as early as possible.

Provided that during any such vacancy the continuing members may act as if no vacancy has occurred.

9. No act or proceeding of the Board under this Act, shall be questioned on the ground merely of the existence of any vacancy in, or defect in the appointment of a member or the constitution of the Board : Vacancy, defect in appointment etc. not to invalidate acts and proceeding.

Provided that the Board shall not act or take any proceedings, at any time, when by reason of any vacancy occurring the number of continuing non-official member is less than one third of the total number of such non-official members in the Board.

10. The Board shall from time to time make such arrangements with respect to the date, time, place, notice, management and adjournments of its meetings as may be determined by regulations made, by the Board subject to the following provisions, viz :— Meetings of the Board.

(a) Ordinary meeting shall be held once at least in every three months.

(b) The Chairman may whenever he thinks, fit, call special meetings.

(c) The proceedings of the meetings of the Board shall be forwarded to Government, in the department concerned.

1. Omitted by Haryana Act 25 of 1979.

2. Substituted by Haryana Act 25 of 1979.

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Appointment of Committees.

11. Subject to any rules made under section 34 the Board may from time to time appoint one or more committees for the purpose of securing efficient discharge of its functions and in particular for the purpose of ensuring that the said functions are exercised with due regard to the circumstances and requirements of any particular village industry.

Appointment of Financial Adviser.

[2][**11A.** *(1)* There shall be a Financial Adviser to the Board who shall be appointed by the State Government. The Government may entrust the functions of the Chief Accounts Officer to the Financial Adviser.

(2) The term of office, the conditions of service and the functions of the Financial Adviser shall be such as may be prescribed in consultation with the Board.]

CHAPTER III-Functions and Powers of the Board.

Functions and Powers of the Board.

12. It shall be the duty of the Board to organise develop and propagate village industries and perform such functions as the Government may prescribe from time to time and exercise such powers as may be necessary for carrying out the objects of this Act.

(2) Without prejudice to the generality of the provisions of sub-section *(1)*, the Board shall also in particular discharge and perform all or any of the following duties and functions, namely :—

(a) to strat, 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 them monetary help ;

(c) to encourage establishment of Co-operative Society and Societies registered [1][under the Societies Registration Act, 1860, or the Pepsu Societies Registration Act, 1954] ;

1. Substituted for the word "with All India Khadi and Village Industries Board for Khadi and Village Industries" by Punjab Act No. 29 of 1957, section 3.

2. Inserted by Haryana Act 33 of 1976.

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(d) to conduct training centres and to train people thereat with a view to equip 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 industries ;

(ii) to arrange for the supply of raw materials and implements required for the said purpose; and

(iii) to sell and arrange for the sale of the products of the said industries;

(f) to arrange for publicity and popularisation of finished products of Khadi and village industries by opening stores, shops, emporia 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 ; and

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

[1][*Explanation*—For the purpose of clause *(b)*, the expression "monetary help" includes the giving of grants and loans for any of the purposes of this Act in such terms and conditions as may be prescribed.]

1. Added by Punjab Act No. 12 of 1961, section 2.

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Power to make contracts.

13. *(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 shall be made on behalf of the Board by the [2][Chief Executive].

(3) Every contract made by the [2][Chief Executive] on behalf of the 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 the Board.

General powers of Board.

14. The Board shall, for the purposes of carrying out its functions under this Act, have the following powers :—

(i) to acquire and hold such moveable and immovable property as it deems necessary and to lease, sell or otherwise transfer any such property:

Provided that in the case of immovable property the aforesaid powers shall be exercised with the previous sanction of the Government ;

(ii) to incure expenditure and undertake works 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 Government, subject to the provisions of this Act, and the rules made thereunder.

Power of [2][Chief Executive].

[1][**14A.** *(1)* The [2][Chief Executive] shall be responsible for the proper functioning of the Board and implementation of its decisions and discharge of its duties under this Act.

[2][*(2)* The Chief Executive may, by order in writing, delegate any of his powers to any other member.]

(3) The [2][Chief Executive] shall exercise general control over the Board].

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1. Added by Punjab Act 29 of 1957, section 4.

2. Substituted by Haryana Act 22 of 1980.

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[1][*(4)* In the absence of the Chief Executive or during the period of his incapacity to attend to his duties for any reason, such member, as the Government may appoint, shall exercise the powers and discharge the duties of the Chief Executive under this Act.]

