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PART III—Acts of the West Bengal Legislature.

GOVERNMENT OF WEST BENGAL

LAW DEPARTMENT

Legislative

NOTIFICATION

No. 1092-L.—13th September, 2017.—The following Act of the West Bengal Legislature, having been assented to by the Governor, is hereby published for general information:—

West Bengal Act XXX of 2017

THE WEST BENGAL SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES DEVELOPMENT AND FINANCE CORPORATION ACT, 2017.

[Passed by the West Bengal Legislature.]

[Assent of the Governor was first published in the Kolkata Gazette, Extraordinary, of the 13th September, 2017.]

An Act to establish a Scheduled Castes, Scheduled Tribes and Other Backward Classes Development and Finance Corporation in West Bengal.

WHEREAS it is expedient to provide for the establishment of a Scheduled Castes, Scheduled Tribes and Other Backward Classes Development and Finance Corporation in West Bengal;

It is hereby enacted in the Sixty-eighth Year of the Republic of India, by the Legislature of West Bengal, as follows:—

*The West Bengal Scheduled Castes, Scheduled Tribes
and Other Backward Classes Development and Finance
Corporation Act, 2017.*

(Sections 1-4.)

Short title, extent
and
commencement

1. (1) This Act may be called the West Bengal Scheduled Castes, Scheduled Tribes and Other Backward Classes Development and Finance Corporation Act, 2017.

(2) It extends to the whole of West Bengal.

(3) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

Definitions.

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

(a) “the Corporation” means the Scheduled Castes, the Scheduled Tribes and the Other Backward Classes Development and Finance Corporation established under sub-section (1) of section 3;

(b) “marketing” includes all activities in connection with the transport, grading, pooling, marketing and sale of industrial produce, whether in the primary form or in semi-processed or processed form;

(c) “notification” means a notification published in the *Official Gazette*;

(d) “Other Backward Classes” means such classes as the State Government may, by notification, specify from time to time;

(e) “prescribed” means prescribed by rules made under this Act;

(f) “Scheduled Castes” shall have the same meaning as in clause (24) of article 366 of the Constitution of India (hereinafter referred to as the Constitution);

(g) “Scheduled Tribes” shall have the same meaning as in clause (25) of article 366 of the Constitution of India (hereinafter referred to as the Constitution);

(h) “traditional occupation” means caste or community based occupations followed by the Scheduled Castes, the Scheduled Tribes and the Other Backward Classes.

Incorporation.

3. (1) With effect from such date as the State Government may, by notification, appoint, there shall be established for the purposes of this Act a Corporation, namely, the West Bengal Scheduled Castes, Scheduled Tribes and Other Backward Classes Development and Finance Corporation.

(2) The Corporation shall be a body corporate with perpetual succession and a common seal, and may sue or be sued in its corporate name, and shall be competent by the name notified under sub-section (1), having perpetual succession and a common seal, and shall by the said name sue and be sued.

Constitution of
the Corporation.

4. (1) The Corporation shall consist of the following members, namely:—

(a) the Secretary or his representative not below the rank of Joint Secretary, Department of Agriculture, Government of West Bengal, *ex officio*;

(b) the Secretary or his representative not below the rank of Joint Secretary, Department of Animal Resources Development, Government of West Bengal, *ex officio*;

(c) the Secretary or his representative not below the rank of Joint Secretary, Department of Co-operation, Government of West Bengal, *ex officio*;

(d) the Secretary or his representative not below the rank of Joint Secretary, Department of Cottage and Small Industries, Government of West Bengal, *ex officio*;

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and Other Backward Classes Development and Finance
Corporation Act, 2017.*

(Sections 5, 6.)

