

**ACTS AND RULES RELATING
TO SUGAR INDUSTRY
[Amendments Incorporated
Till October, 2017]**

**State Acts pertaining to
Sugarcane and Sugar**



isma
indian sugar mills association

INDIAN SUGAR MILLS ASSOCIATION
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**ACTS AND RULES RELATING TO SUGAR INDUSTRY
[Amendments Incorporated Till October, 2017]**

CONTENT

Particular	Page No.
1. The Maharashtra Regulation of Sugarcane Price (Supplied to Factories) Act, 2013	5
2. The Karnataka Sugarcane (Regulation of Purchase and Supply) Act, 2013	15
3. The Punjab Sugarcane (Regulation of Purchase and Supply) Act, 1953	29
4. The Haryana Sugarcane (Regulation of Purchase and Supply) Rules, 1992	47
5. The U.P Sugarcane (Regulation of Supply & Purchase) Act, 1953.	85
6. The U.P Sugarcane (Regulation of Supply & Purchase) Rules, 1964.	117
7. The U.P Sugarcane Supply & Purchase order, 1954	171
8. The U.P. Sugar (Control) Order, 1966	187

**The Maharashtra Regulation of Sugarcane
Price (Supplied to Factories) Act, 2013**

In purpose of clause (3) of article 348 of the Constitution of India, the following translation in English of the Maharashtra Regulation of Sugarcane Price (Supplied to Factories) Act, 2013 (Mah. Act No.XXXIII of 2013), is hereby published under the authority of the Governor.

By order and in the name of the Governor of Maharashtra,
H.B.PATEL,
Principal Secretary to Government,
Law and Judiciary Department.

MAHARASHTRA ACT No. XXXIII OF 2013

(First published, after having the assent of the Governor, in the “Maharashtra Government Gazette”. on the 24th December 2013.)

An Act to regulate the Price of Sugarcane supplied to sugar factories in the State of Maharashtra.

WHEREAS it is expedient to regulate the Price of Sugarcane supplied to sugar factories in the State of Maharashtra and to provide for matters connected therewith or incidental thereto; it is hereby enacted in the Sixty-fourth Year of the Republic of India, as follows :-

1. (1) This Act may be called the Maharashtra Short title and Regulation of Sugarcane Price (supplied to commencement. Factories) Act,2013

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

Definitions.

2. In this Act, unless the context otherwise requires,-

(a) “ Board” means the Sugarcane Control Board constitute under section 3 ;

(b) “ Chief Secretary ” means the Chief Secretary to the Government of Maharashtra ;

(c) “ Commissioner for Sugar ” means the Commissioner for Sugar , Maharashtra State ;

(d) “ factory ” means a sugar factory where any manufacturing process connected with the production of sugar is being carried or is ordinarily carried on with the aid of electricity and wherein twenty or more workers are working or were working on any day of the preceding twelve months ;

(e) “ Government ” or “ State Government ” means the Government of Maharashtra ;

(f) “ Occupier of factory ” means the person who has control over the affairs of a factory and where the said affairs are entrusted to a director, partner or administrator, such director, partner or administrator, as the case may be;

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

(h) “ Secretary ” means the Secretary to the Government ;

(i) “ State ” means the State of Maharashtra ;

(j) “ Sugarcane ” means Sugarcane intended for use in a sugar factory or khandsari sugar manufacturing unit ;

(k) “ Sugarcane grower ” means a person including a tenant who cultivates sugarcane either by himself or through member of his family or through hired labourers ;

(l) “ Sugar season ” means the year commencing on the first day of October and ending by thirtieth day of September next year.

Sugarcane
control Board

3. (1) The State Government shall , as soon as may be , after the commencement of this Act, constitute a Sugarcane control Board (hereinafter referred to as “ the Board”), to perform such duties and functions assigned to it under this Act.

(2) The Board shall exercise jurisdiction throughout the State of Maharashtra.

(3) The Board shall consist of the following members, namely :-

- (a) Chief Secretary . . . Chairman ;
- (b) Secretary, Finance . . . Member ;
- (c) Secretary, Co-operation . . . Member ;
- (d) Secretary, Agriculture . . . Member ;
- (e) Five representatives of the factories In the State to be nominated by the Government, out of which three shall be representatives of the Co-operative Sugar factories and two from other Sugar Factories in the State . . . Member ;
- (f) Five representatives of the farmers Be nominated by the Government . . . Members ;
- (g) Commissioner for Sugar . . . Ex-officio Member - Secretary.

(4) The non-official members of the Board shall receive such allowances as may be prescribed.

(5) Subject to the pleasure of the State Government, a non-official member shall hold office for a period of three years from the date of nomination. A member nominated once to the Board is not eligible for re-nomination for a second time.

(6) A non-official member may resign his office at any time, by writing in his own hand, addressed to the Government but he shall continue in his office until his resignation is accepted.

(7) The Government may remove a non-official member from his office if he incurs any one of the disqualification specified below, namely :-

- (a) becomes an un-discharged insolvent ; or
- (b) is convicted and sentenced to imprisonment for an offence which in the opinion of the Government involves moral turpitude ; or
- (c) becomes of unsound mind, and stand so declared by a competent court ; or
- (d) refuses to act or becomes incapable of acting as the member.

(8) Notice of the meeting of the board, quorum and procedure regarding transactions of the business of the Board shall be such as may be prescribed.

(9) The Board shall meet at least thrice in a year commencing before starting of the crushing season, after closure of the crushing season and at the end of the Sugar Season. The Member-Secretary of the Board may, subject to the control of the Chairman, convene a meeting as often as may, be necessary and shall also do so when required by one-third of the members.

5 of 1908

(10) The Board shall while inquiring into the matters in discharge of its function under this Act, have all the powers of a civil court while trying a civil suit under the Civil Procedure Code, 1908, and in particular , in respect of the following matters, namely :-

- (a) summoning and enforcing the attendance of any person from the State and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any Court or office;
- (e) issuing commissions for the examinations of documents and witness;
- (f) any other matter which may be prescribed.

(11) No act or proceeding of the Board shall be rendered invalid for the mere fact there was one or more unfilled vacancy in the Board at the time of such act or proceeding were made.

4. The Board shall discharge the following function, namely :- Function of Board

(a) to decide Sugarcane price payable to the farmers, which shall be in addition to the Fair and Remunerative Price (hereinafter referred to as “FRP”) decided by the Central Government under the provisions of the Sugarcane (control) Order,1966, on revenue sharing basis:

Provided that, while fixing Sugarcane Price, if it is decided to fix the Sugarcane Price on the basis of the value of sugar including the value of the by-products such as bagasse , molasses and press mud, the Sugarcane Price shall be arrived at a sum equal to seventy per cent of the ex-mill value of sugar along with such by –products:

Provided further that, if it is decided to fix the Sugarcane Price only on the basis of the value of sugar, ignoring the value of the aforesaid three by-products, the Sugarcane Price shall be arrived at as a sum equal to seventy per cent of the ex-mill value of sugar;

(b) to-offer advice on any matter which may be referred to it by the Government, especially in respect of the regulation of the purchase and supply of Sugarcane;

(c) to bring to the notice of the Commissioner for Sugar, cases of breach of any of the provisions of the Act, and of the rules made thereunder, and to make suggestions for the prevention of the same;

(d) to recommend ways and means of maintaining healthy relations between occupier of the factory and Sugarcane growers.

Payment to
Sugarcane
growers.

5. (1) As soon as the Sugarcane is supplied to the occupier of a factory, the factory shall be liable to pay, within fourteen days of the receipt thereof, the minimum price as per FRP applicable at the relevant time.

(2) Payment shall be made on the basis of the recorded weight of the Sugarcane at the factory.

(3) The actual payment for Sugarcane fixed by the Board shall be paid in two steps. The first would be payment of FRP. Balance payment of Sugarcane dues will be paid subsequent to publication of half yearly ex-mill prices and values, determined by the Board in accordance with the provisions of clause (a) of section 4.

(4) Every payment made by the factory, under the provisions of this Act, shall be paid to the farmer through his bank account only.

Offences and penalties. 6. (1) Contravention of the provisions of this Act and the rules made thereunder shall be an offence.

(2) Every such person shall on conviction be punished with fine which may extend to twenty-five thousand rupees.

Cognizance of offences. 7. No court shall take cognizance of any offence punishable under section 6, except on a complaint made by an officer authorized by the Commissioner for Sugar and no court inferior to that of a Judicial Magistrate of the First Class, shall try any such offence.

Compounding of offences. 8. (1) The Commissioner for Sugar may, either before or after the institution of proceedings, for any offence punishable under section 6, after affording the person concerned an opportunity of being heard, accept from such person by way of composition of an offence a sum of rupees fifty thousand or a sum double the amount of due and payable under the provisions of section 5, whichever is more.

(2) On payment of such sum as may be determined by the Commissioner for Sugar under sub-section (1), no further proceeding shall be taken against the accused person in respect of the same offence and any proceeding, if already taken, shall stand abated.

Offences by companies.

9. (1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of and was responsible to the company for the conduct of the business of the company, as well as the company shall be deemed to be guilty of the offence and shall be liable to be processed and punished accordingly:

Provided that, nothing contained in this subsection shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in subsection (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded and punished accordingly.

Explanation.—For the purpose of this section,-

(a) “company” means a body corporate, and includes a firm, association of persons or body of individuals whether incorporated or not;

and

(b) “Director” in relation to a firm, means a partner in the firm and in relation to any association of person or body of individuals, means any member controlling the affairs thereof.

45 of 1860

10. The Commissioner for Sugar and every officer appointed under this Act shall be deemed to be public servant within the meaning of section 21 of the Indian Penal Code, 1860

Commissioner for Sugar to be public servant.

11. No suit, prosecution or other legal proceedings shall lie against Government or any officer or official for anything which is done or purported to have been done in good faith in pursuance of any provisions of this Act or any rule or order made thereunder.

Protection of action taken in good faith.

12. (1) The government may, by notification in the Official Gazette, make rules for carrying into effect the provisions of this Act.

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

(a) the allowances payable to the non-official members of the Board;

(b) the procedure to be adopted by the Board in discharging its functions under this Act;

(c) the form in which any notice required shall be given;

(d) any other matter which is to be or may be prescribed under this Act.

(3) Except when the rules are made for the first time, all rules made under this Act shall be subject to the condition of previous publication.

(4) Every rules made under this Act shall be laid, as soon as may be, after it is made, before each House of the State Legislature, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive session, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, and notify such decision to that effect in the Official Gazette, the rule shall, from the date of publication of such decision in the Official Gazette, have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.

**The Karnataka Sugarcane (Regulation of
Purchase and Supply) Act, 2013**

**KARNATAKA ACT 33 OF 2013 THE KARNATAKA SUGARCANE
(REGULATION OF PURCHASE AND SUPPLY) ACT, 2013**

Arrangement of Sections

Sections:

1. Short title and commencement
2. Definitions
3. Sugarcane Control Board
4. Functions of the Board
5. Power to declare varieties of cane to be un-suitable for use in factories
6. Prohibition of distribution of certain varieties of seeds
7. Purchase of sugarcane in reserved area
8. Weighment
9. Payment to sugarcane growers
10. Penalty
11. Cognizance of Offence
12. Power to compound offences
13. Offences by Companies, Firms and Partnerships
14. Commissioner of Cane Development and Director of Sugar to be public servant
15. Protection of acts done in good faith
16. Power to make rules

STATEMENT OF OBJECTS AND REASONS

Act 33 of 2013.- It is considered necessary to enact a legislation to regulate the purchase and supply of sugarcane in the State.

The salient features of the Bill are,-

- (1) Constitution of Sugarcane Control Board to advise regarding State Sugarcane Advisory Price (S.A.P);
- (2) Prohibition of the distribution and planting of unsuitable varieties of seeds of sugarcane;
- (3) Purchase of sugarcane in the reserved area;
- (4) Payment to cane growers within stipulated time; and
- (5) To provide for certain other consequential matters. Hence, the Bill.

[L.C. Bill No. 09 of 2013, File No. Samvyashae 14 Shasana 2013.]

[Entries 14, 24 and 27 of List II of the Seventh Schedule to the Constitution of India.]

KARNATAKA ACT 33 OF 2013

(First published in the Karnataka Gazette Extraordinary on the Twelfth day of March, 2013)

THE KARNATAKA SUGARCANE

(REGULATION OF PURCHASE AND SUPPLY) ACT, 2013

(Received the assent of the Governor on the Eighth day of March, 2013)

An Act to regulate the purchase and supply of sugarcane required for use in sugar factories in the State of Karnataka.

Whereas it is expedient to regulate the purchase and supply of

sugar cane required for use in Sugar Factories in the state of Karnataka and to provide for matters connected therewith or incidental thereto;

Be enacted by the Karnataka State Legislature in the Sixty-fourth year of the Republic of India as follows:-

1. **Short title and commencement.-** (1) This Act may be called the Karnataka Sugarcane (Regulation of Purchase and supply) Act, 2013.
(2) It shall come into force at once.
2. **Definitions.-** In this Act, unless the context otherwise requires-
 - (a) “Board” means the Sugarcane Control Board constituted under section 3;
 - (b) “Commissioner for Cane Development and Director of Sugar” means an officer appointed by the State Government to perform the duties and functions of Commissioner for Cane Development and Director of Sugar;
 - (c) “Crushing season” means such period during which sugarcane is crushed normally as the State Government in consultation with the Board may, by notification, specify;
 - (d) “Deputy Commissioner” means the Deputy Commissioner of concerned revenue district;
 - (e) “Factory” means a sugar factory wherein twenty or more workers are working or were working on any day of the preceding twelve months in any part of such sugar factory where any manufacturing process connected with the production of sugar is being carried on or is ordinarily carried on with the aid of power;
 - (f) “Government” means the Government of Karnataka;
 - (g) “Khandsari sugar manufacturing unit” means a unit engaged or ordinarily engaged in the manufacture or production of

khandsari sugar with the aid of a crusher driven by any mechanical power by open pan process;

- (h) “Occupier of a factory” means the person who has control over the affairs of a factory or khandsari sugar manufacturing unit and where the said affairs are entrusted to the managing agent, such agent;
- (i) “Prescribed” means prescribed by rules made under this Act;
- (j) “Reserved area” means an area notified under the Sugarcane (Control) Order, 1966;
- (k) “State” means the state of Karnataka;
- (l) “Sugarcane” means Sugarcane intended for use in a sugar factory or khandsari sugar manufacturing unit;
- (m) “Sugarcane-grower” means a person including a tenant who cultivates sugarcane either by himself or through members of his family or through hired labours.
- (n) “Sugar season” means the year commencing on the first day of the October and ending with thirtieth day of September next year.

3. Sugarcane Control Board.- (1) The State Government shall as soon as may be, after the commencement of this Act, constitute a Sugarcane Control Board (hereinafter referred to as the Board), for the State to perform such duties and functions assigned in this Act.

