

THE KERALA KHADI AND VILLAGE INDUSTRIES
BOARD (AMENDMENT) ACT, 1975

(Act 17 of 1975)

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THE KERALA KHADI AND VILLAGE INDUSTRIES
BOARD (AMENDMENT) ACT, 1975*

(Act 17 of 1975)

**An Act further to amend the Kerala Khadi and Village
Industries Board Act, 1957**

Preamble.—WHEREAS it is expedient further to amend the Kerala Khadi and Village Industries Board Act, 1957, for the purposes hereinafter appearing;

BE it enacted in the Twenty-sixth Year of the Republic of India as follows —

1. **Short title and commencement.**—(1) This Act may be called the Kerala Khadi and Village Industries Board (Amendment) Act, 1975

(2) It shall come into force on such date as the Government may, by notification in the Gazette, appoint

*Received the assent of the Governor on the 20th day of May, 1975 and published in the Gazette Extraordinary No. 258, dated 21st May 1975

2 **Amendment of section 4.**—In section 4 of the Kerala Khadi and Village Industries Board Act, 1957 (9 of 1957) (hereinafter referred to as the principal Act), to sub-section (2), the following proviso and **Explanation** shall be added, namely.—

“Provided that at least one of the non-official members so appointed shall be a person belonging to a Scheduled Caste or a Scheduled Tribe.

Explanation.—In this sub-section, the expressions “Scheduled Caste” and “Scheduled Tribe” shall have the same meaning as in the Constitution of India.”

3. **Amendment of section 16.**—In section 16 of the principal Act, after clause (ii), the following clauses shall be inserted, namely:—

“(iii) to require any person who has been granted any loan or other financial assistance by the Board for the development of Khadi or any village industry, to maintain such accounts and records relating to the receipt and utilisation of the loan or other financial assistance as the Board may direct,

(iv) to direct an inspection of the accounts and records maintained under clause (iii), by an officer or authority authorised in this behalf by the Board or the Government;

(v) to supervise the activities carried on by any person utilising any loan or other financial assistance referred to in clause (iii) and to give that person such directions as the Board may deem fit regarding such activities ”

4. **Amendment of section 29.**—Section 29 of the principal Act shall be re-numbered as sub-section (1) of that section and, after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely.—

“(2) The Board shall forward to the Government a copy of the audited annual statement of accounts referred to in sub-section (1) within two months from the end of the financial year to which such statement relates, and every such statement shall be laid before the Legislative Assembly as soon as may be after it is received by the Government.”.

5 **Insertion of new sections 30A and 30B.**—After section 30 of the Principal Act the following sections shall be inserted namely:—

“30A. Circumstances in which Board may be dissolved.—(1) If at any time the Government are satisfied that—

- (a) the Board has made default in the discharge of its duties or in the performance of its functions imposed or entrusted by or under this Act, or exceeded or abused its powers; or
- (b) the Board has disregarded the directions given by the Government; or
- (c) circumstances have so arisen that the Board is rendered unable or may be rendered unable to discharge its duties or perform its functions under this Act, or
- (d) it is otherwise expedient or necessary to dissolve the Board,

the Government may, by notification in the Gazette, direct that the Board shall be dissolved from such date as may be specified in the notification, and thereupon the Board shall be deemed to be dissolved accordingly

(2) On and from the date specified in the notification under sub-section (1),—

- (a) all the members of the Board (including the Chairman and the Vice Chairman) shall vacate their offices as such members; and
- (b) any committee appointed by the Board shall cease to function.

30B. Vesting of rights, liabilities, etc., of the Board on dissolution.—Where the Board is dissolved under section 30A,—

(a) all rights, obligations and liabilities (including any liability under any contract) of the Board on the date of dissolution shall become the rights, obligations and liabilities of the Government;

(b) all properties and functions which immediately before that date were in the possession of the Board for the purposes of this Act shall vest in the Government”