

THE DHOTIES (ADDITIONAL EXCISE DUTY) ACT, 1953

No. 39 OF 1953

See India Code,  
Vol. VII B.



[16th December, 1953]

An Act to provide for the levy and collection of an additional excise duty on dhoties issued out of mills in excess of the quota fixed for the purpose.

**B** it enacted by Parliament as follows:—

**1. Short title, extent and commencement.**—(1) This Act may be called the Dhoties (Additional Excise Duty) Act, 1953.

(2) It extends to the whole of India ~~except the State of Jammu and Kashmir~~ <sup>xxx 1/2</sup>

(3) It shall be deemed to have come into force on the 26th day of October, 1953.

**2. Definitions.**—In this Act,—

(a) 'dhoti' means any type of grey or bleached cloth of plain weave which—

(i) is manufactured by a mill either wholly from cotton or partly from cotton and partly from any other material;

(ii) contains coloured yarn on its borders;

(iii) has a width ranging between twenty-eight inches and fifty-four inches; and

(iv) is commonly known by that name;

(b) 'mill' means any building or place in which cotton yarn is spun and dhoties are manufactured by machinery moved otherwise than by manual labour, and includes every part of such building or place;

(c) 'permissible quota' means the quota referred to in section 3;

(d) 'quarter' means the period of three months ending on the last day of March, June, September and December.

**3. Permissible quota.**—(1) The permissible quota of dhoties which may be issued out of any mill during any quarter, whether the dhoties were manufactured during that quarter or at any time previous thereto, shall be one-fourth of sixty per cent. of the total quantity of dhoties packed by that mill during the relevant period.

*1/2 omitted by Act 31 of 1957, S. 2.* (Price annas 2 or 3 d.)

1/2 Ins. by Act 31 of 1952, S. 4.

2/2 Ins. *ibid* S. 5.

314

*Dhoties (Additional Excise Duty)*

[Act 39

*Explanation I.*—For the purposes of sub-section (1), the Central Government shall, by notification in the Official Gazette, fix for all mills any period of twelve months which has expired before the commencement of this Act as the relevant period, and where any such period has been so fixed, the total quantity of dhoties packed by any mill during that period shall be determined with reference to the returns furnished in that behalf by the mill to the Textile Commissioner to the Government of India under the Cotton Textiles (Control) Order, 1948:

Provided that where, in the case of any mill, the relevant period so fixed is not applicable by reason of the fact that the mill came into existence or commenced working only during or after the expiry of the relevant period, the Central Government may, by a like notification, fix the permissible quota in respect thereof to be such quantity as, in its opinion, is reasonable, having regard to the machinery and other equipment installed therein and to the other circumstances of the case.

*Explanation II.*—The permissible quota for the quarter of the year 1953 remaining unexpired at the commencement of this Act shall bear the same proportion to one-fourth of the said sixty per cent. or, as the case may be, to the permissible quota fixed under the proviso to *Explanation I* as the total number of days remaining unexpired bears to the total number of days in the quarter.

(2) Notwithstanding anything contained in sub-section (1), if, in the case of any mill or class of mills, the Central Government is of opinion that due to economic reasons connected with the nature of the machinery or other equipment installed therein a higher percentage than that specified in sub-section (1) should be fixed in respect thereof, it may, by notification in the Official Gazette, fix the permissible quota for a quarter for the mill or class of mills as one-fourth of such higher percentage as it may think fit, and where any such notification has been issued, the quota so fixed shall be deemed to be the permissible quota for the mill or class of mills within the meaning of this Act.

2/2 [Covered by any group of mills] 4. Levy of additional duty of excise on dhoties.—(1) Where the quantity of dhoties issued out of any mill on or after the 26th day of October, 1953, exceeds in any quarter the permissible quota for that quarter, there shall be levied and collected on that quantity of dhoties so issued which is in excess of the permissible quota a duty of excise at the rate or rates which may be applicable thereto as specified in the Schedule.

(2) The duty of excise referred to in sub-section (1) shall be in addition to the duty of excise chargeable on cloth under the Central Excises and Salt Act, 1944 (I of 1944), and the Khadi and other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953 (12 of 1953), and shall be levied and collected in the same manner as the duty of excise on cloth is levied and collected under the Central Excises and Salt Act, 1944, and the provisions of that Act and the rules thereunder, as far as may be applicable in this behalf, shall apply accordingly.

OF 1953 <sup>2</sup>/<sub>2</sub> [117]

*Dhoties (Additional Excise Duty)*

11315

5. **Power to make rules.** The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act, including, in particular, the submission of returns or other information relating to the manufacture or issue of dhoties by mills to such authority as may be specified in this behalf.

6. **Repeal of Ordinance 6 of 1953.** The Dhoties (Additional Excise Duty) Ordinance, 1953 (6 of 1953) is hereby repealed. /xxx 2

**THE SCHEDULE**

(See section 4)

Rate of duty. <sup>3x</sup>  
[or any group of mills]

Where the quantity of dhoties issued out of any mill during any quarter is in excess of the permissible quota for that quarter—

- (1) in respect of the quantity which does not exceed the permissible quota by more than 12½% thereof Two annas per yard
- (2) in respect of the quantity which exceeds the permissible quota by more than 12½% thereof but does not exceed it by more than 25% Three annas per yard
- (3) in respect of the quantity which exceeds the permissible quota by more than 25% thereof but does not exceed it by more than 50% Four annas per yard
- (4) in respect of the quantity which exceeds the permissible quota by more than 50% thereof Eight annas per yard

<sup>1</sup>/<sub>2</sub> Repealed by Act 36 of 1957, s. 2 & sch. I

<sup>2</sup>/<sub>2</sub> Re-numbered and inserted by Act 31 of 1957, s. 5-B

<sup>3</sup>/<sub>2</sub> Ins. subd. 5. 7.