(2) The board shall consist of the following members, namely:-

(a) The Minister in charge of Sugar - - - Chairman

--

(b) The Minister in charge of Agriculture ---- Co- Chairman

- (c) Secretary-II, Finance Department - - - Member
(Expenditure) or his nominee not --
below the rank of Deputy Secretary
- (d) Secretary to Government, - - - Member
Commerce and Industry Department --
- (e) Agricultural Commissioner - - - Member
--
- (f) not more than five farmers - - - Members
representatives nominated by --
the State Government from any
sugarcane growers
- (g) not more than five members --- Members
nominated by the State Government --
from among the persons running
Sugar Factories
- (h) Commissioner for Cane - - - Member
Development and Director of Sugar -- Secretary

- (3) The Headquarters of the Board shall be at Bangalore.
- (4) Notice of the meetings of the Board, the place, quorum and procedures regarding transactions of the business of the Board shall be such as may be prescribed.
- (5) Subject to the pleasure of State Government or sub-section (7), a non-official member shall hold office for a period of three years from the date of nomination. A member nominated once to the Board is not eligible for re-nomination for a second time.
- (6) A non-official member may resign his office under his hand addressed to the Government but he shall continue in his office until his resignation is accepted.
- (7) The Government may remove a non-official member from his office if he incurs any one of the disqualification

specified below, namely:-

- (a) becomes an un discharged insolvent; or
 - (b) is convicted and sentenced to imprisonment for an offence which in the opinion of the Government involves moral turpitude; or
 - (c) becomes of unsound mind, stands so declared by a competent court; or
 - (d) refuses to act or becomes incapable of acting.
- (8) The Board shall meet at least thrice in a year commencing before starting of the crushing season, after closure of the crushing season and at the end of the sugar season. The Member Secretary of the Board may subject to the control of the Chairman thereof convene meetings as often as may be necessary and shall do so when required by one-third of the members.
- (9) When the office of non-official member nominated to the Board becomes vacant by resignation, death, removal or otherwise, the Government shall nominate within three months a new member to fill such vacancy and such new member shall hold office for the remaining period of the term of office of the member in whose place he has been nominated.
- (10) No proceedings of the Board shall be rendered invalid for the mere fact that there was one or more unfilled vacancy in the Board at the time of such proceedings were made.

4. Functions of the Board.- The functions of the Board shall be,-

- (a) to recommend ways and means of maintaining healthy relations between occupier of the factory and cane growers.
- (b) to offer advice on any matter which be referred to it by the Government or the Commissioner for Cane Development

and Director of Sugar, especially in respect of the regulation of the purchase of sugarcane;

- (c) to bring to the notice of the Commissioner for Cane Development and Director of Sugar, cases of breach of any of provisions of the Act and of the rules made there under and to make suggestions for the prevention of the same;
- (d) to advise the Government regarding suitability or otherwise of cane varieties for cultivating in different regions; and
- (e) to advise the Commissioner for Cane Development and Director of Sugar, in the sugarcane development work.
- (f) to decide sugarcane price on revenue sharing basis taking into consideration actual revenue realised from sugar, bagasse, molasses and press-mud.

5. Power to declare varieties of cane to be un-suitable for use in factories.- The Government may, on the recommendations of the Sugarcane Control Board, declare any variety of sugarcane grown in any area specified in such notification as un-suitable variety , and no factory shall purchase such sugarcane variety so declared .

6. Prohibition of distribution of certain varieties of seeds.- The occupier of the factory or any other person acting on his behalf, shall not distribute to any person in any area or shall not plant, sugarcane seed of any variety if the same has been declared by the Government as unsuitable under section 5.

7. Purchase of sugarcane in reserved area.- (1) A sugarcane-grower in reserved area may sell sugarcane grown to the occupier of the factory to which the area is so reserved.

(2) The factory shall enter into an agreement with a cane-grower in such form, by such date on such terms and conditions as specified in clause 6 of the Sugarcane (Control) Order, 1966 for the purpose of purchasing the sugarcane offered in

accordance with sub-section(1).

- (3) No person other than the factory aforementioned shall purchase or enter into an agreement to purchase sugarcane grown by the sugarcane grower except in accordance with agreement under sub-section (2).

8. Weighment.- (1) All dealings and contracts in connection with the purchase and supply of sugarcane shall be made according to the metric system of weights and multiples or sub-multiples thereof, and all weighments shall be made by means of weigh-bridge or scale and recorded correctly to the nearest 1/20th of quintal.

- (2) No scales or weights shall be used, kept or possessed by or on behalf of the occupier of the factory which are inaccurate or which do not permit an easy reading of the recorded weight by the vendors of sugarcane which are not according to the metric system of weights and multiples and sub-multiples thereof to the nearest 1/20th of a quintal:

Provided that a margin of error up to five kilograms or one percent, whichever is less, in weighment cannot be considered:

Provided further that a weigh-bridge shall not be deemed to be incorrect which weighs within one per cent of the correct weight and cannot be adjusted more correctly.

- (3) All scales and weights used, shall be kept open to inspection or examination at all reasonable times without notice and the occupier shall make available all scales weights for such inspection or examination whenever required by the sugarcane growers or any other officer of the Government authorised.
- (4) Deductions not more than that allowed by Central Government on the net weight of sugarcane purchased, shall be allowed as binding materials.

- (5) Weighments of sugarcane shall not be made more than half-an-hour after sunset unless adequate lighting arrangement are made at the weigh-bridge by the occupier of the factory.
- (6) The occupier of a factory shall cause the time of arrival and departure of each cart, tractor, lorry or any vehicle to be recorded in the farmers pass book.
- (7) The occupier of factory make at all purchasing centers adequate arrangements to the satisfaction of the Commissioner for Cane Development and Director of Sugar-
 - (a) regulating the entry and parking to avoid congestion;
 - (b) roads and approach roads to the weigh-bridges; and
 - (c) cattle sheds and troughs.
 - (d) Canteen, drinking water, first aid centre and other basic amenities
- (8) Any representative of cane growers shall be allowed to be present at the time of weighment of sugarcane at any weigh-bridge to watch or check weighment and examine records in which weights are recorded;
- (9) In no case, sugarcane be purchased without actual weighment and such part of the mechanism of a weigh-bridge by which its adjustment is controlled shall be kept suitably sealed or locked;
- (10) All weigh-bridge or scales at purchasing centers shall be tested at least a week in the presence of any person nominated by the Commissioner for Cane Development and Director of Sugar in this behalf and record of such tests shall be properly maintained. Any sugarcane grower who wish to be present at the time of testing shall also be allowed;
- (11) Excess sugarcane brought by a cane grower to the extent

of ten per cent of the weight specified in the unit wise requisition slip shall be accepted and there shall be no objection to the acceptances of less weight up to any extent.

- 9. Payment to sugarcane growers.-** (1) As soon as sugarcane is supplied to the occupier of a factory, the factory shall be liable to pay the price of sugarcane supplied within fourteen days to the sugarcane growers.
- (2) Payment shall be made on the basis of the recorded weight of the sugarcane at the factory. The price of the sugarcane to be payable be calculated to the nearest rupee.
- (3) An occupier of a factory shall be liable to make for all payments due for sugarcane purchased by him and if such occupier of the factory fails to make payments, the occupier of such factory shall be responsible for making such payments with interest as specified in Sugarcane (Control) Order, 1966 thereon from the date such payment falls due .
- 10. Penalty.-** If any person contravenes any of the provisions of this Act, or any rule made there under, he shall be punishable with rigorous imprisonment for a term which may extend to one year, or with fine which may extend to five thousand rupees or with both.
- 11. Cognizance of Offence.-** No court shall take cognizance of any offence punishable under section 10, except on a complaint made by an officer authorized by the Commissioner for Cane Development and Director of Sugar and no court inferior to that of a Magistrate of First Class, shall try any such offence.
- 12. Power to compound offences:-** (1) On the application of a person accused of an offence under this Act or the rules made there under, the Commissioner for Cane Development and Director of Sugar or any other officer authorized in this

behalf may accept from him a sum of money not exceeding ten thousand rupees by way of composition for such offence at any stage before the judgment in the case has been pronounced.

- (2) When the Commissioner for Cane Development and Director of Sugar, compounds an offence under this section, the occupier of factory or any other person shall not be liable for prosecution in respect of such offence or to any further penalty under section 10.

13. Offences by Companies, Firms and Partnerships:- Where the occupier of a Sugar factory is a Company, Firm or a Partner or a Society or Other Association, any one or more of the partners or members or directors thereof, as the case may be, shall be prosecuted and punished for any offence committed under this Act.

14. Commissioner of Cane Development and Director of Sugar to be public servant.- The Commissioner of Cane Development and Director of Sugar and every Officer appointed under this Act shall be deemed to be public servant within the meaning of section 21 of the Indian Penal Code, 1860.

15. Protection of acts done in good faith.- No suit, prosecution or other legal proceedings shall lie against Government or any Officer or Official for anything which is done in good faith or intended to be done in pursuance of any provisions of this Act or any rule or order made there under.

16. Power to make rules.- (1) The Government may make rules 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 procedure of transactions of Business of the Sugarcane Control Board;

- (b) the form in which any notice required shall be given.
- (3) the form of agreement to be entered into for the purchase of sugarcane, the date by which such agreement should be made and the terms and conditions thereof;
- (4) the correct weighment of sugarcane, the provision of facilities for weighment and for checking weighments and timings of weighments; and
- (5) any other matter which is to be or may be prescribed under this Act.

The above translation of ಕರ್ನಾಟಕ ಕಬ್ಬು (ಖರೀದಿ ಮತ್ತು ಸರಬರಾಜು ನಿಯಂತ್ರಣ) ಅಧಿನಿಯಮ, 2013 (2013ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ: 33) be published in the Official Gazette under clause (3) of Article 348 of the Constitution of India.

H.R. BHARDWAJ
GOVERNOR OF KARNATAKA

By Order and in the name of the Governor of
Karnataka

K. DWARAKANATH BABU
Secretary to Government (I/c),
Department of Parliamentary
Affairs and Legislation.

**The Punjab Sugarcane (Regulation of Purchase
and Supply) Act, 1953**

THE PUNJAB SUGARCANE (REGULATION OF PURCHASE AND SUPPLY) ACT, 1953

TABLE OF CONTENTS

Sections.

1. Short title, extent and commencement.
2. Definitions.
3. Sugarcane Control Board.
4. Appointment of Cane Commissioner.
5. Determination of “Occupier” for purposes of this Act.
6. Appointment of an agent.
7. Licensing of Purchasing.
8. Duties of an agent.
9. Penalty for contraventions not otherwise provided for.
10. Estimate of quantity of cane required by factory.
11. Survey of area.
12. Power to declare varieties of cane to be unsuitable for use in factories.
13. Prohibition of distribution of certain kinds of seed cane.
14. Purchase of cane in assigned area.
15. Purchase of cane outside the assigned area. 15-A. Payments.
16. Maintenance of register.
17. Tax on the purchase of cane.
- 17-A. Power to refund tax on cane utilized for manufacturing sugar exported out of India.
- 17-B. Power to exempt tax on the purchase of cane. 17-C. Levy of surcharge.
18. Institution of proceeding.
19. Bar of suit or other proceedings.
20. Power to make rules.
21. Repeal of the Sugarcane Act, 1934, and the Sugarcane (Punjab Amendment) Act, 1943, and saving.

'THE PUNJAB SUGARCANE (REGULATION OF PURCHASE AND SUPPLY) ACT, 1953

EAST PUNJAB ACT NO. 40 OF 1953.

[Received the assent of the Governor of Punjab on the 30th October, 1953, and was first published in the Punjab Government Gazette (Extraordinary), of the 2nd November, 1953.]

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
1953	40	The Punjab Sugarcane (Regulation of Purchase and Supply) Act, 1953.	Extended to the territories which, immediately before the 1st November, 1956 were comprised in the State of Patiala and East Punjab States Union by Punjab Act 18 of 1958 ² Amended by Punjab Act 19 of 1959 ³ Amended by Punjab Act 25 of 1964 ⁴ Amended by Punjab Act 7 of 1966 ⁵ Amended by Haryana Adaptation of Laws Order, 1968 ⁶ Amended by Haryana Act 22 of 1970 ⁷ Amended by Haryana Act 8 of 1971 ⁸ Amended by Haryana Act 8 of 1972 ⁹ Amended by Haryana Act 8 of 1973 ¹⁰ Amended by Haryana Act 8 of 1974 ¹¹ Amended by Haryana Act 8 of 1978 ¹²

- 1 For Statement of Objects and Reasons, see Punjab Government Gazette (Extraordinary), 1953, page 1630; for proceedings in the Assembly and Council, see Punjab Legislative Assembly and Council Debates, 1953.
- 2 For Statement of Objects and Reasons, see Punjab Government Gazette (Extraordinary), 1958, page 546.
- 3 For Statement of Objects and Reasons, see Punjab Government Gazette (Extra), 1959, page 382.
- 4 For Statement of Objects and Reasons, see Punjab Government Gazette (Extra), 1964, pages 935-937.
- 5 For Statement of Objects and Reasons, see Punjab Government Gazette (Extra), 1965, page 1144.
- 6 See Haryana Government Gazette (Extra), dated 29th October, 1968, pages 531-567.
- 7 For Statement of Objects and Reasons, see Haryana Government Gazette (Extra), 1970, page 619.
- 8 For Statement of Objects and Reasons, see Haryana Government Gazette (Extra), 1971, page 244.
- 9 For Statement of Objects and Reasons, see Haryana Government Gazette (Extra), 1972, page 50.
- 10 For Statement of Objects and Reasons, see Haryana Government Gazette (Extra), dated, the 2-11-1973; page 2002.
- 11 For Statement of Objects and Reasons, see Haryana Government Gazette (Extra), dated, the 14-1-1974; page 138.
- 12 For Statement of Objects and Reasons, see Haryana Government Gazette (Extra), dated, the 11-3-1978; page 330.

An Act to regulate the purchase and supply of sugarcane required for use in sugar factories.

It is hereby enacted as follows: —

Short title and 1. (1) This Act may be called the Punjab Sugarcane

commencement. (Regulation of Purchase and Supply) Act, 1953.

(2) It extends to the whole of the State of ¹[Haryana.]

(3) It shall come into force at once ²[in the principal territories and on the 15th May, 1958 in the transferred territories.]

Definitions. 2. In this Act, unless the context otherwise requires,

(1) “assigned area” means an area assigned to a factory under this Act;

(2) “Board” means the Sugarcane Control Board;

(3) “cane” means sugarcane intended for use in a ³[factory or Khandsari sugar manufacturing unit;]

(4) “Cane Commissioner” means the officer appointed by the Government to perform the functions of Cane Commissioner;

(5) “cane-grower” means a person including a tenant who cultivates cane either himself or through members of his family or through hired labour, and who is not a member of a Cane-growers’ Co-operative Society;

(6) “Cane-growers’ Co-operative Society” means

1 Substituted for the word “Punjab” by the Haryana Adaptation of Laws Order, 1968.

2 Added by *ibid.*

society registered under Co-operative Societies Act, 1912, one of the objects of which is to sell cane grown by its members;

(7) “Collector” means the Chief Revenue Authority of a district;

¹[(8) “crushing season” means such period as the State Government may, by notification, specify;]

(9) “factory” means a sugar factory wherein 20 or more workers are working or were working, on any day of the preceding twelve months, and in any part of which any manufacturing process connected with the production of sugar is being carried on or is ordinarily carried on with the aid of power;

(10) “Government” means the Government of the State of Haryana];

²[(10A) “Khandsari sugar manufacturing unit” means a unit engaged or ordinarily engaged in the manufacture or production of khandsari sugar with the aid of a crusher driven by any mechanical power;]

³[(11) “occupier of a factory or Khandsari sugar manufacturing unit” means the person who has control over the affairs of a factory or Khandsari sugar manufacturing unit and where the said affairs are entrusted to the managing agent, such agent;]

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

(13) “State” means the State of Haryana].

Sugarcane 3. (1) The Government shall establish and

1 Substituted by Haryana Act 14 of 1978.

2 Inserted by *ibid*.

3 Substituted by Haryana Act 14 of 1978.

4 Substituted for the word “Punjab” by the Haryana Adaptation of Laws Order, 1968.

constitute a

Control Board. Sugarcane Control Board for the State and ascribe to it such duties and functions in pursuance of the provisions of this Act, as may be prescribed.

