

**THE PUNJAB INSTITUTE OF TEXTILE TECHNOLOGY
CESS ACT 1962
(III of 1962)**

CONTENTS

1. **Short title, extent and commencement.**
2. **Definitions.**
3. **Levy of cess.**
4. **Assessment and payment of cess.**
5. **Levy of a further cess in the case of non-payment of cess.**
6. **Appeal and revision.**
7. **Recovery of cess.**
8. **Textile Institutes Fund.**
9. **Expenditure of the amount by the Board.**
10. **Rules.**

TEXT

¹THE ²[PUNJAB] INSTITUTE OF TEXTILE TECHNOLOGY CESS ACT, 1962 (III of 1962)

[31 December 1962]

An
Act

*to provide for the raising of funds for the establishment and maintenance of the
Pakistan Institute of Textile Technology, Lyallpur³.*

Preamble.— WHEREAS it is expedient to provide for the raising of fund for the establishment and maintenance of the Pakistan Institute of Textile Technology, Lyallpur⁴, in the manner hereinafter appearing;

It is hereby enacted as follows:—

1. Short title, extent and commencement.— (1) This Act may be called the ⁵[Punjab] Institute of Textile Technology Cess Act, 1962.

(2) It shall extend to the whole of the province of ⁶[the Punjab], except the Tribal Areas.

(3) It shall come into force at once.

2. Definitions.— In this Act, unless the context otherwise requires, the following expressions shall have the meanings hereby respectively assigned to them, that is to say—

(a) “Board of Trustees” means the Board of Trustees appointed under the provisions of the Trust Deed;

(b) “Cess” means the cess levied under this Act;

(c) “Director” means the Director of Industries, ⁷[Punjab], and includes an officer appointed by Government to perform the duties of Director under this Act;

(d) “Government” means the ¹[Provincial Government of the Punjab];

¹This Act was passed by the West Pakistan Assembly on December 17, 1962; and on its having been assented to by the Governor of West Pakistan, it was published in the Gazette of West Pakistan (Extraordinary), dated December 31, 1962, pp. 4689-4692. For Statement of Objects and Reasons, see Gazette of West Pakistan, dated December 15, 1962 (Extraordinary), pp. 4248-4249.

²Substituted for the words “West Pakistan” by the Punjab Laws (Adaptation) Order, 1974 (1 of 1974) (w.e.f. 14.08.1973), published in the Gazette of West Pakistan (Extraordinary), dated November 20, 1974, Article 2(1) read with Schedule, Pat III, Serial No. 58.

³Now “Faisalabad”.

⁴Now “Faisalabad”.

⁵Substituted for the words “West Pakistan” by the Punjab Laws (Adaptation) Order, 1974 (1 of 1974) (w.e.f. 14.08.1973), published in the Gazette of West Pakistan (Extraordinary), dated November 20, 1974, Article 2(1) read with Schedule, Pat III, Serial No. 58.

⁶*Ibid.*

⁷*Ibid.*

- (e) “Institute” means the Pakistan Institute of Textile Technology, Lyallpur², established and maintained by the Board of Trustees under the Trust Deed;
- (f) “occupier” in relation to a textile mill means the person who has ultimate control over the affairs of the textile mill;
- (g) “prescribed” means prescribed by rules made under this Act;
- (h) “textile mill” means a factory within the meaning of clause (j) of section 2 of the Factories Act, 1934 (Act XXV of 1934), in which cotton or wool is converted into yarn or thread, or yarn or thread is woven into cloth, whether of cotton, wool, silk, rayon, synthetic fibre or an admixture thereof, but does not include any textile mill owned wholly or partly by the ³[Federal Government] or by a Corporation set up by the ⁴[Federation];
- (i) “Trust Deed” means the Trust Deed made on the 25th December 1954, by the Koh-i-Noor Textile Mills Limited, Lyallpur⁵ and the Colony Textile Mills Limited, Multan, for the purpose of establishing and maintaining the Institute.

3. Levy of cess.— (1) A cess shall, subject to the provisions of this section, be levied upon the spindles and power-looms installed in textile mills at such rates as Government may, by notification, fix from time to time:

Provided that the rates shall not exceed—

- (a) in the case of woolen textile mills—
 - (i) rupees five per spindle;
 - (ii) rupees fifty per loom; and
- (b) in the case of other textile mills—
 - (i) rupee one and twenty-five paise per spindle, where the number of spindles installed in the mill is less than ten thousand, and rupee one and fifty paise per spindle, where the number of installed spindles is ten thousand or more;
 - (ii) rupees twenty per loom:

Provided further that in the case of textile mills in which both spindles and looms are installed, the cess shall be levied on spindle or looms, whichever yields the higher cess.

(2) The cess may be levied at different rates for spindles and looms using cotton, yarn, silk, rayon, synthetic fibre or any product thereof.

