

## **Provident Institutions (Amal Gamation) Rules 1953**

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## **Provident Institutions (Amal Gamation) Rules 1953**

Provident Institutions (Amal Gamation) Rules 1953

### **1. Short title :-**

These rules may be called the Tea Rules, 1954.

### **2. Definitions :-**

In these Rules, unless the context otherwise requires-

(i) "Board" means the Tea Board, constituted under section 4 of the Act.

(ii) "Chairman" means the Chairman of the Board,

(iii) "Committee" means any Committee constituted by the Board under Section 8 of the Act.

(iv) "Form" means a form set forth in the schedule to these Rules,

(v) "Member" means a member of the Board.

(vi) "Secretary" means the Secretary of the Board,

(vii) "the Act" means Tea Act, 1953 .

(viii) "Vice-Chairman" means the Vice-Chairman of the Board.

(ix) "Year" means the year commencing on the first day of April.

### **3. Office of the Board :-**

The Office of the Board shall be located at Calcutta.

### **4. Constitution of the Board and manner of filling vacancies**

:-

(1) The Board shall consist of a Chairman and the following other members who, in the opinion of the Central Government, are capable of representing the various categories mentioned in clauses (a) to (h) of sub-section (3) of Section 4 of the Act : -

(a)

(i) one person representing the Government of Assam ;

(ii) one person representing the Government of West Bengal ;

(iii) one person representing the Government of Tripura.

(iv) one person representing the Government of Madras;

- (v) one person representing the Government of Punjab ;
- (vi) one person representing the Government of Travancore.Cochin
- (b) two person representing the Parliament (one for the House of the People and one for the Council of States) ;
- (c) thirteen persons representing owners of tea estates and gardens and growers of tea ;
- (d) seven persons representing persons employed on tea estates and gardens ;
- (e) three persons representing dealers including both exporters and internal traders of tea ;
- (f) two persons representing manufacturers, who manufacture and pack tea in containers upto 12 Ibs. ;
- (g) three persons representing consumers ;
- (h) four persona representing other interests.

(2) The Central Government may make such conaultations as may be necessary before appointing members of the Board.

(3) When a member of the Board dies or resigns or is deemed to have resigned or is removed from office or becomes incapable of acting, the Central Government may by notification in the official gazette appoint a person to fill the vacancy.

#### **5. Term of Office :-**

(1) A member of the Board shall hold office for a period of three years from the date of his appointment.

(2) A person appointed to fill a casual vacancy under sub-rule (3) of rule 4 shall hold office so long as the member whose place he fills would have been entitled to hold office, if the vacancy bad not occurred.

#### **6. Resignation :-**

(1) A member of the Board may resign his office by writing under bis hand addressed to the Chairman.

(2) A member of the Committee may resign his office by writing under his hand addressed to the Secretary : Provided that a member of the Board or the Committee, as the case may be, shall

not vacate his office until his resignation is accepted.

### **7. Removal from the Board :-**

The Central Government may remove any member from his office-

- (a) if he is of unsound mind and stands so declared by a competent court, or
- (b) if he is an undischarged insolvent, or
- (c) if he is convicted of a criminal offence involving moral turpitude,
- (d) if without leave of the Chairman, he fails to attend more than three successive meetings of the Board.

### **8. Absence from India :-**

(1) Before a member of the Board leaves

(a) he shall intimate the Secretary the date of his departure from, -  
. and the date of his expected return to, India, and

(b) if he intends to be absent from India for a longer period than six months, he shall tender his resignation.

(2) If a member leaves India without observing the provisions of sub-rule (1), he shall be deemed to have resigned with effect from the date of his departure from India.

### **9. Vice-Chairman :-**

(1) The Board shall in each year elect a member to be Vice-Chairman for a period of twelve months commencing from the date of the election.

(2) In the event of the Vice-Chairman resigning his office as such or ceasing to be a member of the Board, the Board shall forthwith elect a member to be Vice-Chairman for the unexpired portion of the term of office of the Vice-Chairman elected under sub-rule (1).