(2) The Board shall consist of fifteen members.

(3) The term of the Board shall be three years, provided that the Government may dissolve the Board before the expiry of its term if it is satisfied that it is necessary to do so.

(4) No proceedings of the Board shall be rendered invalid for the mere fact that there was one or more unfilled vacancy in the Board at the time that such proceeding took place.

Appointment of 4. The Government may appoint any officer Cane to be the Cane Commissioner and may also appoint Commissioner. such appoint such other staff, body or committee as may be necessary for the performance of any duty or function under this Act.

Determination of 1[5. Where the occupier of a factory or Khandsari occupier for sugar manufacturing unit is a firm or a company or purposes of other association, any one of its partners or directors this Act. or members may be prosecuted and punished under this Act for any offence for which the occupier of the factory or Khandsari sugar manufacturing unit is punishable.]

Appointment 6. (1) No cane shall be purchased for a sugar factory unless its occupier has, in the prescribed form sent a notice of of an agent. such intention to the Cane Commissioner, nominating one or more person as agents for making such purchases, and no agent shall be changed without

¹ Inserted by *ibid.*

prior notice in writing to the Cane Commissioner:

¹[Provided that the occupier of a factory shall not nominate any person to be the purchasing agent at an out cane purchasing centre if such a person has worked as purchasing agent at that centre for a total period of three years:

Provided further that such a person may be denominated as a purchasing agent at that centre after a period of at least five years has expired since he last so served.]

(2) Any person appointed as agent under sub-section (1) shall deposit as security a sum of rupees one thousand in cash or Government Promissory Notes and no person shall be deemed to have been appointed as agent until such deposit is made, and he has been given a licence in the manner prescribed.

Licensing of 7. (1) No person shall act as purchasing agent under this Act, unless

Purchasing. he has been licensed as such in the prescribed manner.

(2) No person other than a purchasing agent shall be employed by an occupier of a factory to do any work in connection with any transaction for the purchase of cane within the State.

(3) A licence shall not be granted to any person under sub-section (1) unless such person has paid the prescribed deposit or furnished the prescribed security and the Cane Commissioner may subject to rules made in this behalf, in case of any breach of the conditions of the licence, order that the deposit paid or security furnished in respect of such licence shall be forfeited to Government or shall not be returned

¹ Added by *ibid.*

before the prescribed period or that the whole or any portion of such deposit or security shall be paid to any person who has suffered any loss owing to any misconduct or default of such licensee.

¹[(4) Any person aggrieved by an order of the Cane Commissioner made under sub-section (3) may, within a period of thirty days of the date of such order, prefer an appeal to the Government in such form and manner as may be prescribed.]

Duties of an agent.

8. (1) The agent or agents of a sugar factory shall maintain an office in one or more places within the State, as may be required by the Cane Commissioner, and shall maintain such accounts and submit such returns and statements as may be prescribed.

²[(2) [* * * * *]]

Penalty and cognizance of offences.

³[9. (1) If any person contravenes any of the provisions of this Act, or of any rule made thereunder, he shall be punishable with rigorous imprisonment for a term which may extend to one year, or with fine which may extend to five thousand rupees or with both.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences punishable under this Act and the rules made thereunder shall be cognizable.]

Estimate of quantity of cane required by factory.

10. (1) The Cane Commissioner may order the occupier of any factory to submit to him on or before any specified date, an estimate of the quantity of cane intended to be purchased for his factory during any particular crushing season.

(2) On receipt of an estimate, the Cane

1 Inserted by Haryana Act 14 of 1978.

2 Omitted by *ibid*.

3 Substituted by *ibid*.

Commissioner shall cause the same to be submitted to the Sugarcane Control Board for their approval. The Sugarcane Control Board shall be competent to confirm, modify or reject the estimate, and in case of its not being rejected, to assign the area from which the cane may be purchased on such terms and conditions as it may deem fit.

(3) If the Sugarcane Control Board is of the opinion that a survey of any area is necessary for the purpose of assigning it to a factory, the Cane Commissioner shall cause such survey to be made and report the result to the Sugarcane Control Board. The cost of such survey shall be payable by the occupier of such factory.

Survey of area. 11. (1) Every survey mentioned hereinbefore shall be made by an officer authorised by the Cane Commissioner in the manner prescribed.

(2) Every person owning or occupying land in any area in respect of which a survey is being made shall afford to the officer making the said survey such assistance and facilities for making the said survey as may be necessary.

(3) Any amount due from the occupier of a factory in respect of a survey shall be recoverable from such occupier as an arrear of land revenue.

Power to declare varieties of cane to be unsuitable for use in factories. 12. The Government may, on the recommendation of the Sugarcane Control Board, declare unsuitable to be unsuitable for all or any factory cane of any variety grown in any area specified in such notification, and no agent shall be competent to purchase any cane declared unsuitable for his factory.

Prohibition of 13. (1) The occupier of a factory or any other person

distribution of certain kinds of seed cane. acting on his behalf shall not distribute seed-cane of any variety to any person to be used by cane-growers or the members of Cane growers', Co-operative Societies in any area if the same has been declared under this Act, to be unsuitable for the factory.

(2) The occupier of a factory or any other person acting on his behalf shall not plan cane of any variety, declared under this Act, to be unsuitable for the factory.

Purchase of cane in assigned area 14. (1) A cane-grower or a Cane-growers Co-operative Society in an assigned area may sell by the date prescribed in this behalf, to the occupier of the factory to which the area is assigned, cane grown by the cane-grower or by the members of such Cane-growers' Co-operative Society as the case may be, not exceeding the quantity prescribed for such grower or Cane-growers' Co-operative Society.

(2) The agent of a factory shall enter into an agreement with a cane-grower or with a Cane-growers' Co-operative Society, as the case may be, in such form, by such date and on such terms and conditions as may be prescribed, for the purpose of purchasing the cane offered in accordance with sub-section (1). No person other than the agent aforementioned shall purchase or enter into an agreement to purchase cane grown by members of a Cane-growers' Co-operative Society from any other person except in accordance with such agreement.

(3) Except with the permission of the Government, cane grown in an assigned area shall not be purchased by any person other than the agent of the factory for which such area has been assigned.

(4) It shall be competent for the prescribed

authority to specify any area within the assigned area of a factory, the entire cane of which area the agent of the said factory shall be bound to purchase, and the cane-growers' or Cane-growers' Co-operative Society shall be bound to sell to the said agent.

Purchase of cane outside the assigned area 15. If the cane-growers or Cane-growers' Co-operative Society or Societies in the assigned area are not willing to enter into agreement to Societies in the assigned area are not willing to enter into agreement to supply, or fail to supply the requisite quantity of cane, the agent may, after giving the prescribed notice to the Cane Commissioner, purchase the balance of the cane required by him from outside the assigned area ¹[if permitted by the Cane-Commissioner.]

Payment. ²[15A. (1) The occupier of a factory shall make such arrangement for the payment of price of cane as may be prescribed.

(2) As soon as cane is supplied to a factory, the occupier of such factory shall be liable to pay the price of cane so supplied.

(3) Where the occupier liable under sub-section (2) makes default in payment of the price for a period exceeding fourteen days from the date of supply of cane to the factory, he shall be liable to pay interest thereon at such rate ³[not exceeding fifteen per cent per annum], as the State Government may, by notification, determine from the said date.]

Maintenance of register. 16. (1) The agent of a factory for the purposes of which an area has been assigned shall maintain a register in the prescribed form and manner.

1 Added by Haryana Act 43 of 1973.

2 Inserted by *ibid*.

3 Substituted by Haryana Act 14 of 1978.

¹[(1A). The occupier of a Khandsari sugar-manufacturing unit shall maintain a register in the prescribed form and manner.]

(2) The Government may prescribe the procedure for—

(a) the correction of entries in, and the addition of new entries to, such register;

(b) the payment of costs in connection with such correction or addition, and the manner in which such costs shall be realized; and

(c) the supply, on payment, of copies of entries in the register.

Tax on the purchase of cane

17. ²[(1) The State Government may,—

(i) after consultation with the Sugarcane Control Board, impose a tax not exceeding two rupees per quintal on the purchase of cane by or on behalf of a sugar factory; and

(ii) impose a tax not exceeding one rupee per quintal on the purchase of cane by or on behalf of a Khandsari Sugar manufacturing unit, and when a tax is so imposed it shall be notified in the Official Gazette, and shall be levied, charged and collected in the manner prescribed.]

³[(2) If the tax levied under sub-section (1) is not paid on or before the due date, interest ⁴[at such rate, not exceeding fifteen per cent per annum, as the State Government may, by notification, determine from time to time,] shall be charged on the amount of tax from the said date till the date of payment.

1 Inserted by *ibid.*

2 Substituted by Haryana Act 9 of 1974 and further substituted by Haryana Act 14 of 1978.

3 Substituted by Haryana Act 43 of 1973.

4 Substituted by Haryana Act 14 of 1978.

(3) All sums due as tax or interest, and not paid by the due date, shall be recoverable as arrears of land revenue.]

Power to refund¹[17-A. The Government, if satisfied that a factory utilized for manufacturing sugar exported out of India has exported out of India any quantity of sugar manufactured by it, may refund to such factory, whether prospectively or retrospectively, the amount of tax imposed on, and paid by, it under section 17 in respect of the cane purchased by it and utilized in manufacturing the quantity of sugar so exported.]

Power to exempt tax on the purchase of cane.²[17-B. The Government, if satisfied that it is necessary on account of low recovery of sugar from cane or with a view to encourage or regulate the supply of cane to or its purchase by sugar factories, may, from time to time by notification in the Official Gazette, exempt or refund, in whole or in part, the tax payable or paid under section 17.]

Levy of surcharge.³[17-C. (1) In addition to the tax payable under section 17, there shall be paid by or on behalf of a sugar factory a surcharge at the rate of two percentum on the amount of such tax.

(2) The provisions of this Act shall, so far as may be, apply in relation to the surcharge payable under sub-section (1), as they apply to the tax payable under this Act.

(3) The State Government may, by notification, discontinue the levy of the surcharge at any time.]

Power to compound offences.⁴[18. On the application of a person accused of an offence under this Act or the rules made thereunder, the Cane Commissioner or any other officer

1 Section 17-A, inserted by Punjab Act 7 of 1966.

2 Section 17-B, inserted by Haryana Act 8 of 1971.

3 Section 17-C, inserted by Haryana Act 5 of 1972.

4 Substituted by Haryana Act 14 of 1978.

authorised by the State Government in this behalf may accept from him a sum of money not exceeding two thousand rupees by way of composition for such offence at any stage before the judgment in the case has been announced.]

Bar of suit or other proceedings. 19. No suit, prosecution or other legal proceeding shall lie against the Government or against any person for anything which is in good done or intended to be done under this Act or the rules framed thereunder.

Power to make rules. 20. (1) The Government may make rules to carry out the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for—

(a) the constitution, powers, duties and procedure of the Sugarcane Control Board;

(b) the powers and duties of the Cane Commissioner;

(c) the authorities by which any functions under this Act or the rules made thereunder are to be performed;

¹[(cc)the form and manner in which an appeal may be preferred;]

(d) the form in which any notices required under this Act should be given;

(e) the procedure to be followed in making a survey under this Act, the manner of calculating the cost of such survey, the amount to be deposited in connection therewith and the assistance to be afforded

¹ Inserted by Haryana Act 14 of 1978.

by owners and occupiers of land to the officer making such survey;

(f) the form of agreement to be entered into for the purchase of cane, the date by which such agreement should be made and the terms and conditions thereof;

(g) the quantity of cane which may be purchased in an assigned area during any particular crushing season;

(h) the posting of notices and the maintenance of records, registers and accounts and the submission of returns, the supply of copies of entries therein and the fees to be charged for the same;

(i) the method by which the minimum price of cane is to be fixed under this Act;

(j) the form and manner in which applications for licences may be made, the terms and conditions of each licence, their renewal, suspension and cancellation and the fees to be charged for the same;

(k) the correct weighment of cane, the provision of facilities for weighment and for checking weighments, and timings of weighments;

(l) the payment of the price for cane; and

(m) any other matter which is to be or may be prescribed under this Act.

Repeal of the Sugarcane Act, 1934, and the Sugarcane Amendment Act, 1943) and saving

21. The Sugarcane Act, 1934 (Act XV of 1934) in so far as it is applicable to the State of Punjab, and the Sugarcane (Punjab Amendment) Act, 1943 (Punjab Act IX of 1943), are hereby repealed. Any thing done or any action taken in exercise of powers conferred by, or under repealed Acts, or purporting to have been done or taken under the Punjab Sugar

Factories Control Act, 1950 (Punjab Act I of 1950) shall, to the extent of being consistent with the provisions of this Act, as if this Act were in force at the time when such thing was done or such action was taken.

**The Haryana Sugarcane (Regulation of
Purchase and Supply) Rules, 1992**

**The Haryana Sugarcane (Regulation of Purchase and Supply) Rules, 1992
Published vide Haryana Government, Agriculture Department, Notifica-
tion, dated the 14th May, 1993**

hl669

No. S.O.43/P.A.40/53/S.20/93. - In exercise of the powers conferred by Section 20 of the Punjab Sugarcane (Regulation of Purchase and Supply) Act, 1953 and all other powers enabling him in this behalf, the Governor of Haryana hereby makes the following rules regulating the purchase and supply of the sugarcane, namely :-

1. Short title. - These rules may be called the Haryana Sugarcane (Regulation of Purchase and Supply) Rules, 1992.

2. Definitions. - In these rules, unless the context otherwise requires

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- (a) “Act” means the Punjab Sugarcane (Regulation of Purchase and Supply) Act, 1953.
- (b) “Bond” means an agreement made under these rules.
- (c) “form” means a form appended to these rules.
- (d) “purchasing centre” means any place at which cane is purchased, supplied, delivered, weighed or paid for by or on behalf of the factory and includes such portion of the premises of the factory at which any of these operations take place;
- (e) “register” means a register mentioned in Rule 17;
- (f) “section” means the section of the Act;
- (g) “society” means the Cane Growers’ Co-operative Society;
- (h) “treasury” means the Government treasury at the headquarters of district or a sub-treasury at the headquarters of a tehsil or sub-tehsil in Haryana;

- (i) “weigh bridge” means any mechanism used to weigh cane and includes any weigh-bridge maintained or used by the occupier, manager or purchasing agent or by any person acting on his behalf;
- (j) “year” means the agricultural year commencing on the first day of July and ending on the 30th day of June, next.

3. Sugarcane Control Board. [Sections 3 and 20(2)(a)] - (1) The Board shall consist of fifteen members including the Chairman.

(2) The Government shall, by notification, nominate seven official and seven non-official members which shall include representatives of the cane growers and sugar factories.

(3) The Minister for Agriculture shall be the ex officio Chairman of the Board.

(4) The Cane Commissioner shall be the Secretary of the Board.

(5) The Board shall, in addition to the powers and duties conferred or imposed upon it by the provisions of the Act, advise the Government on matters referred to it.

(6) The Board shall meet at least twice a year. Notice, in writing, of all meetings shall be circulated by the Secretary to all members not less than one week before the date fixed for the meeting, except in urgent cases, in which case, a meeting may be held on three days, notice which may be sent by letter to all members residing at the headquarters and by telegram to members not so residing.

[(7) The nominated members of the Board shall hold office during the pleasure of the Government.]