- (e) the Secretary or his representative not below the rank of Joint Secretary, Department of Forests, Government of West Bengal, *ex officio*;
- (f) the Secretary or his representative not below the rank of Joint Secretary, Department of *Panchayats* and Rural Development, Government of West Bengal, *ex officio*;
- (g) the Secretary or his representative not below the rank of Joint Secretary, Backward Classes Welfare Department, Government of West Bengal, *ex officio*;
- (h) the Chairman of the West Bengal Khadi and Village Industries Board established under section 3 of the West Bengal Khadi and Village Industries Board Act, 1959, *ex officio*;
- (i) such number of other members not exceeding twenty but not less than six, as the State Government may, appoint:

West Ben. Act.
XIV of 1959.

Provided that at least—

- (i) two members of the Corporation shall be from amongst the members of Scheduled Castes;
- (ii) two members of the Corporation shall be from amongst the members of Scheduled Tribes; and
- (iii) two members of the Corporation shall be from amongst the members of Other Backward Classes.

(2) The State Government shall appoint one of the members of the Corporation as the Chairperson and may, if it deems fit, appoint another member as the Vice-Chairperson of the Corporation.

(3) In the event of the capital of the Corporation being raised by the issue of shares to the members of the public, provision shall be made by rules made under this Act for the representation of such share-holders in the Corporation and the manner in which the representatives shall be elected by such share-holders.

(4) The term of office, and the manner of filling casual vacancies amongst the members of the Corporation shall be such as may be prescribed.

Disqualification
of membership.

5. A person shall be disqualified for being nominated as, and for being, a member of the Corporation—

- (a) if he is a lunatic or a person of unsound mind, or
- (b) if he has been adjudged insolvent, or
- (c) if he has been convicted of an offence involving moral turpitude, or
- (d) if he has directly or indirectly any interest in any subsisting contract made with, or in any work being done for, the Corporation except as a share-holder (other than a Director) in an incorporated company, provided that where he is a share-holder, he shall disclose to the State Government the nature and extent of the shares held by him in such company, or
- (e) if he has any financial interest in any work undertaken by the Corporation for execution.

Resignation of
Chairperson,
Vice-Chairperson
and other
members.

6. The Chairperson, the Vice-Chairperson, if any, or any other member of the Corporation, may resign his office by giving notice in writing to the State Government and on such resignation being accepted, shall be deemed to have vacated his office.

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Corporation Act, 2017.*

(Sections 7-10.)

Removal from
office of
Chairperson,
Vice-Chairperson
or other members.

7. The State Government may, by order, remove from office the Chairperson, the Vice-Chairperson, if any, or any other member of the Corporation, who—

- (a) has refused to act, or
- (b) has become incapable of acting, or
- (c) without excuse, sufficient in the opinion of the State Government, is absent from more than four consecutive meetings of the Corporation, or
- (d) has so abused his position as to render his continuance in the Corporation detrimental to the interest thereof or of the general public, or
- (e) is otherwise unfit to continue as a member.

Validity of acts
and proceedings.

8. No act or proceeding of the Corporation shall be invalid by reason only of the existence of any vacancy amongst its members or any defect in the constitution thereof.

Head office and
other offices,
transaction of the
business of the
Corporation.

9. (1) The Corporation shall establish its head office at such place in the State as the State Government may specify and may, with the previous sanction of the State Government, establish offices or agencies in any other place in the State.

(2) The Corporation shall meet at such time and place and shall, subject to the provisions of sub-section (3), observe such rules of procedure in regard to the transaction of its business as may be provided by regulations made under this Act.

(3) The Chairperson shall preside at the meetings of the Corporation or, in his absence from any meeting, the Vice-Chairperson, if any, or, in the absence of both the Chairperson and the Vice-Chairperson, such member as may be chosen by the members present from amongst themselves.

(4) All questions at a meeting of the Corporation shall be decided by majority of votes of the members present and voting and, in the case of equality of votes, the Chairperson or, in his absence, any other person presiding shall have a second or casting vote.

Officers and
employees of the
Corporation.

10. (1) The Corporation shall have a Managing Director, a General Manager and a Chief Accounts Officer, who shall be appointed by the State Government.

(2) The Corporation may appoint such other officers and employees subordinate to the Managing Director, as it considers necessary for the efficient performance of its duties and functions.