### **10. Minimum number of meetings of the Board :-**

The Board shall hold a meeting at least once in every quarter.

### **11. Power to call meetings :-**

(1) The Central Government may at any time call a meeting of the Board.

(2) The Chairman may at any time call a meeting of the Board and shall do so, if a requisition for a meeting is presented to him in

writing by at least ten members.

## **12. Appointment of Committees :-**

(1) Besides the Executive Committee, there shall be the following Standing Committees of the Board, namely:-

(a) Two licensing Committees, one for North India and one for south India.

(b) A Propaganda Committee.

(2) The Executive Committee shall consist of :-

(a) the Chairman who shall be the ex-officio Chairman thereof ;

(b) the Vice-Chairman ; and

(c) seven other members to be elected by the members of the Board from among themselves, in such manner as may be laid down by the Board.

(3) The Licensing Committee for North India shall consist of :-

(i) the Chairman who shall be ex-officio Chairman thereof; and

(ii) six other members to be elected by the members of the Board from among themselves, in such manner as may be laid down by the Board.

(4) The Licensing Committee for South India shall consist of four members to be elected by the members of the Board from among themselves in such manner as may be laid down by the Board. The Committee shall elect a Chairman from among themselves.

(5) The Propaganda Committee shall consist of :-

(i) the Chairman who shall be the ex-officio Chairman thereof

(ii) eight other members to be elected by the members of the Board from among themselves in such manner as may be laid down by the Board.

(6) Nothing in this rule shall derogate from the power of the Board to constitute with the previous approval of the Central Government and for such period as may be specified by that Government in each individual case, any other Standing Committee or any ad hoc Committee for any of the purposes mentioned in sub-section (3) of section 8 of the Act.

### **13. Functions of Committees :-**

The Executive Committee, the Propaganda Committee and the Licensing Committees shall discharge such functions and exercise such powers, not being those mentioned in Rule 18, as may be delegated to them by the Board.

### **14. Absence from meetings of a Committee :-**

Any member of a committee absenting himself from three consecutive meetings without leave of the Chairman shall be deemed to have vacated his seat on the Committee.

### **15. Filling of Casual Vacancies :-**

(1) Any casual vacancy on a Committee shall be filled by election at the next meeting of the Board, or the meeting subsequent thereto.

(2) A person appointed in a casual vacancy shall hold office so long as the member whose place he fills would have been entitled to hold office, if the vacancy had not occurred.

### **16. Business by Circulation :-**

(1) Any business which the Board or Committee is required to transact may, if the Chairman of the Board or of the Committee so directs, be referred by circulation of papers to members, and any resolution or proposal so circulated and approved by the majority of members who have recorded their views in writing shall be as effectual and binding as if such resolution or proposal were decided by a majority of votes at a meeting :

Provided that at least ten members of the Board or a majority of the members of the Committee as the case may be, have recorded their views on the resolution or proposal : Provided further that when a resolution or proposal is referred by circulation of papers, any five members of the Board or three members of the Committee, as the case may be, may require that the resolution or proposal be referred to a meeting and thereupon such reference shall be made to a meeting of the Board or the Committee.

(2) When any business is so referred to members by circulation, a period of not less than 14 clear days in the case of the Board and 10 clear days in the case of a Committee shall be allowed for receipt of replies from members. Such period is to be reckoned from the date on which notice of business is issued.

(3) If a resolution or proposal is circulated, the result of the circu-

lation shall be communicated to all the members.

**17. Record of Business :-**

(1) A record shall be maintained of all business transacted by the Board or its Committees, and copies of such record shall be submitted to the Central Government : Provided that the records of business of a routine nature transacted by the Licensing Committees by circulation need not be submitted to the Central Government.

(2) The record of business transacted at the meetings of the Board and of the Committees shall be signed by the Chairman presiding over such meetings.

(3) When business is transacted by circulation of papers, a record of business transacted shall be signed by the Chairman of the Board or the Committee, as the case may be, directing the circulation.