(8) When the place of a member nominated to the Board becomes

vacant by resignation, death, removal or otherwise of such member, the Government shall nominate within three months a new member to fill the vacancy in accordance with the provision of sub-rule (2) and such new member shall hold office for the unexpired period of the term of office of the member in whose place he has been nominated.

(9) The procedure in form 1 to these rules shall be followed at the meetings of the Board.

4. Functions of committee or body. [Section 20(2)(c)] - (i) When a committee or body is established for the State or for any area thereof or a cane varieties committee or body for the State, is established under Section 4, the Government shall, appoint the Chairman and secretary thereof. In addition to the representatives of cane growers, the factories, the Government may appoint other persons not being growers or persons interested in factories to be members or ex officio members who shall ordinarily be residents of the area in respect of which the committee or body is established.

(ii) The functions of the committee or body shall be -

- (a) to recommend ways and means of maintaining healthy relations between occupiers or managers of factories, cane growers societies and purchasing agents;
- (b) to offer advice on any matter which may be referred to it by the Government, the Board or the Cane Commissioner, especially in respect of the regulation of the purchase of cane and to advise the Cane Commissioner with regard to the cane estimates submitted under Section 10 and assigning of the area from which the cane may be purchased;
- (c) to bring to the notice of the Cane Commissioner cases of breach of any of the provisions of the Act and of the rules made thereunder and to make suggestions for the prevention of the same;

- (d) to advise the Government regarding suitability or otherwise of cane varieties for different tracts; and
- (e) to advise the Cane Commissioner in the cane development work.

(iii) The Secretary of the committee or body may subject to the control of the Chairman thereof convene meeting of the committee or body as often as may be necessary and shall do so when required by one-third of the members. He shall circulate the agenda, keep minutes of the meeting, carry on correspondence on behalf of the committee or body and discharge such other functions, as may be necessary for the proper performance of his duties. He shall forward a copy of the minutes of the meeting of the Cane Commissioner.

(iv) The term of appointment of the committee or body shall be one year or such other period as may be specified in the order of appointment.

(v) When the place of a member of the committee or body becomes vacant by the resignation, death, removal or otherwise of such member, the Government may appoint a new member to fill the vacancy within three months and such new member shall hold office for the unexpired period of the term of office of the member in whose place he has been appointed.

(vi) The procedure prescribed in Form II of these rules shall be followed at the meeting of the committee or body.

5. Other authorities. [Section 20(2)(c)] - (i) The Financial Commissioner, the Secretary, Agriculture, the Director of Agriculture and the Cane Commissioner shall be the ex officio Inspectors for the whole of the State. The Commissioners, Deputy Commissioners and the Sub-Divisional Officers (Civil) shall be ex officio inspectors within the respective jurisdiction.

(ii) The Government may appoint, when required, such other Government servants as it may think fit to be Additional Cane Inspectors within such limits as may be assigned to them.

(iii) Every Inspector may, within the local limits of his jurisdiction and within such assistance as he thinks necessary :-

- (a) enter any place which is or which he has reasons to believe to be used as a factory or purchasing centre or any place where sugarcane intended for use in a factory is weighed or payment is made therefor and make examination of the weigh bridge and of any records, registers and accounts maintained in connection with the purchase of sugarcane; provided that he shall not enter any portion of such factory other than the weigh bridge, the cane carriers, premises and the office of the factory;
- (b) cause carts carrying sugarcane or consignments of sugarcane to be weighed or re-weighed in his own presence; provided that sugarcane loaded in wagons may not be required to be unloaded for the purposes of re-weighment;
- (c) record the statement of any person whom he may deem necessary to examine for the proper discharge of his duties;
- (d) examine such records as are maintained at a factory showing the amount of cane purchased, the amount of cane crushed, the sucrose content thereof, the quantity of sugar manufactured, the percentage of extraction of sugar from cane, the quantity of sugar produced, issued and in stock;
- (e) examine the weigh bridges or weights used, kept or possessed for the weighment or purchase of cane;
- (f) check weighment, purchased and payments made;
- (g) inspect factory roads, cattle sheds, cattle troughs and lighting arrangements made for weighment of cane;
- (h) examine the records showing the accounts of cane

purchased and crushed;

- (i) call for from the occupier of the factory any information relating to the purchase, supply and crushing of cane;
- (j) issue from time to time such instructions as may be necessary to ensure equitable purchase of cane;
- (k) examine any record, register, accounts or documents of cane growers co-operative societies;
- (l) examine any records, register or documents or call for any information relating to the payment of cess, commission and price of cane; and
- (m) exercise such other powers as may be necessary including suspension or cancellation of bond for carrying out the purposes of the Act or of the rules made thereunder.

6. Form of notice. [Sections 6 and 20(4)(d)] - The notice required to be given by the occupier of a factory under Section 6 shall be in form-III.

7. Provision regarding purchase of cane. - (i) The agent of every factory or every purchasing agent shall notify to the Cane Commissioner and the Inspector within a fortnight before the commencement of crushing season each year, the location of reach weigh bridge and the names of the persons responsible for weighment and for payment of cane at each such weigh bridge.

- (ii) The Cane Commissioner may after consulting the committee, if any, call upon the agent of a factory or purchasing agent to change the location of a weigh bridge under this control or to install a weigh bridge at a particular place for the supply of cane to the factory concerned.
- (iii) The agent or the purchasing agent, as the case may be, shall within two days of the installation of a new weigh bridge or the occurrence of a change in the location of any

existing weigh bridge or in the list of persons responsible for weighment and payments, notify such change to the Cane Commissioner and the Inspector.

- (iv) The agent or the purchasing agent, as the case may be, shall cause a list to be put up on a conspicuous place at each weighment and payment centre showing the names of persons responsible for weighment and payments made at that center and shall cause such lists to be maintained up to date.

8. Estimate of the quantity of cane required by factories. - (1)

The occupier of a factory shall, on receipt of an order from the Cane Commissioner, submit before the last day of October each year in Form IV, an estimate of the quantity of cane required for crushing season next following the ensuing crushing season.

(2) The Cane Commissioner shall submit the estimate with such modification as may be considered to be necessary, within a month of its receipt, to the Sugarcane Control Board for approval and paste the same at the office of the factory and at the tehsil or sub-tehsil in which the supply area is situated.

9. Survey of area. [Sections 11 and 9(2)(e)] - (1)

The Cane Commissioner may cause a survey of sugarcane in the area proposed to be assigned to any factory in form V by an officer authorised by him in this behalf (hereinafter called the “authorised officer”) within one month of the decision of the Sugarcane Control Board to this effect and respect the result to the Board in its next meeting. The officer authorised by the Cane Commissioner to conduct the survey of cane area shall be afforded such assistance and facilities by the occupier of a sugar factory or cane growers co-operative society as may be necessary.

(2) The authorised officer shall prepare a register in form VI to be

called the `Cane Growers Register' which shall be open to inspection by every cane grower for verification of survey figures.

(3) Any cane grower or member of the society, having or claiming to have grown sugarcane in the assigned area, may apply to the authorised officer for the correction of any entry or the addition of any entry in the said register. In the event of a refusal by the authorised officer, the decision of the Cane Commissioner shall be final.

(4) The said officer shall give a copy of the entries in the register on an application made before the 15th December in any year to any cane grower or member of the society on receiving payment at the rate of Re. one for each cane grower.

(5) The register shall be preserved by the authorised officer for a period of three years following the crushing season to which it relates.

(6) The amount of salary and travelling allowance etc. paid to the staff for the period it is assigned the duty of conducting survey of area by the Cane Commissioner shall be recoverable from the occupier of the factory concerned.

(7) The occupier of the factory concerned on receipt of demand notice from the Cane Commissioner in respect of survey charges shall, within one month, deposit the amount into the Government Treasury/Sub-Treasury under appropriate head of account, failing which such amount shall be recoverable from him as arrears of land revenue.

10. Declaration of assigned areas. [Section 10] - (1) In declaring assigned area under sub-section (1) of Section 10 of the Act, the Sugarcane Control Board may take into consideration -

- (a) the distance of the factory from the area proposed to be assigned;
- (b) facilities for transport of cane;
- (c) whether the area has previously supplied cane to the said factory;
- (d) previously existing zoning arrangements among the factories; and
- (e) the quantity of cane to be crushed in a factory as determined under Section 10 of the Act.

(2) An order of the Sugarcane Control Board, declaring any area to be assigned for any particular factory or altering the boundaries of an area already assigned cancelling, any previous orders declaring an area to be assigned, shall be communicated to the occupier of the factory concerned as well as the cane growers by the publication of such order at the office of the factory, panchayat Samities falling in the areas and at the tehsil or tehsils in which such area are situated.

11. Purchase of cane grown in assigned areas. [Sections 14 and 20(2)(g)] - (1)

- (i) The occupier or agent of a factory or society shall estimate or cause to be estimated by the 30th September each year, the quantity of sugarcane with each one grower and shall send a copy of the same to the Cane Commissioner before the 10th of October, who after such enquiries and notification of the estimates as he considers necessary, shall order these entries to be pasted in the growers register by the occupier of the factory.
- (ii) By the 20th October, each year a cane grower and by the 31st of October each year a society, in an assigned area may offer in form VII to supply, during the ensuing crushing season, to the occupier or agent of the factory for

which the area has been assigned, cane not exceeding the quantity approved by the Cane Commissioner, Haryana, provided that the Cane Commissioner may, for reasons to be recorded in writing, extend the date for making offer in respect of a particular season.

- (iii) The agent of a factory for which the area is assigned, shall enter into an agreement with a cane grower or with a cane grower co-operative society, as the case may be, in form VIII within one month of the offer mentioned in sub-rule (ii).
- (iv) The occupier or agent of a factory or society shall spread the purchases to be made in the assigned area in an equitable manner, and shall make purchase of cane only after issuing requisition slips. In order to comply with this rule, the occupier or agent or society shall cause identification cards to be distributed to all cane growers of the assigned area to whom requisition slips have been issued and shall maintain a record of their issue and return.
- (v) Cane grown in an assigned area shall not, except with the permission of the Cane Commissioner, be purchased by any person without the previous issue of requisition slips and identification cards to the cane growers, by the society, the occupier or agent of the factory for which the area is assigned.
- (vi) Requisition slips and identification cards to members of the society shall be issued by such society. A factory can also purchase cane direct from the members of the society only if permitted by the Cane Commissioner for special reasons to be recorded in writing.
- (vii) If the Cane growers or the societies in the assigned are not willing to enter into agreements to supply or fail to supply the requisite quantity of cane, the occupier of the factory may, after giving notice in form VII, purchase the balance

of the cane required by him from outside the assigned area, if permitted by the Cane Commissioner.

- (viii) In case of dispute, whether a particular system of purchase adopted by the occupier or agent of factory or his employee of the purchasing agents or the society in the assigned area is equitable or not, the dispute may be referred to the Cane Commissioner whose decision shall be final.
- (ix) The Cane Commissioner shall be the prescribed authority for the purpose of sub-section (4) of Section 14. The communication of the order issued by the Cane Commissioner under the aforesaid sub-section to the occupier of the factory and the cane growers or cane growers co-operative society, as the case may be, shall be effected by publication of such order at the office of the factory and at the offices of the Panchayat Samitis or Samities and Tehsil/Tehsils in which the area specified under the aforesaid sub-section is situated.

12. Minimum price. [Sections 15A and 20(2)(i) and (1)] - (1) An occupier of a factory or agent or purchasing agent of factory or any person employed by him shall not purchase cane for a factory or pay for it at a price below the minimum price.

(2) The minimum price payable for cane shall be rupees per quintal.

13. Licensing Purchasing agents and others employees. [Sections 7 and 20(2)(j)] -

- (i) An application for a licence to act as purchasing agent or to do any work in connection with any transaction for the purchase of one including survey and preparation of lists of cane growers or allotment and distribution of identity cards or requisition slips for cane, or to do any of the aforesaid acts as employee of an occupier of a factory or of a purchasing agent, shall be made in form IX to the Cane

Commissioner.

- (ii) Such application shall be accompanied by treasury receipt showing that the licence fee of rupees ten has been deposited in any State treasury/sub-treasury in Haryana.
- (iii) The purchasing agent shall deposit as security a sum of rupees ten thousand in cash or Government promissory notes and each of the other applicants shall execute a bond in personal securities for a sum of rupees ten thousand for the period he works.
- (iv) The Government will have the first charge on such security, for the recovery of any fine or compensation due from such persons under these rules.
- (v) On receipt of such application, the Cane Commissioner shall issue a licence in form X if he is satisfied regarding the suitability of the applicant and has in respect of him received a notice of his nomination in form III.

14. General provisions regarding purchase of cane. [Sections 14 and 20(2)] -

- (i) No person shall transfer, or abet the transfer of, a requisition slip for the supply of cane of a grower to another person with the object of enabling cane, other than the belonging to the grower to whom the requisition slip has been issued, to be sold to a factory.
- (ii) No person shall accept or obtain, or agree to accept or attempt to obtain, from any person for himself, any payment whatever as a motive or reward for weighing or purchasing cane or making payment therefor, or for bearing to show, in connection with weighment or purchase or supply or payment for cane, favour or disfavour to any person.
- (iii) The occupier or agent of factory or a purchasing agent shall establish a purchasing centre at a particular place for the

supply of cane to the factory, if so directed by the Cane Commissioner.

- (iv) An occupier or agent or a purchasing agent, who opens a purchasing centre, shall send intimation thereof within 24 hours of the start of operations to the Inspector within whose jurisdiction such purchasing centre is situated and to the Cane Commissioner.
- (v) If a purchasing centre has to be closed temporarily, owing to a breakdown of a machinery or other causes necessitating an abrupt but temporary suspension of operations, the occupier or the purchasing agent concerned shall :-
 - (a) cause to be posted immediately, at the purchasing centre concerned notice indicating the probable duration of suspension;
 - (b) cause the suspension of purchase to be otherwise advertised as widely as possible;
 - (c) send intimation thereof immediately to the Inspector within whose jurisdiction the purchasing centre is situated and to the Cane Commissioner; and
 - (d) purchase all requisitioned cane, brought within 12 hours of pasting of notice under clause (a).
- (vi) The occupier or agent or the purchasing agent shall, at least seven days before the permanent closure of the factory :-
 - (a) affix a notice to that effect at the purchasing centres specifying clearly the date on which each centre is to be closed; and
 - (b) intimate the date of the proposed closure to the Inspector within whose jurisdiction the purchasing centre is situated, and to the Cane Commissioner :

Provided that the Cane Commissioner has agreed to the closure of

the factory after previously satisfying himself that the cane in the assigned area will be finished by the date.

(vii) An occupier or purchasing agent shall :

(a) cause a list to be put up at each purchasing centre, showing the names of the persons employed by him for making weighments, purchases and payments;

(b) cause such list to be maintained upto date; and

(c) send a copy of the names of, and full particulars about, the persons whose names are entered in these lists, within 24 hours of their employment to the Inspector within whose jurisdiction such purchasing centre is situated and to the Cane Commissioner.

(viii) No person, who is not licensed in accordance with the Act or these rules, shall make or supervise weighments, purchases, or payments at any purchasing centre on behalf of an occupier or agent or purchasing agent.

Note. - This rule is not intended to prevent responsible officers of a factory above the rank of agent from exercising supervision.

(ix) All licensees shall produce their licence on demand by the Inspector.

(x) The occupier of a factory situated outside Haryana or his licensed purchasing agent purchasing cane in Haryana shall also be bound by these rules.