Powers of Security.

15. The Secretary and Joint Secretary shall exercise such powers and perform such functions for and on behalf of the Board as may be determined by Regulations.

CHAPTER IV-Appointment of Officers and Servants.

Officers and servants of the Board.

16. The Board may appoint such officers and servants as it considers necessary for the efficient performance of its functions.

Condition of service of officers and servants of the Board.

17. The pay and other conditions of sevice of officers and other servants of the Board shall be such as the Board may determine by regulations.

Functions and duties of officers and servants.

18. The functions and duties of the officers and servants of the Board shall be such as the Board may determine by regulations.

CHAPTER V-Finance, Accounts and Audit.

Transfer of property.

19. *(1)* The Government may transfer to the Board building, land or any other property, moveable or immoveable for use and management by the Board on such conditions and limitations as the Government may deem fit, for the purposes of this Act.

(2) The Government may transfer to the Board such schemes or wroks in progress, with all their assests and liabilities as are run or managed by Government subject to such conditions and limitations as the Government may deem fit to impose for the purposes of this Act.

Fund of the Board.

20. *(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 made therefrom.

[2][*(2)* The Board may accept grants, loans, sub-ventions, donations and gifts from the Government or a local authority or other statutory body including the commission or any private body, whether incorporated or not, or an individual for all or any of the purposes of this Act.]

1. Substituted by Haryana Act 22 of 1980.
2. Substituted by Punjab Act 29 of 1957, section 5.

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(3) All moneys, belonging to the fund of the Board shall be deposited in such manner as the Government may, by special or general order, direct.

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

Application of fund and property.

21. All property, fund and other assests with the Board shall be held and applied by it subject to the provisions and for the purposes of this Act.

Subventions and loans to the Board.

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

(2) The Government may, from time to time advance loans to the Board on such terms and conditions not inconsistent with the provisions of this Act as the Government may determine.

Preparation and submissions of Annual Programme and Establishment Schedule.

23. *(1)* In each year, on such date as may be fixed by the Government, the Board shall prepare and forward :—

(a) programme of its work ; and

(b) a schedule of the staff of officers and servants already employed and to be employed during the next year, to the Government in such form as may be prescribed.

(2) The programme of its work shall contain—

(a) such particular 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 proposes to organise during the next year for the purposes of carrying out its function under the Act ; and

(c) such other particular as may be prescribed.

Sanction of programme and establishment schedule.

24. [1][*(1)* The Government may approve and sanction the programme and the schedule of the staff of officers and servants forwarded to it with such modifications as it deems fit.

1. Original section 24 renumbered as sub-section (1) and new sub-section (2) added by Punjab Act 29 of 1957.

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[1][*(2)* The Board may send a programme of its schemes formulated in accordance with the policy or scheme of the Commission directly to the Commission for allotment of funds by or approval of the Commission.]

Budget.

25. The Board shall, on such date as may be fixed by the Government, prepare and submit to the Government, the budget for the next financial year showing estimated receipts and expenditure on capital and revenue accounts according to the programme and schedule of the staff sanctioned by the Government.

Sanction of budget.

26. *(1)* The Govenment may sanction the Budget submitted to it with such modifications as it deems proper.

[2][*(2)* The Board shall not be competent to transfer funds sanctioned for one scheme to another scheme,—

(a) where funds in respect of such schemes are allotted by the Commission, without the prior approval of the Commission; and

(b) in any other case, without the prior approval of the Government.]

Supplementary programme and supplementary Budget.

27. The Board may submit a supplementary programme and supplementary budget for the sanction of Government in such and on such date as the Government may prescribe, and provisions of sections 25 and 26 shall apply to such supplementary programme and budget respectively.

Annual report.

28. The Board shall prepare and forward to the Government in such manner as may be prescribed, as annual report within three months after the end of the financial year giving a complete accounts of its activities during the previous financial year.

Further Report Statistics and Returns.

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

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1. Original section 24 renumbered as sub-section (1) and new sub-section (2) added by Punjab Act 29 of 1957.

2. Substituted by Punjab Act No. 12 of 1961, section 3.

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Accounts and Audit.