(3) The conditions of appointment and service of the officers and other employees of the Corporation and their scales of pay shall,—

- (a) as regards the Managing Director, the General Manager and the Chief Accounts Officer, be such as may be prescribed, and
- (b) as regards the other officers and employees, be such as may, subject to the approval of the State Government, be determined by regulations made under this Act.

(4) The Managing Director shall be the executive head of the Corporation and all other officers and employees of the Corporation shall be subordinate to him.

(5) The Corporation may, subject to such conditions and limitations as it may specify, authorize the Managing Director to exercise such powers and perform such duties as it may deem necessary for the efficient administration of its business.

(6) The Chief Accounts Officer shall have the right to record his views on every proposal involving expenditure from the funds of the Corporation, prior to the consideration of such proposal by the Corporation.

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and Other Backward Classes Development and Finance
Corporation Act, 2017.*

(Sections 11-13.)

Officers and employees of the Corporation not to have any interest in contract etc.

11. No person who has directly or indirectly by himself or by his partner or agent, any share or interest in any contract, by or on behalf of the Corporation or in any work undertaken by the Corporation, shall become or remain an officer or other employee of the Corporation.

Authentication.

12. All orders and decisions of the Corporation shall be authenticated by the signature of the Chairperson or any other member authorised by the Corporation in this behalf and all other instruments issued by the Corporation shall be authenticated by the signature of the Managing Director or by any other officer of the Corporation authorised by the Managing Director in this behalf.

Functions of the Corporation.

13. (1) Subject to the provisions of this Act, the functions of the Corporation shall be to undertake generally the task of economic welfare of the members of the Scheduled Castes, the Scheduled Tribes and the Other Backward Classes through industrial and commercial activities.

(2) In particular and without prejudice to the generality of the provisions of clause (1), the functions of the Corporation shall be—

- (a) to plan and promote training programmes for increasing the skill and efficiency in different traditional occupations and to establish vocational institutes for the purpose;
- (b) to promote employment opportunities in various trades and crafts, and to sanction stipends for training in different training institutes;
- (c) to provide necessary infrastructure in connection with all traditional occupations;
- (d) to encourage and undertake setting up of manufacturing and processing units on commercial basis;
- (e) to promote entrepreneurship by sponsoring self-employment programmes in different trades, crafts and business with the assistance of various financial institutions;
- (f) to arrange the supply of necessary inputs at reasonable prices for different trades and crafts and to acquire and initiate suitable machinery and equipments for the purpose of hiring out;
- (g) to plan, promote and undertake, on its own or in collaboration with such agencies as may be approved by the Corporation, programmes of agricultural or horticultural development, marketing, processing, supply and storage of agricultural produce, small scale industry, building construction, transport and such other business, trade or activity as may be approved in this behalf by the State Government;
- (h) to arrange for in-service training, apprenticeship and dealership in different factories, commercial organisations and industrial complexes;
- (i) to provide financial assistance by way of grants, subsidies and loans, in cash or kind, for such purposes as may be approved by the Corporation and also by providing cash credit accommodation against hypothecation of their products;
- (j) to find out resources for financing all programmes to be undertaken by the Corporation and, to that end, to receive grants and gifts, raise loans, issue bonds and debentures, draw, make, accept, discount, execute and issue promissory notes, bills of exchange, hundies, bills, warrants, debentures and other negotiable instruments;

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Corporation Act, 2017.*

(Sections 14-16.)

- (k) to invest or deposit surplus funds in Government securities or in such other means to be approved by the Corporation;
- (l) to continue and to run the works and programmes transferred to the Corporation by the State Government for operation and to adopt suitable changes for their better execution;
- (m) to discharge such other functions as may be prescribed or as are supplemental, incidental or consequential to any of the functions conferred on it under this Act.

General powers of
the Corporation.