15. Notice. [Section 20(2)(h)] - The agent or purchasing agent, as the case may be, shall cause to be posted on a notice board at each weighment centre throughout the cane purchasing season notices showing the rates at which cane is being purchased at the particular centre, if any, and also the minimum price for cane, if any, fixed by law for the time being in force. Such notices shall be legibly written or printed only on one side of the paper in Hindu Devnagri script.

16. Weighment etc. [Section 20(2)(k)] - The occupier or agent or the purchasing agent, as the case may be, and all persons working under him, shall comply with or cause to comply with the following conditions :-

- (i) All dealing and contracts in connection with the purchase and supply of cane shall be had made according to the metric system of weights and multiples or sub-multiples thereof, and all weighments shall be made by means of weigh-bridge or scale and recorded correctly to the nearest $1/20$ th of a quintal.
- (ii) It shall not be lawful to use any other weigh in relation to any such transaction.
- (iii) No scales or weights shall be used, kept or possessed by or on behalf of an agent or a purchasing agent which are inaccurate or which do not permit an easy reading of the recorded weight by the vendors of cane or their authorised agents and are not according to the metric system of weights and multiples and sub-multiples thereof to the nearest $1/20$ th of a quintal :

Provided that margin of error up to five kilograms or one per cent, whichever is less, in weighment may be condoned :

Provided further that a weigh-bridge shall not be deemed to be incorrect which weighs within one per cent of the correct weight and cannot be adjusted more correctly.

- (iv) All scales and weights used, kept or possessed by or on behalf of the agent or purchasing agent, shall be open to inspection, examination and test at all reasonable times without notice and shall be made available for such inspection, examination or test whenever required. To facilitate such inspection, the agent or purchasing agent shall keep at least ten standard weights of fifty kilograms

each at each weightment centre in the custody of the person incharge of weighments.

- (v) (a) Deductions not more than those allowed by Government on the net weight of cane purchased, shall be made for binding materials etc.
- (b) No other deduction without the approval of the Cane Commissioner, shall be made from the net weight of cane on the ground of driage, improper stripping or for any other reason.
- (vi) Weightments of cane shall not made more than half-an-hour after sunset unless adequate lighting arrangements are made at the weigh-bridge.
- (vii) There shall be no detention of cane carts for more than 4 hours without adequate cause. The occupier of a factory shall cause time of arrival and departure of carts etc. to be recorded in the pass book.
- (viii) Adequate arrangements to the satisfaction of the Cane Commissioner shall be made at all purchasing centres for :-
 - (a) regulating the entry and parking of carts to avoid congestion;
 - (b) roads and approaches to the weigh-bridges; and
 - (c) cattle sheds and troughs.
- (ix) Any representative of growers shall be allowed to be present at the time of weightment of cane at any weigh-bridge to watch or check weighments and examine records in which eights are recorded.
- (x) In no case shall cane be purchased without actual weightment.
- (xi) That part of the mechanism of a weigh-bridge by which its adjustment is controlled shall be kept suitably sealed or

locked.

- (xii) All weigh-bridges or scales at purchasing centres shall be tested at least once a week in the presence of any person nominated by the Cane Commissioner in this behalf and record of such tests shall be properly maintained. Any cane grower wishing to be present at the time of testing shall also be allowed.
- (xiii) Excess cane brought by a cane grower to the extent of 10 per cent of the weight prescribed in the unitwise requisition slip shall be accepted and there shall be no objections to the acceptance of less weight up to any extent.

17. Receipts (i) registers and records. [Sections 16 and 14 20(2) (h)] - (i) An agent or a purchasing agent shall prepare, or cause to be prepared, at each purchasing centre a parchi in triplicate, showing correctly :-

- (a) the serial number of the parchi;
- (b) the date of purchase;
- (c) the name of the person from whom the cane is purchased with his parentage and full address together with similar particulars about the person authorised by the vendor to deliver cane on his behalf;
- (d) the number of the requisition assigned to the vender, if any;
- (e) the weight of the cane, including the weight of the cart or wagon, as the case may be;
- (f) the weight of the cart (tare) or wagon, as the case may be;
- (g) the weight to be deducted under sub-rule (v) of Rule 16;
- (h) the net weight of the cane purchased;
- (i) the rate at which the cane is purchased; and
- (j) the price that has to be paid for the cane at that rate. The

entries as regards items (e); and

- (f) shall be made announced in the presence of the person who actually delivers the cane while the cart or wagon is still standing on the weigh-bridge, and in the case of weighment on beam scales, immediately on completion of the weighment. Entries as regards items (a) to (e) shall be made as soon as weighments take place and entries as regards items (f) to (j) as soon as the empty cart is weighed.
- (ii) The parchi referred to in sub-rule (i) shall be handed over in duplicate to the person from whom cane is purchased or to his authorised agent before the cane grower or his authorised agent leaves the weigh-bridge. The third copy of counterfoil shall be kept at the purchasing centre concerned.
- (iii) When payment is made for cane purchased, the receipt of the payee shall be taken on one of the counterfoils of the parchi handed over to him in accordance with the provision of sub-rule (ii) :

Provided that if a number of parchis are presented together for payment, the receipt of the payee, for the whole amount due to him may be taken only on the latest parchi; in such cases the number of, or other references to the other parchis covered by the receipt shall be given in the receipt, and the other parchis shall be cancelled.

- (iv) An agent or a purchasing agent shall maintain, or cause to be maintained, at each purchasing centre a register or record showing correctly the particulars specified in items (a) to (j) as given in sub-rules (I) and also the following further particulars:-
 - (a) the amount of loan, if any, advanced to the person from whom the cane is purchased;
 - (b) the amount of interest upto the date of recovery of the same;

- (c) the amount actually paid in cash on account of the cane purchased;
- (d) the date of payment.
- (v) An agent or a purchasing agent shall maintain at each purchasing centre an inspection book in triplicate in which Inspector may record their remarks and instructions.
- (vi) The registers, records, parchis etc. referred to in this rule shall be preserved for one year.
- (vii) The Cane Commissioner may direct the use of such other registers, records and forms as may be considered necessary.
- (viii) The occupier of a factory shall submit correct returns relating to the production and sale of sugar and purchase of cane and such other information in such form on such date and to such authority, as may be directed by the Cane Commissioner.

18. Payment. [Sections 15-A and 20(2)(1)] - (i) The occupier, agent or purchasing agent unless otherwise permitted by the Cane Commissioner, shall make payment every week on a fixed day to all cane growers or society for the cane purchased at each purchasing centre in such a manner that payments for purchases of a particular date are made within fourteen days of such purchases :

Provided that when the purchasing centre is closed, all payment must be within ten days :

Provided further, if any grower does not appear to receive payment within the specified period after the close of the purchasing centre, payment to him shall thereafter be made by the factory within twelve hours of demand.

- (ii) Payment shall be made on the basis of the recorded weight of the cane at the purchasing centre. The price of the cane

to be paid shall be calculated to the nearest paise.

- (iii) An occupier or agent shall be liable for all payments due for cane supplied to him or on his behalf, and if a purchasing agent fails to make payment for cane purchased by him for the factory, the occupier of such factory shall be responsible for making such payments.
- (iv) The payment for cane purchased for a factory shall be made to the grower or his duly authorised representative in writing only.
- (v) The days of the week or the dates and the hours at which payment will be made shall from time to time be exhibited on a notice board on each weighment or payment centre throughout the cane crushing season and shall also be notified to the Cane Commissioner and Inspector concerned.
- (vi) The Cane Commissioner shall forward to the Collector a certificate under his signatures specifying the amount of arrears on account of price of cane plus interest, if any, due from the occupier or agent and the Collector, on receipt of such certificate, shall proceed to recover from such occupier or agent the amount specified therein as if it were arrears of land revenue.

19. Collection etc. of tax. [Sections 7 and 20(2)(m)] - (i) The Cane Commissioner shall be the authority to collect the tax on the purchase of cane imposed under Section 17.

- (ii) The occupier or agent of a factory shall maintain a correct day-to-day account of the cane purchased in form XI.
- (iii) Before the fifteenth day of each month, the occupier or agent of a factory shall pay into the treasury/sub-treasury the amount due as tax on the quantity of sugarcane intended for use in the factory during the month immediately preceding.
- (vi) Before the close of each month the occupier, or agent of a

factory shall submit to the Cane Commissioner return in form XII showing :

- (a) the quantities of cane that have been purchased by the factory during the month immediately preceding;
 - (b) the amount of tax deposited by him in the treasury/sub-treasury;
 - (c) number and date of the treasury receipt with which the amount has been deposited; and
 - (d) balance outstanding, if any.
- (v) The Cane Commissioner shall, on receipt of such returns, check that the amount of tax has been correctly calculated and that the full amount thereof has been credited into the treasury/sub-treasury.

20. Forfeiture of Securities. [Sections 7 and 20(2)(m)] - (i) The Cane Commissioner may forfeit the securities or impose a fine upto Rs. five thousand after giving in writing the licensee an opportunity of explaining the charges against him and of producing evidence in his defence.

21. Repeal and savings. - (ii) The Cane Commissioner may order compensation to be paid out of the forfeited security to any person who suffered loss owing to the misconduct of the licensee or his employees, as the case may be.

The Punjab Sugarcane (Regulation of Purchase and Supply, Rules, 1958, are hereby repealed.

Provided that any order made or action taken under the rules so repealed shall be deemed to have been made or taken under the corresponding provision of these rules.

Form I
[See Rule 3(9)]

Procedure to be followed at the meeting of the Board :-

1. All meetings of the Board shall be presided over by the Chairman. In his absence, any member nominated by the Chairman or in the absence of any such nomination, a Chairman elected by the members present shall preside.
2. In order to constitute a meeting of the Board, the quorum shall be one-third of the total number of members of the Board including the Chairman, fraction being ignored.
3. Notice of resolution of a motion to be moved at a meeting of the Board, other than the first meeting shall be sent to the Secretary, at least seven days before the date fixed for the meeting. The Secretary shall circulate agenda to be brought forward at the meeting.
4. No business other than contained in the agenda sent to members shall be transacted at a meeting, except with the permission of the Chairman.
5. No motion or amendment shall be discussed at a meeting, unless it is seconded.
6. Every question shall be decided by a majority of votes of the members present and voting. In case of votes being equally divided, the Chairman shall have casting vote.
7. The Chairman shall be the sole judge of any point of order and may, if necessary, dissolve the meeting or adjourn it to any other date.
8. If at any meeting there is no quorum, the Chairman shall adjourn the meeting to any subsequent date and no quorum shall be necessary for such an adjourned meeting.
9. In respect of any matter not provided by these rules, the

procedure shall be in accordance with the ruling of the Chairman.

10. The Secretary shall keep minutes of each meeting of Board, carry on correspondence on behalf of the Board and discharge such other functions as may be necessary for the proper performance of the Board.

Form II
[See Rule 4(6)]

Procedure to be followed at the meetings of Committee or Body.

1. Notice in writing of meeting of the committee or the body shall be circulated to all the members of the committee or the body not less than two weeks before the meeting. Notice of a resolution or a motion to be moved at a meeting of the committee or the body shall be made available to the Chairman at least ten days before the meeting. The agenda shall be circulated at least one week before the meeting.
2. All meetings of the Committee or the body shall be presided over by the Chairman. However, in the absence of the Chairman, the members present shall elect a Chairman for that meeting from amongst themselves.
3. At the meeting of the committee or the body, one-third of the total members inclusive of the Chairman, the fraction if any being ignored, shall form a quorum.
4. Every question shall be decided by a majority of votes of the members present and voting. In case of votes being equally divided, the Chairman shall have a casting vote.
5. The Chairman shall be the sole judge for deciding any point of order and may call any member to order and may, if necessary, adjourn the meeting to any other date.
6. In respect of any matter not provided by these rules, the procedure shall be in accordance with the ruling of the Chairman.

Form III
(See Rule 6)

Notice of nomination of agent

I/We _____ hereby give notice that I/We have nominated

:-

1. _____, son of _____, resident of _____.
2. _____, son of _____, resident of _____.
3. _____, son of _____, resident of _____.

Tehsil/district _____ to act as the agent of the sugar factory namely _____ for the purpose of the Punjab Sugarcane (Regulation of Purchase and Supply) Act, 1953, with effect from _____ to _____ and that he/they has/have accepted the nomination as such and in token thereof has/have affixed his/their signature below. A receipt of the required deposit is enclosed herewith.

Occupier

Signature of the agent(s) _____

Signature of witness(s) _____

Date _____

Form IV

(See Rule 8)

Form of estimate of normal cane requirements of a factory

1. Name of the factory.
2. Total quantity of cane crushed during any 15 consecutive days in the month of January and February of the last crushing season, mentioning the quantity of cane crushed on each date separately.
3. Total number of hours of actual crushing during the 15 consecutive days recorded in item 2 above mentioning the number of hours of actual crushing on each date separately.

4. Average quantity of cane crushed per hour and per day of 22 hours on the basis of item 2 above.
5. The estimate of the normal cane requirement of the factory arrived at by multiplying by 120 the average quantity of cane crushed per day of 22 hours as calculated under item 4.
6. Any extension of the plant of the factory since the last statement was submitted.
7. Date of submission.
8. Specification of area desired to be declared as assigned area.

Signature of person empowered
to sign on behalf of the occupier
of the factory

Form V

[See Rule 9(1)]

(Form of the survey of sugarcane)

Name of the village, tehsil and district _____

Serial No.	Name of the cane grower with father's name	Khasra No. of plots under cane in his cultivation	Area under Cane				Remarks
			Early varieties		Other varieties		
			Ratoon	Plant	Ratoon	Plant	
1	2	3	4	5	6	7	8

Signature of the authorised officer

Form VI

[See Rule 9(2)]

Cane Growers Register

Name of village, tehsil and district _____

Name of the factory or purchasing centre _____

Serial No.	Name of the cane grower with father's name	Total holding	Quota of supply in the last three years	Khasra number of plots under cane in his cultivation	Area under cane				Remarks
					Early varieties		other varieties		
					Ratoon	Plant	Ratoon	Plant	
1	2	3	4	5	6	7	8	9	10

Signature of the authorised officer

Form VII
[See Rule 11(ii)]

Form of application by a cane grower or a Cane Growers Co-operative Society in an assigned area offering cane to the factory

1. Name of the cane grower with father's name or name of the Cane Growers Co-operative Society
2. Village, Tehsil/sub-tehsil and district
3. Name of the factory concerned
4. Total area of land in his cultivation fit for growing sugarcane (for individual only)
5. Total area of land in his/the members cultivation under cane in 19
6. Varieties cultivated with percentage area under each
7. Estimated yield per acre
8. Quantity of cane estimated for sale (in quintals)

Dated _____

Signature of the cane grower or
authorised representative of a Cane
Growers Co-operative Society.

Form VIII
[See Rule 11(iii)]

Form of agreement between a Cane Grower/Cane Growers Co-operative Society and the Agent of a factory

This agreement is made on the _____ day of _____ between _____ the Cane Grower/Cane-growers Co-operative Society, village _____ district _____ (hereinafter referred to as the “first party” and _____ the agent of _____ factory (hereinafter referred to as the “second party”) for the sale and purchase of cane;

Whereas the first party agrees to sell during the year of 19 _____ the sugarcane crop standing on _____ acres as detailed below with an approximate yield of _____ quintal to the second party at the minimum price of Rs. _____ subject to such deductions, if any, as may be notified by the Government from time to time;

And whereas the first party further agrees to supply good cane free from leaves, tops and roots at the factory gate or at _____ purchasing centre in such quantities and on such dates, as may be specified in the unit-wise requisition slip issued by the second party. Now this agreement witnessth as under :-

1. The cane shall be taken by the second party in instalments equitably spread over the whole working period of the factory.
2. In the case of Cane Growers Co-operative Society, the second party shall pay to the first part commission at the rate of [Re. 1.00] per quintal or at such rate as the Government may, from time to time, for sufficient reasons, fix by notification published in the official Gazette for any specified period. The commission shall ordinarily be paid monthly and the last instalment shall be paid within one month of the close of the crushing season. If it is not so paid, interest shall accrue at the rate of 15 per centum per annum on all sums left unpaid. The first party shall spend at least 50 per centum of the commission so earned in the development of sugarcane of its members in consultation

with the second party and in accordance with the directions of the Cane Commissioner.