30. *(1)* The Accounts of the Board shall be maintained and an annual statement of accounts shall be prepared in such manner as may be prescribed.

(2) The accounts of the Board shall be audited by a Chartered Accountant or by such person as Government may direct.

(3) As soon as the accounts of the Board are audited, the Board shall send a copy thereof with a copy of the report of the auditor thereto to the Government.

(4) The audited accounts of the Board shall be submitted to Government in such manner as may be prescribed.

(5) The Board shall comply with such directions as the Government may, after the perusal of the report of the Auditor, think fit to issue.

CHAPTER VI-Miscellaneous.

Directions by State Government.

31. *(1)* In the discharge of its functions, the Board shall be guided by such instructions on question of policy as may be given to it by the Government.

(2) If any dispute arises between the Government and the Board as to whether a question is or is not a question of policy,the decision of the Government shall be final.

Power to delegate.

[1][31A. The Board may, by resolution, direct that any power execisable by it under this Act or the regulations made thereunder, except the power to make regulations, may also be exercised by the [2][Chief Executive] or Member Secretary, as the case may be, of the Board.]

Members of Board and members of staff of Board to be public servants.

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

Recovery of Boards dues as arrears of land revenue.

[3][32A. All sums, including grants and loans given by the Board or any interest or costs in respect thereof, becoming due to the Board under this Act, whether before or after the commencement of the Punjab

1. Inserted by Haryana Act 33 of 1976.
2. Substituted by Haryana Act 22 of 1980.
3. Section 32-A inserted by Punjab Act No. 12 of 1961, section 4.

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Khadi and Village Industries Board (Amendment) Act, 1961, and whether such sums have become due by virtue of any contract or otherwise shall be recoverable as arrears of land revenue.]

Protection of action taken under this Act.

33. 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.

Control of Government over Board.

[1][**33A.** *(1)* The Government shall exercise superintendence and control over the Board and its officers and may call for such information as it may deem necessary and, in the event of its being satisfied that the Board is not functioning porperly or is abusing its powers or is guilty of corruption or mismanagement, it may, by notification, suspend the Board :

Provided that the Board shall be reconstituted within a period of one year from the date of its suspension.

(2) When the Board is suspended under sub-section *(1)*, the following consequences shall ensue, namely :—

(a) all members of the Board and its committees, including the Chairman, [2][Chief Executive] Secretary and Joint Secretary of the Board, shall, from the date of the notification, vacate their offices ;

(b) all powers, duties and functions, which under the provisions of this Act or any regulation made thereunder, are to the exercised by the Board or any committee thereof or by the Chairman, [2][Chief Executive] Secretary or Joint Secretary or any other officer of the Board, shall, during the period of suspension, be exercised and performed by such person (to be called the administrator) as may be appointed by the Government in this behalf :

Provided that the Administrator may, subject to the approval of the Government, delegate any of his powers, duties or functions to such other person as he may think fit ;

1. Inserted by Haryana Act 25 of 1979.
2. Substituted by Haryana Act 22 of 1980.

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(c) all properties, including the Board fund, vested in the Board shall, until it is reconstituted, vest in the Government.]

Rules.

34. *(1)* The Government, may, by notification in the official Gazette, make [1]rules for carrying out the purposes of this Act.

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

[2][*(a)* the allowances of non-official members of the Board and the honorarium and allowances of the Chairman under sub-section *(2)* of section 4 ;]

[3][*(aa)* the salary and allowances of the Chief Executive under sub-section *(2A)* of section 4 ;]

(b) the functions of the Board under section 12 ;

(c) the manner and form in which contracts shall be entered into under section 13 ;

(d) the particulars of the programme under section 23 *(1)* ;

(e) the form in which and the date before which the supplementary programme shall be submitted under section 27 ;

(f) the form in which and the date before which the supplementary budget shall be submitted under section 27 ;

(g) the manner in which the annual report shall be prepared and forwarded to the Government under section 28 ;

(h) the manner of maintenance of accounts and preparation of annual statment of accounts under section 30 *(1)* ;

(i) any other matter which is, or may be prescribed under this Act.

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1. For rules, see Punjab Government Notification No. 3710-8-1/II 57/16996, dated the 4th September, 1957.
2. Substituted for clause (a) by Punjab Act 30 of 1964, section 7.
3. Inserted by Haryana Act 22 of 1980.