

**THE PETROLEUM PRODUCTS (DEVELOPMENT
SURCHARGE) ORDINANCE, 1961**

ORDINANCE NO. XXV OF 1961

[1st July, 1961]

An Ordinance to provide for the levy and collection of a development surcharge on petroleum products and for matters connected therewith. *

WHEREAS it is expedient to provide for the levy and collection of a development surcharge on petroleum products and for matters connected therewith;

NOW, THEREFORE, in pursuance of the Proclamation of the seventh day of October, 1958, and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Ordinance:-

Short title,
extent and
commencement

1. (1) This Ordinance may be called the Petroleum Products (Development Surcharge) Ordinance, 1961.

(2) It extends to the whole of Bangladesh.

(3) It shall come into force at once, and shall be deemed to have taken effect on the first day of August, 1959.

Definitions

2. In this Ordinance, unless there is anything repugnant in the subject or context,-

(1) "Company" means a company specified in the Second Schedule;

(2) "Development surcharge" means the surcharge payable under section 3;

(3) "Differential margin" means the amount by which the fixed sale price exceeds the prescribed price;

* Throughout this Ordinance, the words "Bangladesh" and "Government" were substituted respectively for the word "Pakistan" and "Central Government" by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

- (4) “Fixed sale price” means the *ex-Installation* sale price as in force on the thirty-first day of July, 1959, or the price, if any, approved by the Government;
- (5) “Petroleum Product” means any petroleum product specified in the First Schedule; and
- (6) “Prescribed price” means the *ex-Installation* price as determined in accordance with the rules made under section 6.

3. ¹[(1)] Subject to the provisions of this Ordinance, every company shall pay to the Government a development surcharge equal to the differential margin in respect of the quantities of petroleum products sold by the company through an installation except for export:

Levy of
Development
Surcharge

Provided that where the prescribed price of any petroleum product exceeds its fixed sale price, the Government may, by order in writing, permit the company to deduct the amount of such excess from the differential margin in respect of the other petroleum products.

(2) [Omitted by section 3 and the Second Schedule of the *Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973)*.]

(3) Any amount due as development surcharge under sub-section (1) ²[* * *] and not paid within the time allowed by the Government or any officer authorised by it in that behalf shall be recoverable as arrears of land revenue.

4. (1) Notwithstanding anything contained in any other law, no company shall sell *ex-Installation* any petroleum product at a price higher than the fixed sale price.

Maximum sale
price

¹ The bracket and figure “(1)” was inserted by section 3 and the Second Schedule of the *Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973)*.

² The words, brackets and figure “or arrears thereof under sub-section (2)” were omitted by section 3 and the Second Schedule of the *Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973)*.

(2) A contravention of sub-section (1) shall be deemed to be a contravention of an order made under section 3 of the ¹[Essential Commodities Act, 1957 (III of 1957)], and all the provisions of that Act shall have effect accordingly.

(3) Nothing in this Ordinance shall be deemed to have or ever to have had the effect of retrospectively creating any offence or of retrospectively enhancing the punishment for any offence provided in any law for the time being in force.

Allowance to be made for development surcharge for purposes of income-tax

5. Notwithstanding anything contained in any other law, the amount of the development surcharge paid by a company under section 3 shall be an expenditure for which allowance is to be made in computing profits or gains under ²[Chapter V and Chapter VI of the Income-tax Ordinance, 1984 (Ord. No. XXXVI of 1984)].

Power to make rules

6. (1) The Government may, by notification in the *official Gazette*, make rules for carrying out the purposes of this Ordinance and any such rules may be retrospective from any date not earlier than the first day of August, 1959.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide-

- (a) for the determination of the prescribed price;
- (b) for any other matter for which there is no provision or no sufficient provision in this Ordinance and for which provision is, in the opinion of the Government, necessary in order to give effect to the purposes of this Ordinance.

Power to amend Schedules

7. The Government may, from time to time, by notification in the *official Gazette*, make such amendments and modifications in the Schedules as it thinks fit.

¹ The words, comma, figures and brackets “Essential Commodities Act, 1957 (III of 1957)” were substituted for the words, comma, figures and brackets “Essential Supplies Act, 1957 (III of 1957)” by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

² The words, figures, comma and brackets “Chapter V and Chapter VI of the Income-tax Ordinance, 1984 (Ord. No. XXXVI of 1984)” were substituted for the words, brackets, figures, and comma “sub-section (2) of section 10 of the Income-tax Act, 1922 (XI of 1922)” by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

THE FIRST SCHEDULE

List of Petroleum Products
[See section 2(6)]

S. No.	Nomenclature in common use in Bangladesh.	Nomenclature in common use internationally by the Oil Industry and as used in Platt's Daily Reporting Service.
1.	Aviation Spirit 73 On u/l.	Avgas Grade 73 clear.
2.	Aviation Spirit 100/130 ON.	Avgas Grade 100/ 130.
3.	Aviation Spirit 115/145 ON.	Avgas Grade 115/145.
4.	Aviation Turbine Fuel.	Turbine Fuel 1 (-56F).
5.	Motor Spirit.	79 Octane.
6.	Vaporising Oil.	Tractor Vaporising Oil.
7.	Superior Kerosine.	Kerosine.
8.	Inferior Kerosine.	No. 2 Fuel.
9.	High Speed Diesel.	48/52 Diesel Index.
10.	Light Diesel Oil.	(90% No. 2 Fuel, 10% Bunker 'C' Fuel).
11.	Furnace Oil.	Bunker' 'C'
12.	Lubricating Base Oils.	MVI, HVI, LVI.
13.	Asphalt Bitumen.	Asphalt/ Cutback Asphalt.]

THE SECOND SCHEDULE

List of Companies

1. The Burmah-Shell Oil Storage and Distributing Company of Pakistan Ltd.
2. The Standard Vacuum Oil Co.
3. The Caltex Oil (Pakistan) Ltd.
4. The Burma Eastern Ltd.
5. The Indo-Burmah Petroleum Co.
¹[* * *]
7. Pakistan Refinery Ltd.
8. Pakistan National Oils Ltd.
9. National Refinery Ltd.

¹ Serial number 6 and respective entry was omitted by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).