3. In the case of a cane grower, the second party shall spend an amount equivalent to at least 50 per centum of the commission prescribed under paragraph (2) above for the development of sugarcane of such cane grower in accordance with the directions of the Cane Commissioner.
4. The 50 per centum of the commission prescribed under paragraph (2) above for the development of sugarcane will be deposited in a separate bank account which will be operated jointly by the representative of concerned cane growers cooperative society, representative of concerned sugar mills and a representative of Cane Commissioner.
5. In the event of wilful failure to supply at least eighty-five per centum of the total quantity of cane contracted to be sold, the first party shall be liable to pay to the second party compensation equal to twenty per centum of the price of deficit quantity of cane which the first party fails to supply wilfully and the second party shall distribute the amount so realised amongst the cane growers/cane growers cooperative societies who supply cane in the last thirty working days of this factory during the season in preparation to the quantity of cane supplied by each of them during the said period of thirty days.
6. In case of the first party wilfully fails to supply cane to the second party on three consecutive occasions in accordance with the requisition made by the second party, the first party shall cease to have a claim to sell cane to the second party.
7. The second party shall ordinarily send the requisition for cane to the first party at least four days before the cane is required and will not make changes within this period without sufficient reasons.

8. In the event of the second party wilfully failing to purchase cane in accordance with the provisions of this agreement, it shall be liable to pay to the first party compensation equal to twenty per centum of the price of such quantity of cane as the second party fails to buy; provided that for any deficiency in the purchases in the instalments fixed for the period after 1st April, the second party shall be liable to pay to the first party compensation equal to forty per centum of the price of such quantity of cane as the second party fails to purchase after 1st April.
9. In the event of a break down at the factory or of other circumstances due to natural causes, calamities or accidents beyond human control arising to show that the second party will not be able to purchase the cane it has agreed to purchase, the first party, after giving a week's notice to the second party and with the prior intimation to the Cane Commissioner, shall have the option of making other arrangements for the disposal of the cane and in such case no compensation shall be payable by either party to the other.
10. No compensation for breach of this agreement shall be payable by either party when such breach is due to natural causes, calamities, or accident, beyond human control.
11. Any dispute arising out between the parties regarding the quality any condition of the cane, the place of delivery, the instalments and other matters pertaining to this agreement shall be referred to the Cane Commissioner whose decision shall be final and binding on both the parties.

In the witness whereof the parties hereto have signed this agreement on the dates respectively mentioned against their names.

Witness :

1. _____

Signature of Cane grower/
Cane Growers Coop. Society.

2. _____

Witness :

1. _____

Signature of the agent of the Society

2. _____

for and on behalf of the agent of a factory.

Date :

Address :

Form VIII-A

[See Rule 11(vii)]

Form of notice for purchasing cane from outside the assigned area.

Whereas the _____ factory has been allowed to crush
_____ quintals of cane during _____ crusing
season;

And whereas the cane growers or the Cane Growers Co-operative
Society or societies in the assigned area of the said factory are not
willing to enter into agreement to supply or have failed to supply
the requisite quantity of cane or have offered to supply only
_____ quintals of cane;

Now, therefore, the _____ factory intends to purchase
the balance quantity viz. _____ quintals of cane from
outside the assigned area.

Agent

Dated _____

Name of the factory)

Form IX
(See Rule 13)

Form of application for a licence to work as purchasing Agent of a factory or to do any work in connection with any transaction for the purchase of cane within the State of Haryana

I _____, son of _____, resident of _____, having been nominated by the occupier of _____ factory to work as purchasing agent or to do any work in connection with any transaction for the purchase of cane at _____ purchasing centre on behalf of the aforesaid occupier of the factory hereby apply for a licence under the Punjab Sugarcane (Regulation of Purchase and Supply) Act, 1953.

I hereby agree to abide by the terms and conditions of the licence.

Dated _____

Signature of the applicant.

Form X
(See Rule 13)

Form of licence to work as purchasing agent of a factory.

This is to certify that _____ s/o _____ resident of _____, is authorised to work as _____ at _____ purchasing centre on behalf of _____ factory or _____ purchasing agent of _____ in connection with the transaction for the purchase of cane, subject to the terms and conditions hereinafter mentioned and to the provisions of the Punjab Sugarcane (Regulation of Purchase and Supply) Act, 1953, and the rules made thereunder :-

1. The licence shall remain in force till the _____
2. The licensee shall comply with the provisions of the said

Act and the rules made thereunder and shall obey all lawful directions which may be issued to him by the Inspector/ Additional Inspector or the Cane Commissioner.

3. The licensee shall be responsible for the proper discharge of his duties and shall not show favour, disfavour to any person, in connection with any transaction for the purchase of Cane on behalf of the aforesaid factory or the purchasing agent.
4. The licence shall be liable to be suspended or cancelled by the Cane Commissioner without prejudice to and in addition to any penalty which the licensee may incur under the provisions of the Act and the rules made thereunder, after giving him reasonable opportunity to show-cause why his licence should not be suspended or cancelled.
5. The licensee shall be responsible for returning the licence to the Cane Commissioner on expiry of the term thereof or in the event of the licence being suspended or cancelled on such suspension or cancellation.

(_____)
Cane Commissioner, Haryana

Form XI

[See Rule 19(ii)]

Cane record for Levy of tax

Local area _____

Quantity purchased and intended for use in a factory (in quintals)
dated _____

Carts	Lorries	Tractor trolley	Rail	Others	Total

Dated : _____

Signature of Agent

Form XII

[See Rule 19(iv)]

Return of purchase tax on Cane purchase

Cane Commissioner, Haryana

Name of the Sugar factory

1	2	3	4
Quantity of sugarcane purchased during preceding month	Amount of purchase tax deposited in treasury	No. & date of treasury receipt	Balance outstanding
	Rs. Ps.		

(Sd/-)

Secretary to Government, Haryana,
Agriculture Department.

The U.P Sugarcane (Regulation of Supply & Purchase) Act, 1953.

THE U.P. SUGARCANE (REGULATION OF SUPPLY AND PURCHASE) ACT, 1953

U.P. Act No. XXIV of 1953 as Amended by U.P. Acts No. XXI of 1956, No. III of 1966, No. VI of 1962, No. IV of 1964. No. XI of 1966, No. VI of 1971; No. II of 1972 , No. XXVIII of 1974, No. X of 1976 and Act No. XXXIV of 1976 and No. 30 of 1979.

CONTENTS

CHAPTER I

PRELIMINARY

1. Short title extent and commencement.
2. Definitions.

CHAPTER II

ADMINISTRATIVE MACHINERY

3. Sugarcane Board.
4. Functions of the Board.
5. The Development Council.
6. Functions of the Council.
7. Casual vacancy.
8. Council Fund.
9. Sugar Commissioner and Cane-Commissioner.
10. Additional, Deputy or Assistant Cane Commissioner.
11. Inspectors.

CHAPTER III

SUPPLY AND PURCHASE OF CANE

12. Estimates of requirements.
13. Register of Cane-grower and Cane-growers Co-operative Society or Societies.
14. Power of Survey, etc.
15. Declaration of reserved area and assigned area.
16. Regulation of purchase and supply of cane in the reserved and assigned areas.
17. Payment of cane price.
18. Commission on purchase of cane.
19. Power to declare varieties of cane to unsuitable for use in factories.

CHAPTER IV

MISCELLANEOUS

20. Tax on sale of cane.
21. Determination of occupier for the purpose of this Act.
22. Penalties.
23. Institution of Proceedings.
24. Special powers of Magistrates.
25. Protection of action taken under the Act.
26. Repeal and saving.
27. Transitional Provisions.
28. Power to make rules.

[As passed by the U.P. Legislature]

An Act to regulate the supply and purchase of sugarcane required

for use in sugar [factories and Gur, Rab or Khandsari Sugar Manufacturing Units] and other connected matters:

CHAPTER 1

Preliminary

1. Short title. Extent and commencement.-(1) This Act may be called the U.P. Sugarcane (Regulation Supply and Purchase) Act, 1953.

(2) It extends to the whole Uttar Pradesh.

(3) It shall come into force at once.

Comments

Act and Notification, dated 27th September, 1954-Not violative of Article 19(1)(f) and (g).-The power given to

the Cane Commissioner under Section 15 of the Act for declaring reserved or assigned areas is not absolute nor is

it unguided and, therefore, does not fall within the mischief of Article 19(1) (f) and (g) and the notification dated 9th November, 1955, cannot be impugned on that ground. The same is the position with regard to notification, dated 27th September, 1954. The restriction which is imposed upon the cane-growers in regard to sales of membership of the Cane-operative Society is not less than 75 per cent of the total cane-growers within the area is a reasonable restriction in the majority of grower of sugarcane in the area and works for the greatest good of the greatest number.

That being so, it comes well within the protection of Article 19(6) and the impugned notification cannot be challenged as violative of the fundamental right guaranteed under Article 19(1)(f) and (g) ; per

Bhagwati, J. –Ch. Tika Ramji v. The State of Uttar Pradesh.

Act and Notifications thereunder-Not violative of Article 31 of Constitution.-if these impugned notifications are intra vires the State Legislature, they cannot be challenged also under Article 31 as one of the petitioners is being deprived of his property, if any, save by the authority of law per Bhagwati J.-Ch. Tika Ramji v. The State of Uttar Pradesh.

Act does not violate Article 301 of the Constitution. The Act does not violate Article 301 of the Constitution. The sugarcane growers are not free to sell their sugarcane to any body other than the occupier of a factory or even to him except thorough the agency of a Cane-growers Co-operative Society and are not at all entitled to sell their sugarcane to anyone outside the State. Assuming this is so, the short answer to this contention is furnished by the provisions of Article 301 of the Constitution per Bhagwati, J.-Tika Ramji v. The State of Uttar Pradesh.

Act is intra vires uf U.P. Legislature.-The impugned Act merely confined itself to the regulation of the supply and purchase of sugarcane required or use in sugar factories and did not concern itself at all with the controlling or licensing the sugar factories, with the production or manufacture of sugar with the trade and commerce in, and the production, supply and distribution of sugar.

If that was so, there was no question whatever of its trenching upon the jurisdiction of the Centre in regard to the sugar industry which was a controlled industry within Entry 52 of List 1 and the U.P. Legislature had jurisdiction to enact the law with regard to sugarcane and had legislative competence to enact the impugned Act per Bhagwati, J.-Ch. Tika Ramji v. The State of Uttar Pradesh.

Act is not repugnant to Sugarcane Control order 1955 and U.P. Sugarcane Regulation of Supply and Purchase Order 1954.- There

is no repugnancy whatever between the Sugarcane Control Order, 1955 and the U.P. Sugarcane Regulation of Supply and Purchase Order, 1954 and the impugned Act and the Rules framed thereunder as also the U.P. Sugarcane Regulation of Supply and Purchase Order 1954, do not trench upon the field covered by the Essential Commodities Act 10 of 1955 per Bhagwati. J.-Ch. Tika Ramji v. The State of Uttar Pradesh.

Act not repugnant to Industries (Development and Regulation) Act (65 of 1951) (as amended by Act 26 of 1953) and to Essential Commodities Act (10 of 1953). – If the Act had remained as originally enacted the provisions of the Act would not have been in any manner whatever repugnant to the provisions of U.P. Act 1 of 1938 because the Acts covered different fields. Act 26 of 1953, however introduced certain amendments in the Act including Section 18-G. Sugar industry being one of the scheduled industries sugarcane was an article relatable to the sugar industry and was, therefore within the scope of Section 18-G and the Central Government was authorised by notified order to provide for regulating the supply and distribution thereof and trade and commerce therein.

If that was so the field of legislation in regard to sugarcane was covered by this provision of the Act and was taken away from the jurisdiction of the State Legislatures, the avowed intention being to cover the whole field of such legislation. Articles relatable to scheduled industry comprised only those finished products which were of the same nature of description as the article or class of articles manufactured or produced in the scheduled industry and did not comprise the raw materials for the scheduled industry.

The structure of the whole Act 65 of 1951 related to the development and regulation of the scheduled industries

and all the provisions which were contained in the Act including those which were introduced therein by Act 26 of 1953 were

designed for effectuating that purpose.

It is significant to note that, even in Section 18-G, the regulation which was intended was that of supply and distribution of the article or class of articles relating to the scheduled industry and the production of those articles was not sought to be regulated at all. The raw materials would certainly be essential ingredients in the process of manufacture or production of the articles in the scheduled industry but would not be of the same nature or description as the article or class of articles manufactured or produced therein.

The whole object of enactment of Section 18-G was to secure the equitable distribution and availability at fair prices of such articles which by relation thereof to the article or class of articles manufactured or produced in the scheduled industry would affect such manufacture or production or the supply and distribution thereof or trade and commerce therein.

Section 18-G did not cover the field of sugarcane and the Central Government was not empowered by the introduction of Section 18-G by Act 26 of 1953 to legislate in regard to sugarcane. The field of sugarcane was not covered by Act 65 of 1951 as amended by the Act 26 of 1953 and the legislative powers of the Provincial

Legislatures in regard to sugarcane were not affected by it in any manner whatever. If the two fields were different and the Central Legislation did not intend at all to cover that field, the field was clear for the operation of State Legislation and there was no repugnancy at all between Act 65 of 1951 and the impugned Act per *Bhagwati, J.-Ch. Tika Ramji v. The State of Uttar Pradesh*.

Act not repealed-There was no repeal of the U.P. Sugarcane (Regulation of Supply and Purchase) Act or the U.P. Sugarcane (Regulation of Supply and Purchase) Order, 1954 by Section 16 of the Act 10 of 1955 or by Clause 7 of the Sugarcane Control Order,

1955 per Bhawati J.-Ch Tika Ramji v. The State of Uttar Pradesh.

Notification, dated 27th September, 1954 under Act 24 of 1953- Does not violate Article 19(1)(c).- There is no compulsion at all on any cane-grower to become a member of the Cane-grower's Co-operative Society. Similarly, no cane-grower is prevented from resigning his membership of a Cane-growers, Co-operative Society. These are voluntary organisations which a cane-grower is entitled to join or not at his choice.

There may be, of course, difficulties in the matter of his being able to sell the same to any person other than the owner of a factory or for any other purpose but that does not mean that there is an absolute restriction on his power of disposal of his goods unless and until he becomes a member of a Cane-growers' Co-operative Society, if he chooses not to do so and no power on earth can compel him to become such a member.

Just as he is not bound to become member of a Cane-growers' Co-operative Society, he is equally not bound to offer his sugarcane for sale to the occupier of a factory even if he happens to be a cane-grower within the area reserved for that factory. His freedom in that behalf is absolutely unrestricted and it cannot be urged that the provisions of the impugned Act and the Notification, dated 27th September, 1954, are violative of his fundamental right under Article 19(1)(c) of the Constitution per Bhagwati, J.-Ch. Tika Ramji v. The State of Uttar Pradesh.