14. Subject to the other provisions of this Act, the Corporation shall have powers—

- (1) to acquire or hold such property, both movable and immovable, as the Corporation may deem necessary for the purpose of any of its functions and to lease, sell, exchange or otherwise transfer any property held by it on such conditions as may be deemed proper by the Corporation;
- (2) to purchase by agreement or to take on lease or under any form of tenancy and land and to erect thereon such buildings as may be necessary for the purpose of exercising its powers and performing its functions;
- (3) to enter into, or to perform, such contracts as may be necessary for the discharge of its functions and exercise its powers under this Act;
- (4) to provide facilities for the consignment, storage and delivery of goods;
- (5) with the prior approval of the State Government, to do all other things to facilitate the carrying on of its undertakings and the functions of the Corporation.

Corporation to act
on business
principles.

15. (1) It shall be the general principle of the Corporation that in carrying on its undertakings, it shall act on business principles.

(2) The State Government may, from time to time, issue, in writing, to the Corporation such general or special directions in matters of policy as it may think necessary or expedient for the purpose of carrying out the purposes of this Act, and the Corporation shall be bound to follow and act upon such directions.

Capital of the
Corporation.

16. (1) The State Government may provide to the Corporation such capital in the form of equity as the State Government may consider necessary for the purpose of carrying out all or any of its functions under this Act, subject to such terms and conditions not inconsistent with the provisions of this Act as the State Government may determine.

(2) The Corporation may supplement its capital by the issue of shares when so authorised by the State Government.

(3) The authorised capital of the Corporation shall be five hundred crores of rupees which shall be divided into such number of shares as the State Government may determine, and the number of shares which may be subscribed by the State Government and the members of the public shall also be determined by the State Government:

Provided that the value of the shares to be subscribed by the State Government shall at any point of time be not less than fifty-one *per centum* of the authorised capital.

(4) The allotment of shares to the members of the public under sub-section (3), shall be made by the Corporation in such manner as may be prescribed.

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(Sections 17-23.)

(5) The shares of the Corporation shall not be transferable except in accordance with such rules as may be made under this Act.

(6) The Corporation may, at any time, with the previous approval of the State Government, redeem the shares issued to the members of the public in such manner as may be prescribed.

Additional capital.

17. If after the issue of shares under sub-section (2) of section 16, the Corporation requires any further capital, the Corporation may, with the previous sanction of the State Government, raise such additional capital by the issue of new shares and the provisions of sub-sections (3), (4), (5) and (6) of section 16 shall, *mutatis mutandis*, apply to such shares.

Guarantee by State Government in respect of shares.

18. The shares of the Corporation shall be guaranteed by the State Government as to the payment of the principal.

Borrowing by the Corporation.

19. (1) The Corporation may, with the previous approval of the State Government, borrow money in the open market or from banks and financial institutions or otherwise for carrying out any of its functions under this Act.

(2) Money borrowed by the Corporation under sub-section (1), may be guaranteed by the State Government in such manner as it may think fit as to the repayment of the principal and the payment of interest.

Receipts into, and payments from, the general fund of the Corporation.

20. All receipts of the Corporation shall be carried into its general fund and all payments by the Corporation shall be made therefrom.

Dividends on shares.

21. (1) The Corporation shall pay dividends on shares at such rate as may from time to time be fixed by the State Government, subject to any general limitations which may be imposed by the State Government, and the payment of such dividend shall be deemed to be a part of the expenditure of the Corporation.

(2) Notwithstanding anything contained in sub-section (1), the State Government shall not provide any money for the purpose of payment of dividend by the Corporation.

Reserve and other funds.

22. (1) The Corporation shall make such provisions for such reserve and other specially denominated funds as the State Government may, from time to time, direct.

(2) The management of the funds referred to in sub-section (1), the sums to be transferred from time to time to the credit thereof and the application of the money comprised therein shall be determined by the Corporation.

(3) None of the funds referred to in sub-section (1) shall be utilised for any purpose other than that for which it was constituted without the previous approval of the State Government.

Expenditure from the fund.

23. The Corporation shall have the authority to spend such sums as it thinks fit for the purposes authorised under this Act from out of the fund of the Corporation referred to in section 21 or from the reserve and other funds referred to in sub-section (1) of section 23, as the case may be.