**18. Restriction on delegation of powers. :-**

(1) The Board shall not delegate any administrative or financial power to any Committee other than the Executive Committee.

(2) .The Board shall not delegate any of the following powers to the Executive Committee.

(a) the power to sanction expenditure in excess of Rs. 20,000 in respect of any one item ;

(b) the power to adopt the Budget Estimates of the Board on its

(c) the power to sanction expenditure to be incurred outside India in excess of Rs. 5,000 in respect of any one item ;

(d) the power to reappropriate estimated savings in excess of Rs, 2500 in the case of any one item ;

(e) the power to write off losses in excess of Rs. 1,000 in any one

**19. Appointments :-**

Save as provided for in section 9 of the Act, all appointments to posts of officers and employees under the Board shall be made by the Board: Provided that no appointment to any post of which the maximum salary exceeds Rs. 600 per mensem shall be made without the previous sanction of the Central Government.

**20. Creation and abolition of posts :-**

The Board may on its own authority create and abolish posts carrying a maximum salary not exceeding Rs. 500 per month and, with the previous sanction of the Central Government, other posts.

**21. Allowances and remunerations :-**

Save with the previous sanction of the Central Government, no remuneration other than travelling allowance and halting allowance shall be paid to any member of the Board on account of his service as such.

**22. Export of Tea :-**

Any tea estate or sub-division of a tea estate shall, on application made in this behalf in accordance with Rule 23 to the Board for allotment of an export quota, have the right to receive an export quota: Provided that no tea estate or a sub-division of a tea estate, which ceased production for three or more consecutive seasons since the commencement of the Act, shall be eligible to get an export quota in the financial year following such three or more consecutive seasons, unless it has resumed production during the season corresponding to the financial year.

**23. Application for export quota :-**

(1) Application for export quota for any financial year shall be made in such form, as may be specified by the Board, and shall reach the Board not later than the 1st day of February of the preceding financial year.

(2) An export quota shall not be granted, without the previous sanction of the Central Government, if the application in respect thereof is not received by the Board on or before the date specified above.

**24. Crop basis :-**

(1) The crop basis of a tea estate or a sub-division of a tea estate for any financial year shall be the best crop in any of the four calendar years previous to the preceding financial year, due allowance being made for low producing areas :

Provided that when a tea estate in production has no crop basis under this rule, the assessed crop of the estate for that year may be taken as its crop basis.

(2) When the area of a tea estate or a sub-division of a tea estate

is reduced or increased by the transfer to or acquisition from another tea estate of land planted with tea, the crop basis of the estate or subdivision of the tea estate shall be reduced or increased by an amount representing as nearly as possible the contribution made by the area transferred or acquired to the crop basis of the estate of which it previously formed a part.

(3) Where a, tea estate for which a crop basis has been determined becomes two or more separate estates, the crop of each such separate estate shall be determined so as to represent as nearly as possible the contribution made by the area comprised in it to the total crop basis of the original estate.

## **25. Meaning of crop :-**

(1) Crop in the preceding rule shall, after the commencement of the Act, be construed as meaning the yield or production of manufactured tea, i.e, tea either black or green produced in the usual manner for sale in the market and as shown in the return in form R. T. 3 submitted to the Central Excise authorities under the Central Excise Rules, 1944:

Provided that in the absence of returns in form R. T. 3, the Board may determine the crop of a tea estate or sub-division of a tea estate in such manner as it thinks best.

(2) Where tea is not manufactured by tea estates concerned or when evidence of the amount manufactured is not available, the production shall be assumed to be by weight one fourth of the weight of green tea leaf produced.