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

(a) "assigned area" means an area assigned to a factory under Section 15;

(b) "Board" means the Sugarcane Board established under Section

3;

(c) “Cane” means sugarcane intended for use in a factory [or Gur,Rab or khandsari Sugar Manufacturing Unit]:

(d) “Cane Commissioner” means the Officer appointed to be Cane Commissioner under Section 9, and includes an Additional Cane Commissioner appointed under Section 10:

(e) “Cane-grower” means a person who cultivates cane either by himself or by members of his family or by hired labour and who is not a members of a “Cane-growers’ Co-operative Society”.

(f) “Cane-growers’ Co-operative Society” means a society registered under the Co-operative Societies Act, 1912, one of the objects of which is to sell cane-grown by its members and includes the federation of such societies registered under Section 8 of the said Act;

(g) “Collector” includes any person whom the State Government may, by notification appoint to exercise

and perform the powers and duties of Collector under this Act;

(h) “Council” means the Cane Development Council established under Section 5;

(i) “Crushing season” means the period [beginning on the 1st October in any year and ending on the 15th July next following];

(i-i) “Ethanol” means anhydrous ethyl alcohol of minimum 99 percentage strength, produced directly either from sugarcane juice or B-Heavy molasses or both.

Explanation.- When a sugar factory produces ethanol directly from

sugarcane juice of B-Heavy molasses, the recovery rate in case of such sugar factory shall be determined by considering every six hundred litres of ethanol so produced as equivalent to one ton production of sugar.

[(j) “Factory” means any premises including the precincts thereof wherein twenty or more workers are working or on any day during the preceding twelve months and in any part of which any manufacturing process connected with the production of sugar by means of vacuum pan process or ethanol either directly from sugarcane juice or molasses, including B-Heavy molasses, or both as the case may be, is being carried on or is ordinarily carried on with the aid of mechanical power.”

[(j-i) “Gur- Rab or Khandsari Sugar Manufacturing Unit” means a unit engaged or ordinarily engaged in the manufacture or production of gur, rab or khandsari sugar in a reserved area, and which is capable of handling sugarcane juice produced with the aid of a crusher driven by any mechanical power;]

[(j-ii) “Inspector” means any person appointed or any officer designated as inspector under Section 11;]

[(k) “Occupier” in relation to a factory or a gur, rab or khandsari Sugar Manufacturing Unit, means the person (including a company, firm or other association of individuals) who, or the authority which, owns or has the ultimate control over the affairs of such factory or unit and where the said affairs are entrusted to a Managing Agent or a Director or other Officer of such person or authority, includes such Managing Agent, Director or other officer :

Explanation.- Notwithstanding that the affairs of a factory or unit are entrusted to a Managing Agent or a

Director other officer, the liability under Section 17 of the person,

who or the authority which owns or has the ultimate control over the affairs of the factory or unit shall remain unaffected;]

(l) “Prescribed” means prescribed by rules;

(m) [* * *]

[(n) “Reserved area” shall mean the area reserved for a factory under an Order for reservation of Sugarcane areas made under Rule 125-B of the Defence of India Rules, 1962, and when no such order is in force, the area specified in an order made under Section 15;]

(o) “Rules” means a rule made under this Act;

(p) “State Government” means the Government of Uttar Pradesh; and

(q) “Sugar Commissioner” means the Official appointed to be Sugar Commissioner appointed under Section 10].

CHAPTER II

Administrative Machinery

3. Sugarcane Board.- (1) There shall be established by the State Government a Sugarcane Board for Uttar Pradesh.

(2) The Board shall consist of-

[(a) the minister in charge of Industries];

[(aa) the Minister in charge of Cane Development];

(b) [twenty-one members] to be appointed by the State Government of whom five shall be representatives of sugar factories [five shall

be representatives of Gur, Rab or Khandsari Sugar Manufacturing Units and five shall be representatives of cane-growers and the Cane-growers' Co-operative Societies and the remainders shall be persons possessing technical knowledge in sugarcane or otherwise interested in the development of sugarcane and its products;

(c) the Cane Commissioner or his representative who shall be ex-officio member; and

(d) the Secretary to the State Government in the Industries Department or such other officer as may be nominated by the State Government. He shall also be ex-officio Secretary of the Board.

(3) The Minister in charge of Industries shall be ex-officio Chairman of the Board and in his absence the [Minister in charge of Cane Development and; if he also, is absent the representative of the Minister in charge of Industries to be nominated by him, shall preside over the meeting of the Board.

(4) The term of the Board shall be two years: provided that the State Government may if it is satisfied that it is necessary so to do dissolve the Board before the expiry of its term.

(5) Where the Board is dissolved the following consequences shall follow-

(a) All members referred to in Clause (b) of sub-section (2), Shall on a date to be specified in the order, vacate their offices but without prejudice to their eligibility for appointment or nomination as a member;

(b) The Board shall be reconstituted by the State Government in accordance with the provisions of sub-section (2).

4. Functions of the Board.- The Board shall advise the State

Government on the following matter,namely-

(a) matters pertaining to the regulation of supply and purchase of cane for sugar factories;

(b) the varieties of cane which are suitable or unsuitable for use in sugar factories;

(c) the maintenance of healthy relations between occupiers or managers of factories, cane-growers. Cane-growers' Co-operative Societies, Cane development Council and

(d) such other matters as may be prescribed.

5. The Development Council.- (1) There shall be established for the reserved area of a factory a Cane Development Council (hereinafter called Council) which shall be body corporate by the name of such area or such other name as may be prescribed, having perpetual succession, and subject to such restrictions or qualifications as may be imposed and subject to such restrictions or qualifications as may be imposed under this Act or any other enactment, vested with the capacity of suing and being sued in its corporate name, of acquiring, holding administering and transferring property both movable and immovable, and of entering into contracts :

Provided that where the Cane Commissioner so directs the Council may be established for a larger or smaller area than the reserved area of a factory.

(2) The area for which a Development Council is established shall be called a zone.

(3) The Council shall consist of the following, namely :-

(i) two representatives of the sugar factory concerned, to be

nominated by the occupier;

[“(ii) Seven representatives of the Cane-grower’s Co-operative Societies functioning in the reserved area, to be elected by the members of the Committees of Management of such societies from amongst the members of such societies;

Provided that out of seven representatives one representative shall be from the persons belonging to the Scheduled Castes or the Scheduled Tribes and one from the persons belonging to the other Backward Classes and one representative shall be a women.”

(iii) one representative of the licensed power driven khandsari manufacturing units in the reserved area, to be elected by their owners;

(iv) the District Cane Officer;

(v) the Sugarcane Protection Inspector;

[(vi) the Seed Production Officer;]

(vii) the senior Cane Development Inspector, who shall be ex-officio Member-Secretary.

(3-A) The members of the Council shall elect from among themselves a person not being a Government servant, to be the Chairman of such Council];

“(4) The term of council shall be coterminous with the term of Cane Co-operative Society and upon its expiry the council shall be re-constituted in accordance with the provisions of sub-section (3).”

(5) Where a Council is dissolved the following consequences shall follow :

(a) [the Chairman and all members but not the Secretary] shall on a date to be specified in the order vacate their offices but without prejudice to their eligibility for appointment or nomination as member:

(b) the Council shall be reconstituted by the Cane Commissioner in accordance with the provisions of sub- section (3); and

(c) the duties, power and functions of the Council shall, pending its reconstitution, be discharged, exercised and performed by the secretary may direct, for such period and subject to restrictions as may be specified in the order.

6. Functions of the Council.- (1) Functions of the Council shall be-

(a) to consider and approve the programme of development for the zone;

(b) to devise ways and means for the execution of the development plan in all its essentials such as cane varieties, can seed, sowing programme, fertilizers and manures;

(c) to undertake the development of irrigation and other agricultural facilities in the zone;

(d) to take necessary steps for the prevention and control of diseases and pests and to render all possible help in the soil extension work;

(e) to impart technical training to cultivators in matters relating to the production of cane;

(f) to administer the funds at its disposal for the execution of the development scheme subject to the general or special directions of the Cane Commissioner; and

(g) to perform other prescribed functions pertaining and conducive to the general development of the zone.

(2) The State Government may by rule provide for an annual meeting of all the Development Council in a district. Every such meeting shall be presided over by the Collector/

7. Casual vacancy.- A casual vacancy in the Council shall be filled up, as far as may be, in the manner stated in sub-section (3) of Section 5.

8. Council Fund.- (1) There shall be a fund at the disposal of the Council to meet the charges in connection with the discharge of its duties and performance of its functions under this Act.

(2) The fund of the Council shall consist of –

(a) grants, if any made by the Indian Central Sugarcane Committee;

(b) grants, if any made by the State Government;

(c) contributions made by the sugar factories [Gur, Rab or Khandsari Sugar Manufacturing Units] and ‘Cane- growers’ Co-operative Societies at rates to be prescribed; and

(d) any other sums, which the State Government may require to be credited to it.

8-A. Supersession of Council.- If at any time, the State Government is, after taking into consideration the explanation, if any, of the Council satisfied that the Council has made a wilful default in the performance of any of its functions and duties under this Act, it may, by notification supersede the Council for such period as may be specified and shall make such arrangement for the performance of the functions and duties of the Council, during the period of

supersession, as it may deem fit.]

9. Sugar Commissioner and Cane Commissioner.- The State Government may for purposes of this Act appoint-

(a) a Sugar Commissioner; and

(b) a Cane Commissioner;

Who shall perform the duties and exercise all powers conferred or imposed upon them by or under this Act:

Provided that nothing in this section shall prevent the State Government from appointing the same person to be Sugar Commissioner and the Cane Commissioner.

10. Additional, Deputy or Assistant Cane Commissioner.-

The State Government may appoint any person or designate any Government Officer as Additional, Deputy or Assistant Cane Commissioner or Additional, Deputy or Assistant Sugar Commissioner.

11. Inspectors.- (1) The State Government may for purposes of this Act appoint any person or designate such officers of the Government as it thinks fit to be Inspectors within such local limits as may be assigned to them.

(2) The Inspectors shall perform the duties and exercise the powers conferred or imposed upon them by or under this Act.

CHAPTER III

Supply and Purchase of Cane

12. Estimates of requirements.- (1) The Cane Commissioner, may for purposes of Section 15, by order, require the occupier of any factory to furnish in the manner and by the date specified in the order to the Cane Commissioner an estimate of the quantity of cane which will be required by the factory during such crushing seasons or crushing seasons as may be specified in the order.

(2) The Cane Commissioner shall examine every such estimate and shall publish the same with such modifications, if, any, as he may make.

(3) An estimate under sub-section (2) may be revised by an authority to be prescribed.

13. Register of Cane-growers and Cane-growers and Cane-growers' Co-operative Society or Societies.-

The prescribed form a register of all such cane-growers and Cane-growers' Co-operative Society or Societies, and shall sell cane to that factory.

(2) The State Government may, by rules, make provision for the following-

(a) correction of entries made in the register and addition of new entries if necessary;

(b) fixing of prices in respect of entries so corrected or added in the register and prescribing of the procedure for payment of such price; and

(c) the supply of copies of entries made in the register on payment of the prescribed fee.

14. Power of survey etc.- (1) The State Government may, for

purposes of Section 15, by order provide for-

(a) a survey to be made of the area proposed to be served or assigned for the supply of cane to a factory and the recovery of the cost of such survey from the occupier of the factory.

(b) the appointment of an Officer for purposes of such survey, his duties and powers;

(c) the procedure in accordance with which the survey shall be made;

(d) the assistance and facilities to be provided to the officer appointed in pursuance of Clause (b) by the persons owning for occupying land in the area; and

(e) such incidental and consequential matters as may appear to be necessary or desirable for this purpose.

(2) Any amount due from the occupier of a factory in pursuance of Clause (a) of sub-section (1) shall be recoverable from such occupier as an arrear of land revenue.

15. Declaration of reserved area and assigned area.- (1) Without prejudice to any order Clause (d) of sub-section (2) of Section 16 the Cane Commissioner may, after consulting the Factory and Cane-growers' Co- operative Society in the manner to be prescribed:

(a) reserve any area (hereinafter called the reserved area); and

(b) assign any area (hereinafter called an assigned area),

For the purposes of the supply of cane to a factory in accordance with the provisions of Section 16 nduring [one or more crushing seasons as may be specified and may likewise at any time cancel such order or alter the boundaries of an area so reserved or assigned.

(2) Where any area has been declared as reserved area for a factory. The occupier of such factory shall, if so directed by the Cane Commissioner purchase all the cane grown in that area, which is offered for sale to the factory.

(3) Where any area has been declared as assigned area for a factory, the occupier of such factory shall purchase such quantity of cane grown in that area and offered for sale to the factory as may be determined by the Cane Commissioner.

(4) An appeal shall lie to the State Government against the order of the Cane Commissioner passed under sub-section (1).

Comments

Does not violate Art. 14 of the Constitution.- The powers given to the Cane Commissioner under Section 15 are well defined and have not to be exercised within the limits prescribed after consulting the factories and the Cane-growers' Co-operative Societies vide Section(1) and any order made by the Cane Commissioner thereunder liable to an appeal to the State Government at the instance of the party aggrieved vide Section 15(4). The same is the position in regard to the orders made by the Cane Commissioner in the course of his management. Supervision of the Cane-growers' Co-operative Societies and any order made by him in regard thereto is subject to appeal to the State Government at the instance of the party aggrieved vide Rule 63. If this is the position, it cannot be urged that wide powers are conferred on the Cane Commissioner which can be used by him in a discriminatory manner so as to violate the fundamental rights guaranteed under Article 14 of the Constitution.

Any Cane-grower or a Cane-growers' Co-operative Society of the occupier of a factory can, if aggrieved, take an appeal to the State Government against any order passed by the Cane Commissioner and such provision is a sufficient safeguard provided in the Act

and the rules against any arbitrary exercise of those powers by the Cane Commissioner and takes them out of the ban of Article 14 (per Bhagwati, J.)-Ch. Tika Ram v. The State of Uttar Pradesh.

16. Regulation of purchase and supply of cane in the reserved and assigned areas.- (1) The State Government may, for maintaining supplies, by order, regulate-

(a) the distribution, sale or purchase of any cane in any reserved or assigned area; and

(b) purchase of cane in any area other than a reserved or assigned area.

(2) Without prejudice to the generality of the foregoing powers such order may provide for-

(a) the quantity of cane to be supplied by each Cane-grower or Cane-growers' Co-operative Society in such area to the factory for which the area has so been reserved or assigned;

(b) the manner in which cane grown in the reserved area or the assigned area, shall be purchased by the factory for which the area has been so reserved or assigned and the circumstance in which the cane grown by a cane-grower shall not be purchased except through a cane-growers' Co-operative Society;

(c) the form and the terms and condition of the agreement to be executed by the occupier or manager of the factory for which an area is reserved or assigned for the purchase of cane offered for sale:

(d) the circumstances under which permission may be granted-

(i) for the purchase of cane grown in reserved or assigned area by a Gur, Rab or Khandsari Manufacturing Unit or any person or factory

other than the factory for which area has been reserved or assigned, and

(ii) for the sale of cane grown in a reserved or assigned area to a [Gur, Rab or Khandsari Manufacturing Unit or any person or factory] other than the factory for which the area is reserved or assigned;

(e) such incidental and consequential matters as may appear to be necessary or desirable for this purpose.

17. Payment of cane price.- (1) The occupier of a factory shall make such provision for speedy payment of the price of cane purchased by him as may be prescribed].