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and Other Backward Classes Development and Finance
Corporation Act, 2017.*

(Sections 24-28.)

Budget.

24. (1) The Corporation shall, by such date in each year as may be prescribed, prepare and submit to the State Government for approving the budget for the succeeding financial year showing the estimated receipts and expenditure during the succeeding financial year in such form and detail as may be prescribed.

(2) The Corporation may sanction any re-appropriation within the grant from one head of expenditure to another or from a provision made for one work to that in respect of another, subject to the condition that the aggregate of the grant is not exceeded.

(3) The Corporation may, with the prior approval of the State Government, incur expenditure within such limits and subject to such conditions as may be prescribed, in excess of the limit provided in the budget approved by the State Government under any head of expenditure or in connection with any particular work:

Provided that all such expenditures are brought to the notice of the State Government by a supplementary financial statement.

(4) A copy of the budget and the supplementary financial statement, if any, shall be placed before the State Legislature, as soon as may be, after the approval of the budget and receipt of the supplementary financial statement by the State Government.

Accounts and
Audit.

25. (1) The Corporation shall maintain books of account and other books in relation to its business and transactions, in such form and in such manner, as may be prescribed.

(2) The accounts of the Corporation shall be audited by the Auditor appointed by the State Government in this behalf at such times and in such manner as may be prescribed.

(3) As soon as the accounts of the Corporation have been audited, the Corporation shall send a copy thereof together with a copy of the report of the Auditor thereon to the State Government.

Power of State
Government to
issue instructions.

26. The State Government may issue to the Corporation general instructions to be followed by the Corporation and such instructions may include directions relating to recruitment, the conditions of service and training of its employees, the wages to be paid to the employees, the reserves to be maintained by it and the disposal of its property, movable or immovable, and the Corporation shall be bound to follow such instructions.

Furnishing of
returns etc.

27. (1) The Corporation shall furnish to the State Government such returns, statistics, accounts and other information with respect to its property or activities or in regard to any proposed work as the State Government may from time to time require.

(2) The Corporation shall also furnish to the State Government an annual report on its working as soon as may be after the end of each year, and a copy of the annual report shall be placed before the State Legislature, as soon as may be, after it is received by the State Government.

Supersession of
the Corporation.

28. (1) The State Government may, by order published in the *Official Gazette*, supersede the Corporation for such period as may be specified in the order after giving a reasonable opportunity to the Corporation to show cause against the order proposed to be issued and after considering the objection, if any, of the Corporation:

Provided that it shall not be necessary to give any opportunity to the Corporation to show cause against the order proposed to be issued if the State Government is of the opinion that it is neither expedient nor necessary to do so in the public interest.

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Corporation Act, 2017.*

(Sections 29-31.)

(2) Upon the publication of the order under sub-section (1) superseding, the Corporation—

- (a) all the members of the Corporation shall as from the date of supersession vacate their offices as such members;
- (b) all the powers and duties which may by or under the provisions of this Act or of any other law for the time being in force be exercised or performed by or on behalf of the Corporation shall, during the period of supersession, be exercised and performed by such person or persons as the State Government may direct;
- (c) all property vested in the Corporation shall during the period of supersession vest in the State Government.

(3) On the expiration of the period of supersession as specified in the order issued under sub section (1), the State Government may—

- (a) extend the period of supersession for such further period as it may consider necessary, or
- (b) reconstitute the Corporation in the manner provided in this Act for establishing the Corporation.

Liquidation of the Corporation.

29. No provision of any law relating to the winding up of companies or corporations shall apply to the Corporation and the Corporation shall not be placed in liquidation save by an order of the State Government and save in such manner as may be directed by the State Government.

Recovery of sums due.

30. All sums payable by any person to the Corporation or recoverable by it, by or under this Act shall, without prejudice to any other mode of recovery, be recoverable, on the application of the Corporation, as an arrear of land-revenue under the Bengal Public Demands Recovery Act, 1913.

Ben. Act III of 1913.

Power to make rules.