## **26. Export quota and crop basis :-**

Export quota of a tea estate or sub-division of tea estate, that is, the total quantity of tea which may be exported by the owner of the tea estate or sub-division in any financial year shall be an amount bearing to the crop basis of that estate the same proportion as the export allotment in the financial year in question bears to the total of the crop basis of all the tea estates and subdivisions of tea estates in India for that year and when the export allotment is altered under proviso to section 19 of the Act, the export quota shall be deemed to be altered accordingly : Provided that when an export quota of a tea estate or a sub-division of a tea estate, has been reduced in consequence of an alteration or alterations during the financial year of the export allotment, any tea exported by the owner of a tea estate or sub-division of a tea

estate in accordance with the export quota, as subsisting for the time being, which is in excess of the amount permitted to be exported in accordance with the export quota as finally revised for the year, shall be excluded from the computation of the total quantity of tea which may be exported by that owner during the financial year.

**27. inspectors and assessors to assist in the determination of crop basis :-**

The Board may appoint Inspectors or Assessors for the purpose of insisting in the determination of the crop basis, and in the discharge of its other duties. The Board may pay to them such fees as it may decide as well as actual travelling expenses.

**28. Licence fees :-**

The Board shall charge and collect a licence fee for every export licence, special export licence, or permit issued by it at the rate of one rupee per thousand Ibs. or part thereof. Provided that the owner of a tea estate or a sub-division of a tea estate to which a quota has been allotted under section 20 of the Act may make, or the Board may require him to make, a consolidated payment of export licence fees at the rate fixed under the rules to cover the whole of the quota.

**29. Copy of accounts of quotas to be furnished to tea estates :-**

A copy of the account of export quotas maintained by, the Board under sub-section (1) of section 23 of the Act shall be furnished, on application, to the owner of a tea estate or sub-division of a tea estate who shall be required to pay a fee of Re. I in respect of each copy required.

**30. Planting of tea :-**

(1) Any person desirous of planting tea on land not planted with tea shall apply to the Board in writing and shall furnish such particulars as may be required.

(2) Subject to the limitations set out in section 13 of the Act and to any other rules made in this behalf, the Board may grant or refuse the permission applied for or may grant it in part only or may call for further information from the applicant.

(3) Permission for extension of cultivation shall not be granted to any estate if the area planted with tea in that estate exceeds 500

acres, without the previous sanction of the Central Government.

**31. Permission to plant tea :-**

The owner of a tea estate desirous of replacing tea areas by planting tea on area not planted with tea, subject to such replacement being accompanied by simultaneous uprooting of tea bushes over the area so replaced, shall apply to the Board in writing and shall submit such particulars as may be required by the Board : Provided that permission to replace shall not be granted for an area exceeding 10 per cent. of the total permissible acreage of the tea estate as on 31st day of March, 1950.

**32. Forms to be used :-**

The forms set out in the schedule to these rules shall be used for the purpose of provisions of the Act referred to in each form. The Board may either generally or in any particular case require such additions as it may consider necessary to be made to any such form.

**33. Collection of Duty of Customs :-**

The duty of customs levied under section 25 of the Act shall be collected by the same agencies and in the same manner as specified under Sea Customs Act, 1878 or as the case may be, the Land Customs Act, 1924 (19 of 1924).

**34. Budget Estimates :-**

(1) The Board shall in each year prepare a 'budget for the. ensuing year and shall submit it for the sanction of the Central Government on or before such date as may be appointed by that Government.

(2) No expenditure shall be incurred until the budget is sanctioned by the Central Government and the expenditure has received the sanction of the competent authorities.

(3) The Budget shall be in such form as the Central Government may direct and shall include a statement of : -

(a) the estimated opening balance ;

(b) the estimated receipts by way of grant from the Central Government under section 26 of the Act and from other sources ;

(c) the proposed expenditure classified under the following heads or such other heads as the Central Government may direct :-

(i) administration ;

(ii) measures for promoting the sale and increasing the consumption of tea :- (a) in India (b) outside ;

(iii) research ;

(iv) statistics;

(v) others.

(4) The proposed expenditure under each head shall be further classified under the following sub-heads :-

(i) Pay of Officers.

(ii) Pay of Establishment.

(iii) Allowances, honoraria etc.

(iv) Other charges, contingencies etc.

(5) Supplementary estimates of expenditure shall be submitted for the sanction of the Central Government in such form and on such dates as may be directed by them.

