

Cotton Textiles Cess Act, 1948

Section 1 - SHORT TITLE, EXTENT AND COMMENCEMENT

COTTON TEXTILES CESS ACT, 1948 COTTON TEXTILES CESS ACT, 1948 7 of 1948 1st March 1948
STATEMENT OF OBJECTS AND REASONS "The Government of India have recently relaxed their controlled prices of cotton textiles, and are now leaving the fixation of prices to the industry who have assured Government that they will fix reasonable prices. Government have decided to collect from mills or stock-holders, for the benefit of the public revenues, the difference between the old and the new prices of cloth. At present Government have no power to collect this cess, and the Bill is designed to give them this power." -Gaz. of Ind., 7-2-1948, Pt. V, p. 77. Prefatory Note"Statement of Objects and Reasons."The Cotton Textiles Cess Act, 1948 (7 of 1948) was enacted on 1st March, 1948, to impose a cess on the manufacture of certain cotton textiles. The Act provides for imposition of penalty in case of non -payment of cess, recovery of cess and penalty as arrears of land revenue, inspection of books or documents belonging to a producer or dealer, entry and search of any premises and seizure of cloth or yarn. The Act was never activated. 2. Presently most of the developmental activities concerning the textile industry and trade are monitored by the Ministry of Textile with coordination and assistance of related Councils and Statutory Bodies. The Textile Committee constituted under the Textile Committee Act. 1963 is collecting cess at the rate of 0.05 per cent ad valorem under the provisions of the Act. Under the existing industrial and trade scenario, the textile industry is not in a position to absorb levy of any further cess. Moreover, since the Act was never activated, it is redundant and its repeal will have no financial implications. The Commission headed by Shri P.C. Jain, on Review of Administrative Laws has also recommended repeal of the Act. 3. The Bill seeks to achieve the aforesaid objects. An Act to impose a cess on 1[the manufacture of certain cotton textiles]. WHEREAS it is expedient to impose a cess on 1 [the manufacture of certain cotton textiles]; It is hereby enacted as follows :-
1) This Act may be called the Cotton Textiles Cess Act, 1948. (2) It extends to the whole of India, except 2 [the territories which, immediately before the 1 st November, 1956, were comprised in Part B States]. (3) It shall be deemed to have come into force on the 31st day of December, 1947.