¹Substituted for the words “Government of West Pakistan” by the Punjab Laws (Adaptation) Order, 1974 (1 of 1974) (w.e.f. 14.08.1973), published in the Gazette of West Pakistan (Extraordinary), dated November 20, 1974, Article 2(1) read with Schedule, Part III, Serial No. 58.

²Now “Faisalabad”.

³Substituted for the word “Central Government” by the Federal Adaptation of Laws Order, 1975 (4 of 1975), published in the Gazette of Pakistan (Extraordinary), dated August 1, 1975, Article 2(3) read with Table of General Adaptations.

⁴*Ibid.*

⁵Now “Faisalabad”.

(3) The cess may be non-recurring lump sum, or be payable annually.

(4) The cess shall be payable by the occupier of the textile mill.

(5) Government may, for any sufficient reason to be recorded, by notification, exempt any textile mill from the levy of cess, for a period not exceeding one year at a time.

4. Assessment and payment of cess.— The Director shall, in the first week of July every year or as soon thereafter as may be, assess the cess payable in respect of each textile mill and shall cause a notice to be served upon the occupier thereof requiring him to make payment of the amount so assessed in the prescribed manner within thirty days of the service of such notice.

5. Levy of a further cess in the case of non-payment of cess.— If the cess levied under section 4 is not paid within the specified period, the Director may levy a further cess not exceeding 50 per cent of the cess levied under section 4, and shall cause a notice to be served upon the occupier requiring him to make the payment of the entire amount levied under section 4 and this section in the prescribed manner within thirty days of the service of such notice.

6. Appeal and revision.— (1) Any person aggrieved by an order passed by the Director under section 4 or section 5 may, within fourteen days of the service of the notice requiring to pay the amount, prefer an appeal to Government in such manner as may be prescribed.

(2) Government may call for and examine the records of any proceedings under this Act for the purpose of satisfying themselves as to the legality or propriety of any order passed by the Director.

(3) If in case it shall appear to Government that any order passed by the Director under section 4 or section 5 should be set aside or modified, Government may pass such order thereon as may be deemed fit:

Provided that no such order shall be passed unless, in the case of appeal, the appellant, and in any other case the party to be affected adversely, has been given a reasonable notice to appear and be heard.

(4) Subject to any order passed by Government under the last preceding sub-section, the order passed by the Director under section 4 or section 5, as the case may be, shall be final.

7. Recovery of cess.— (1) A certificate issued by the Director showing that any sum is due on account of the cess shall be conclusive proof thereof.

(2) The Director may take such measures as he may consider necessary to realize the amount of the cess due in such manner as may be prescribed.

(3) Any sum due on account of the cess shall be recoverable as an arrear of land revenue.

8. Textile Institutes Fund.— (1) There shall be a fund to be known as the Textile Institutes Fund (hereinafter referred to as the "Fund").

(2) The Fund shall consist of—

- (i) the proceeds of the cess, after deduction of such expenses on collection and recovery as may be directed by Government to be deducted;
 - (ii) grants, if any, made by Government; and
 - (iii) any donations made to the Fund.
- (3) Such amount out of the Fund as may be specified by Government shall be paid to the Board of Trustees at such time and in such manner as may be prescribed.
- (4) The Director shall keep accounts relating to the Fund and shall maintain such registers as may be prescribed.
- (5) The amount left in the Fund after payment of the sums under sub-section (3) may be utilized by Government for purposes of any institution of textile technology in [the Punjab] as Government may deem fit.

9. Expenditure of the amount by the Board.— The Board of Trustees shall be entitled to spend the amount received by them under sub-section (3) of section 8 for the purpose of the establishment and maintenance of the institute subject to the provisions of the Trust Deed and such terms and conditions as may be specified by Government.

10. Rules.— (1) Government may frame rules² to carry out the purposes of this Act.

- (2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for—
- (a) the manner in which notice under section 4 or section 5 shall be served on an occupier;
 - (b) the arrangements that shall be made and the procedure that shall be followed in the recovery of the arrears of the cess;
 - (c) the manner in which appeals under section 6 shall be preferred;
 - (d) the terms and conditions under which the Board of Trustees shall expend the amount made over to the Board under sub-section (3) of section 8;
 - (e) the registers and the forms in which the account relating to the cess shall be kept; and
 - (f) the directions which Government may consider necessary to issue to the Board of Trustees for the purpose of the Trust.

¹Substituted for the words "West Pakistan" by the Punjab Laws (Adaptation) Order, 1974 (1 of 1974) (w.e.f. 14.08.1973), published in the Gazette of West Pakistan (Extraordinary), dated November 20, 1974, Article 2(1) read with Schedule, Part III, Serial No. 58.

²The rules titled "the West Pakistan Institute of Textile Technology Cess (Assessment, Payment and Appeal) Rules, 1963" were issued vide Notification No. IV-5-6/63(iv), dated June 15, 1963, by Industries, Commerce and Mineral Resources Department, published in the Gazette of West Pakistan (Extraordinary), dated June 17, 1963, p. 2643.