### **35. Accounts of the Board :-**

(1) The Board shall maintain accounts of all receipts and expenditure relating to each year.

(2) The audited statements of receipts and expenditure together with the auditor's report thereon shall be submitted to the Central Government as soon as possible after the close of the year.

(3) An abstract of receipts and expenditure shall be published in the Gazette of India.

(4) The accounts of receipts shall be shown under the following heads: -

(a) moneys received under Section 26 of the Act :

(b) fees realised on account of licences, permits etc. issued ;

(c) any other moneys received by the Board ;

(d) interest received from investment of such moneys as aforesaid.

(5) The total receipts only shall be shown under each of the heads specified in sub-rule (4) and the opening balance, if any, shall also be stated.

(6) Expenditure incurred in the year shall be shown under separate heads and sub-heads.

(7) The closing balance of the year shall be shown at the foot of the accounts on the expenditure side : Provided an annual proforma account on accrual basis shall also be prepared for bringing out assets and liabilities as well as the details of reserves and investments.

**36. Power to incur expenditure :-**

(1) Subject to the provisions of the Act and these rules the Board may incur such expenditure as it may think fit and write off losses upto Rs. 5,000 in any one case and may delegate to the Executive Committee or to the Chairman, or Secretary such financial powers as it may consider expedient : -

Provided that, save with the sanction of the Central Government no expenditure shall be incurred which is in excess of the sanctioned budget allotment under any head.

(2) Reappropriations between the heads of expenditure specified in rule 34(3) (c) above, shall not be made save with the previous sanction of the Central Government. Reappropriations between sub-heads within a head may, however, be made by the Board and subject to clause (d) of rule 18, the Board may delegate its powers in this behalf to the Executive Committee.

(3) The Board shall not incur expenditure outside India in excess of Rs. 50,000 on any one item without the previous sanction of the Central Government.

**37. Borrowing Powers :-**

The Board may with the previous sanction of the Central Government borrow on the security of the Tea Fund or any other of its assets for meeting its expenses or for any other purposes referred to in Section 10 of the Act : Provided that no loan shall be taken which is repayable later than six months from the date of the loan.

**38. Contracts :-**

(1) The Board may enter into contracts provided that every contract which extends over a period of more than three years or involves expenditure in excess of Rs. 1,00,000 shall require the previous sanction of the Central Government.

(2) The Board may delegate to the Executive Committee, Chairman or Secretary such power for entering into contracts on its behalf as it may think fit.

(3) Contracts shall not be binding on the Board unless they are executed by the Chairman or Vice-Chairman and by the Secretary with the previous approval of the appropriate authority concerned and the common seal of the Board is affixed thereto.

(4) Neither the Chairman nor Secretary nor any member of the Board shall be liable for any assurances or contract made by the Board but any liability arising under such assurances or contracts, shall be discharged from the moneys at the disposal of the Board.

### **39. Custody and disbursement of funds :-**

{1) The proceeds of the duty customs levied under Section 25 of the Act, shall first be credited to the Consolidated Fund of India.

(2) The said proceeds after deducting the expenses of collection shall then be credited to a Fund named the 'Tea Improvement Fund' in 'Section P-Deposits not bearing interests (B)- Reserve Funds'.

(3) The fees levied and collected by the Board under rule 28 and rule 29 shall be credited to the Tea Fund.

(4) All expenditure the Tea Board shall be charged to a separate minor Head under the Major Head "43-Industries and Supplies". The expenditure will be met from the Tea Fund to which payments to be made by the Central Government to the Board under Section 26 of the Act shall also be credited.

(5) The Current accounts of the Board shall be kept in banks approved by the Central Government.

(6) Withdrawal of funds shall require the sanction of the Chairman or the Vice-Chairman.

(7) Payments by or on behalf of the Board shall be made in cash or by cheque drawn against a current account of the Board.

### **40. Sending persons abroad :-**

The Board shall not send any officer of the Board or any member of the Board to places outside India without the previous sanction of the Central Government.