31. (1) The State Government may, by notification in the *Official Gazette*, make rules to give effect to the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the conditions and manner of appointment and election of members of the Corporation, the representation in the Corporation of the State Government, and where shares are issued to the members of the public under section 18 or section 19, the representation of such shareholders, and generally all matters relating to the constitution of the Corporation;
- (b) the remuneration, allowance or fees to be paid to the members of the Corporation;
- (c) the term of office of members of the Corporation and the manner of filling casual vacancies in the offices of such members;
- (d) the number of the members necessary to constitute a quorum at a meeting of the Corporation;
- (e) the conditions of appointment, service and scales of pay of the Managing Director, the General Manager, and the Chief Accounts Officer;
- (f) the manner in which the shares of the Corporation shall be allotted, transferred or redeemed;

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(Sections 32, 33.)

- (g) the manner in which the net profits of the Corporation shall be utilised;
- (h) the date by which, and the form in which, the budget shall be prepared and submitted in each year and the limits and conditions under which the Corporation may incur expenditure in excess of the limit provided in the budget under section 24;
- (i) the form and the manner in which the accounts of the Corporation shall be maintained;
- (j) the time at which and the manner in which the accounts of the Corporation shall be audited;
- (k) the form in which returns, statistics and reports shall be submitted under section 27;
- (l) any other matter which has to be or may be prescribed.

Regulations.

32. (1) The Corporation may, with the previous sanction of the State Government, make regulations, not inconsistent with this Act and the rules made thereunder, for the administration of the affairs of the Corporation.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

- (a) the time and place of meetings of the Corporation and the procedure to be followed in regard to transaction of business at such meetings;
- (b) the conditions of appointment and service and the scales of pay of officers and employees of the Corporation other than the Managing Director, the General Manager and the Chief Accounts Officer not inconsistent with the extant rules of the State Government.

Repeal and savings.

33. (1) The West Bengal Scheduled Castes and Scheduled Tribes Development and Finance Corporation Act, 1976 and the West Bengal Backward Classes Development and Finance Corporation Act, 1995, are hereby repealed.

West Ben. Act
XXXIX of 1976.
West Ben. Act
XIX of 1995.

(2) Notwithstanding such repeals, anything done or any action taken under the West Bengal Scheduled Castes and Scheduled Tribes Development and Finance Corporation Act, 1976 and the West Bengal Backward Classes Development and Finance Corporation Act, 1995, shall be deemed to have been validly done or taken under the principal Acts.

(3) Upon such repeal—

- (a) all properties, funds and assets under the control of West Bengal Scheduled Castes and Scheduled Tribes Development and Finance Corporation and West Bengal Backward Classes Development and Finance Corporation and all rights, liabilities and obligations, acquired or incurred by the corporations under the repealed Acts before the commencement of this Act, shall vest in the Corporation in accordance with such order as the State Government may make in this behalf.
- (b) all legal proceedings or remedies instituted or enforceable by or against the corporations under the repealed Acts before the commencement of this Act, may be continued or enforced, as the case may be, by or against the Corporation as established under this Act or until the Corporation is so established, by or against such officer or Authority as the State Government may, by order, specify.
- (c) all officers and other persons in the employment of the corporations under the repealed Acts immediately before the commencement of this Act, shall, until any other provision is made, continue in the service of the

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Corporation Act, 2017.*

(Section 33.)

Corporation as established under this Act, and shall hold his office or service therein by the same tenure, at the same remuneration, upon the same terms and conditions, with the same obligations and with the same rights and privileges as to leave, leave fare concession, welfare scheme, medical benefit scheme, insurance, provident fund, other funds, retirement, voluntary retirement, gratuity and other benefits as held by him in the corporations under the repealed Acts and shall continue to do so as an officer or, as the case may be, other employee of the Corporation or until the expiry of a period of six months from the date of coming into force of the Act, if such officer or other employee opts not to continue to be the officer or other employee of the Corporation within such period.

By order of the Governor,

MADHUMATI MITRA,
*Secy. to the Govt. of West Bengal,
Law Department.*