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ACT No. XI OF 1943.

[PASSED BY THE INDIAN LEGISLATURE.]

(Received the assent of the Governor General on the 31st March, 1943.)

An Act to provide for the imposition and collection of an excise duty on vegetable product.

WHEREAS it is expedient to provide for the imposition and collection of an excise duty on vegetable product ;

It is hereby enacted as follows :—

1. *Short title and extent.*—(1) This Act may be called the Vegetable Product (Excise Duty) Act, 1943.

(2) It extends to the whole of British India.

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

(a) “ factory ” means any premises wherein vegetable product is manufactured ;

(b) “ owner ” includes any person expressly or impliedly authorised by an owner of a factory to be his agent in respect of the factory ;

(c) “ vegetable product ” means any vegetable oil or fat which, whether by itself or in admixture with any other substance, has by hydrogenation or by any other process been hardened for human consumption.

3. *Imposition of and amount of duty.*—A duty of excise at the rate of five rupees per hundredweight shall be levied on all vegetable product manufactured in any factory in British India and issued out of such factory on or after the 1st day of April, 1943, and shall be payable by the owner of the factory.

4. *Recovery of duty with penalty.*—(1) If any duty payable under section 3 is not paid within the time fixed by a notice issued in accordance with any rules made in this behalf under this Act, it shall be deemed to be an arrear, and the authority to which such duty is payable may, in lieu thereof, recover any sum, not exceeding double the amount of the duty unpaid, which such authority may in its discretion think it reasonable to require.

(2) An arrear of duty, or any sum recoverable in lieu thereof under this section, shall be recoverable as an arrear of land-revenue and shall be recoverable in addition to, and not in substitution for, any other penalty incurred under this Act.

(3) Without prejudice to the provisions of sub-section (2), when under the provisions of sub-section (1) any duty is deemed to be an arrear, the authority by which the notice referred to in sub-section (1) was issued may direct that no issue of vegetable product shall be made and no plant, machinery or material shall be removed out of the factory whose owner has failed to pay the duty until the duty or the sum recoverable in lieu thereof is paid or recovered ; and such direction shall have effect notwithstanding any change in the ownership of the factory.

(4) Any vegetable product issued, and any plant, machinery or material removed in contravention of a direction under sub-section (3) shall be liable to confiscation, and any person concerned in such issue or removal shall be punishable with fine which may extend to two thousand rupees.

5. *Issue from factory.*—(1) No vegetable product shall be issued out of any factory except in accordance with the provisions of rules made under section 8 regulating such issue, or until such rules are made, in accordance with the general or special orders of the Central Government.

(2) If any vegetable product is issued out of any factory contrary to the provisions of sub-section (1), any person concerned in such issue shall be punishable with fine which may extend to one thousand rupees or to a sum equal to double the amount of the duty on the vegetable product so issued, whichever is greater.

3. *Application of the provisions of Act VIII of 1878 to the duty on vegetable product.*—The Central Government may, by notification in the official Gazette declare that any of the provisions of the Sea Customs Act, 1878 (VIII of 1878) relating to the levy of and exemption from customs duties, drawback of duty, warehousing, offences and penalties, confiscation and procedure relating to offences and appeals shall, with such modifications and alterations as it may consider necessary or desirable to adapt them to the circumstances, be applicable in regard to like matters in respect of the duty imposed by section 3.

7. *Power of Central Government to impose a duty of customs or to prohibit import.*—The Central Government may, by notification in the official Gazette impose on vegetable product brought into British India from the territory of any Indian State, not being territory which has been declared under section 5 of the Indian Tariff Act, 1934 (XXXII of 1934), to be foreign territory for the purposes of that section, a duty of customs equivalent to the excise duty imposed by the Act on vegetable product manufactured in British India, or prohibit absolutely or with such exceptions as it thinks fit, the bringing of vegetable product into British India from the territory of any specified Indian State.

8. *Power to make rules.*—(1) The Central Government may, by notification in the official Gazette, make rules—

(a) imposing on owners of factories the duty of furnishing returns and keeping records and books, and prescribing the form of such returns, records and books and the particulars to be contained therein, and the manner in which the same are to be verified;

(b) regulating the issue of vegetable product out of factories;

(c) providing for the assessment and collection of the duty, the issue of notices requiring payment, the authority to whom the duty shall be payable and the recovery of arrears;

(d) specifying the manner in which directions under the provisions of sub-section (3) of section 4 shall be made and communicated, and determining what such directions shall be deemed to become effective;

(e) authorising and providing for the inspection of factories; and

(f) generally for carrying into effect the provisions of this Act.

(2) Such rules may provide that any breach thereof shall be punishable with fine which may extend to five hundred rupees:

Provided that the breach of any rule made under clause (b) of sub-section (1) shall be punishable with the punishment provided for an offence against section 2

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