(2) Upon the delivery of cane the occupier of a factory shall be liable to pay immediately the price of the cane so supplied, together with all other sums connected therewith,

(3) Where the person liable under sub=section (2) is in default in making the payment of the price for period exceeding fifteen days from the date of delivering, he shall also pay interest at a rate of 7-1/2 per cent per annum from the said date, with the approval of the State Government, that no interest shall be paid or be paid at such reduced rate as he may fix:

[Provided that in relation to default in payment of price of cane purchased after the commencement of this proviso, for the figure '7-1/2 the ' figure 12' shall be deemed substituted.]

(4) The Cane Commissioner shall forward to the Collector a certificate under his signature specifying the amount of the price of cane plus interest, if any, due from the occupier and the Collector, in receipt of such certificate, shall proceed to recover from such occupier the amount specified therein as if it were an arrear of land revenue.

(5)(a) Without prejudice to the provisions of the foregoing subsections, where the owner or any other person having control over the affairs of the factory or any other person having control over the affairs of the factory or any other person competent in that behalf enters into an agreement with a band under which the band agrees to give advance to him [“on the security of sugar or ethanol (directly produced from the sugarcane juice or B-Heavy molasses)”] produced or to be produced in the factory, the said owner or other person shall provide in such agreement that a [percentage determined by such authority and in such manner as may be prescribed] of the total amount of advance shall be set apart and be available only for repayment to cane-growers or their co-operative societies on account of the price of sugarcane purchased or to be purchased for the factory during the current crushing season from those cane-growers or from or through those societies, and interest thereon and, such societies, commission in respect thereof.

(b) Every such owner or other person as aforesaid shall send a copy of every such agreement to the Collector within a week from the date on which it is entered into].

18. Commission on purchase of cane.- (1) There shall be paid by the [occupier of a factory or a Gur, Rab or Kahndsari Sugar Manufacturing Unit] a commission for every one maund of cane purchased by the [factory or a Gur, Rab or Khandsari Sugar Manufacturing Unit]-

(a) ‘where the purchase is made through a Cane-growers’ Co-operative Society, the commission shall be payable to the Cane growers’ Co-operative Society and Council in such proportion as the State Government may declare, so, however, that the share payable to the Council shall not exceed 50 per cent; and

(b) where the purchase is made directly from the cane-grower, the commission shall be payable to the Council:

[Provided that different rates of commission may be prescribed for a factory and for a Gur, Rab or Khandsari, Sugar Manufacturing Unit :

Provided further that the State Government may by notification in the official Gazette remit in whole or in part such commission in respect of a factory or a Gur, Rab or Khandsari Sugar Manufacturing Unit for a limited purpose specified in the notification].

(2) The commission payable under clause (a) and (b) of sub-section (1) shall be at such rates as may be prescribed : provided, however, that the rate fixed under clause (b) shall not exceed the rate at which the commission may be payable to the Council under clause (a).

(3) The provisions relating to payment, interest and recovery including recovery as arrears of land revenue, applicable to price of cane shall mutatis mutandis apply to payment and recovery of commission under sub-section (1).

19. Power to declare varieties of cane to be unsuitable for use in factories.- (1) The State Government may, by notification, declare that-

(a) cane of any variety grown in any area specified in such notification is unsuitable for use in all or any factories situated in the said area;

(b) ratoon cane of any variety grown in any area specified in such notification is unsuitable for use in any or all factories situated in the said area; and

(c) seed cane of any variety is unsuitable for distribution cultivators in an area as specified in such notification.

(2) The notification under sub-section (1) shall be issued after December 31, and before September 1, in any calendar year.

(3) Where any seed cane of any variety has been declared under sub-section (1) to be unsuitable for distribution to cultivators in that area, the occupier of a factory or any other person acting on his behalf or Cane-growers' Co-operative Society shall not distribute seed cane of such variety or varieties to any person to be used by cane-growers or the members of the Cane-growers' Co-operative Societies in any area.

(4) Where cane or ratoon cane of any variety has been declared under sub-section (1) to be unsuitable for use in a factory, the occupier of such factory or any other person acting on his behalf or a cane-grower or a Cane-growers' Co-operative Society shall not plant cane of any variety, or keep ratoon cane of any such variety.

CHAPTER IV

Miscellaneous

20. Tax on sale of cane.- (1) The Governor may, by notification, impose a cess not exceeding four annas a maund on the entry of sugarcane into an area specified in such notification for consumption, use or sale there:

Provided that the State Government may by notification, remit in whole or in part such cess in respect of sugarcane used or intended to be used in a factory for any purpose specified in such notification.

(2) The State Government shall make rules specifying the authority empowered to assess and collect cess and the person from whom and the manner in which the cess shall be collected.

(3) If any agreement for the sale of cane is entered into before the imposition of a cess under this section,

the seller will be entitled to recover from the buyer in addition to,

and as part of the contracted price, the amount of such cess to which the seller may be liable.

(4) Where any person is in default in making the payment of the cess, the authority empowered to collect the cess may direct that in addition to the amount of the arrears a sum not exceeding 10 per cent thereof shall be recovered from the person liable to pay the cess, by way of penalty.

(5) The authority empowered to collect the cess may forward to the Collector a certificate under his signature specifying the amount of arrears due from the person concerned and the Collector, on receipt of such certificate, shall proceed to recover from such person the amount specified therein as if it were an arrear of land revenue.

(6) Any sum imposed by way of penalty under sub-section (4) shall be recoverable in the manner provided in sub-section (5) for the recovery of the arrear of cess.]

21. Determination occupier [for the purposes of Section 22].-

(1) Where the occupier of [a factory or gur rab Khandsari Sugar Manufacturing Unit] is a firm or other association of individuals, [(not being a company)] any one or more of the partner or member thereof may be prosecuted and punished under this Act for any offence for which the occupier of [the factory or Gur, Rab or Khandsari Sugar Manufacturing Unit] is punishable :

Provided that the firm or association may give notice to the Collector that it has nominated one of its members to be occupier of the factory for the purpose of [this sub-section] and such individual shall be deemed to be the occupier for the purpose of [this sub-section] until further notice cancelling his nomination is received by the Collector or until he ceases to be a partner or member of the firm or association.

(2) Where the occupier of a factory is a company any one or more of the directors thereof, or in the case of a private company, a shareholder to be the occupier of the factory for the purpose of [this sub-section] and such director share holder shall be deemed to be the occupier of the factory for the purposes of [this sub-section] until further notice cancelling his nominated is received by the Collector or until he ceases to be a director or share- holder.

22. Penalties.- If any person contravenes any of the provision of this Act or any rule or of order made thereunder, he shall be liable to imprisonment upto six months or to a fine not exceeding [rupees fifty thousand] or both and in the case of continuing contravention to a further fine not exceeding [five thousand] for each day during which the contravention continues.

22-A. Powers of certain officers to investigate into offences punishable under this Act.- (1) An Inspector specially empowered in relation to cases generally or to any class or cases by the State Government, by notification, in that behalf may investigate into any offence punishable under this Act committed within the limits of the area in which such officer exercise jurisdiction.

(2) Any such officer may exercise the same powers in respect of such investigation as an officer-in-charge of a police station may exercise in a cognizable case under the provisions of Chapter XII of the Code of Criminal Procedure, 1973.

22-B. Duty of officers of certain departments to report offences and to assist Inspectors.- Every officer of the Police, Revenue and Excise Departments shall be bound to give immediate information to an Inspector of all branches of any of the provisions of this Act which may come to his knowledge and upon request made by an Inspector, to aid him in carrying out the provisions of this Act and the rules made thereunder.]

23. Institution of proceedings.- (1) No prosecution shall be instituted under this Act except upon complaint made by or under authority from the Cane Commissioner or the district Magistrate.

(2) On the application of a person accused of an offence under this Act, the Cane Commissioner or the District Magistrate with the previous offence by levying a composition fee not exceeding the fine which could be imposed for such offence.

(3) No Court inferior to that of a Magistrate of the second class shall try any offence against this Act or any order or rule made thereunder.

24. Special powers of Magistrates.- Notwithstanding anything contained in Section 32 of the Code of Criminal Procedure, 1898, it shall be lawful for [chief Judicial Magistrate or Chief Judicial Magistrate or Chief Metropolitan Magistrate as the case may be, or Additional Chief Judicial Magistrate or Additional Chief Metropolitan Magistrate”] specially empowered by the State Government in this behalf and trying any case under this Act or any order or rule made thereunder to pass a sentence of fine not exceeding [fifty thousand rupees] on any person convicted for any offence under this Act.

25. Protection of action taken under the Act.- (1) No suit prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of any order or rule made under this Act.

(2) No suit or other legal proceeding shall lie against the State Government for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of any order or rule made under this Act.

26. Repeal and saving.- The U.P. Sugar Factories Control Act, 1938

(hereinafter in this section and Section 27 referred to as “the said Act”) is hereby repealed:

Provided that without prejudice to the general application of Section 6 and 24 of the U.P. General Clauses Act, 1904, with regard to repeal and continuation of appointments, notification, orders, etc., under enactment repealed and re-enacted, this repeal shall not prejudice or affect-

(a) The operation of any notice served, order made or any permit licence or sanction granted before the commencement of this Act under the powers conferred by the said Act;

(b) The continued validity of any cess, tax fee or other penalty assessed or imposed under the said Act prior to its repeal or the power to assess or impose any such cess, tax, fee or penalty in respect of the period prior to its repeal or anything done or permitted to be done thereunder, and such cess, tax, fee or penalty may be assessed or imposed any such thing done as penalty may be assessed or imposed and any such thing done as if the said Act had not been repealed;

(c) The continuance of a Board, or Cane Development Council constituted under the said Act and the same shall, till such Board or Council has been duly constituted under and in accordance with this Act, exercise the powers, duties and functions exercisable or dischargeable by it under the said Act;

(d) The continued operation of any immunity, exemption or protection granted by or under the said Act:

Provided further, that any area declared to be a reserved area or an assigned area under the said Act shall unless directed otherwise or superseded by anything done or any action taken under this Act, continue in force as if declared under this Act:

27. Transitional provisions.- The State Government may for the purpose of removing any difficulties in relation to the transition from the provisions of the said Act to this Act, by order published in the official Gazette-

(a) direct that this Act shall during such periods as may be specified in the order take effect subject to such adoptions whether by way of modification, addition or omission as it may deem fit to be necessary or expedient; and

(b) make such other temporary provision for the purpose of removing any such difficulty as it may deem fit to be necessary or expedient:

Provided that no such order shall be made after twelve months from the commencement of this Act.

28. Power to make rules [****]

(2) [****]

(3) The rules made under this section shall come into force from a date to be appointed by the State Government.

(4) All such rules shall be laid before the State Legislature when it meets immediately after their enforcement and shall be subject to such omissions, alterations and additions as the Legislature may make.

The U.P Sugarcane (Regulation of Supply & Purchase) Rules, 1953.

**THE U.P. SUGARCANE (REGULATION OF SUPPLY AND PURCHASE)
RULES, 1954**

Published in U.P. Gazette, dated, September 4, 1954 Pt. I-A, pp. 1564-, 1583 Notification No. 2662-HS/XVIII-C-1723-53, dated September 1, 1954

In exercise of the powers conferred by Section 23 of the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953 (U.P. Act No. XXIV of 1953), the Government is pleased to make the following rules and to direct that they shall come into force from the date of their publication in the Gazette.

CHAPTER 1

Short title and commencement

1. These rules may be called the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Rules, 1954.

CHAPTER II

Definitions

2. In these rules unless there is anything repugnant in the subject or context-

(a) “Act” means the Uttar Pradesh Sugarcane (Regulations of Supply and Purchases) Act. 1953 (Act XXIV of 1953);

(b) “Budget Year” means the year commencing from the first day of July;

(c) “Collector” means the Collector of the District in whose jurisdiction the factory or the purchasing centre or the reserved area

of the assigned area or the headquarters of a Council or a Zone or a Society, as the case may be, is situated;

(d) “Commissioner” means the Commissioner of a revenue division;

(e) “Federation” means the Uttar Pradesh Co-operative Cane Unions’ Federation Ltd.;

(f) “Purchasing Centre” means any place at which cane is purchased, supplied, delivered, weighed or paid for and includes such portion of the premises of a factory as is used for any of these purposes;

(g) “Section” means a section of the Act;

(h) “Society clerk” means any person appointed as such by a Cane-growers’ Co-operative Society to do any work connected with the supply, purchase, payment and weighment of cane at a purchasing centre;

(i) “Sub-divisional Officer” means the officer-in-charge of a revenue sub-division;

(j) “Weighbridge” means any mechanism or scales (including beam scales) used to weigh cane;

(k) “Weighment clerk” means a person appointed as such by the occupier of a factory or a purchasing agent and duly licensed under Rule 89 to do any work in connection with the purchase and weighment of cane at a purchasing centre;

(l) “Year” means the agriculture year beginning from July 1.

Short Notes

Administrative instruction may be issued to supplement and not

supplant the statutory rules

(1990 (4) SLR CAT Chandigarh 273).

The administrative instructions may fill in the gaps where statutory rules are silent. The administrative instructions cannot supersee, control or impugn upon the scope and ambit of statutory rules. (1980(4) SCC 226).

CHAPTER III

Sugarcane Board

3. The Board shall advise the State Government on such matters, in addition to those specified in the Act, as may be referred to it from time to time by the State Government.

4. Meetings of the Board shall be held at Lucknow unless otherwise directed by the Chairman and on such dates as the Chairman may fix.

5. Notice in writing of meeting of the Board shall be sent by the Secretary of the Board to all members at least 14 days before the date fixed for the meeting except in emergent cases, when a notice, both by letter and telegram, may be sent at least three days before the meeting.

6. When the seat of any member of the Board becomes vacant by reason of resignation or death or any other cause, the State Government shall appoint another person to fill the vacancy, and the person so appointed shall hold office for the residue of the term of office of the member in whose place he has been appointed.

7. The procedure in Appendix 1 to these rules shall be followed at meetings of the Board.

CHAPTER IV

Cane Development Council

8. The Cane Commissioner shall, by order, establish a Council for the reserved area of a factory or for any area specified in the order.

9. [Deleted]

10. In addition to the functions specified in the Act the Council shall perform such other functions, pertaining and conductive to the general development of its area, as may be assigned to it by the Cane Commissioner from time to time.

11. The term of a person appointed to fill a casual vacancy under Section 7 shall be the residue of the term of office of the person in whose place he has been nominated.

12. (1) An annual budget shall be drawn up by every Council and submitted for sanction to the Cane Commissioner at least one month before the commencement of the budget year. The Cane Commissioner may sanction the budget with such modifications as he may consider necessary.

[(1-A). The sanction referred to in sub-rule (1) may also be given by a Deputy Cane Commissioner nominated by the Cane Commissioner in this behalf.]

(2) No expenditure shall be incurred unless it has been provided for in the budget as sanctioned, provide that, with the prior approval of the Cane Commissioner given in writing, expenditure under the sanctioned item may exceed the provision for that item.

(3) The Cane Commissioner may, at any time during the currency of the budget, order expenditure on any item specified by him and

enforce payment therefore from the funds for the Council, where due to any special circumstances or default of the Council such a course is considered necessary for meeting any sudden, emergent or unforeseen contingency.

13. The Cane Commissioner may, where necessary, order the appointment of auditors other than the departmental auditors for auditing the accounts of the Council. The expenditure on such audit shall be met from the funds of the Council.

[13-A. A factory agreeing to join or to undertake any cane development scheme approved by the State

Government for the purposes of this rule shall contribute such sum to the fund of the council and in such manner, as may be determined by the Cane Commissioner, Uttar Pradesh, from time to time.]

14. The funds of the council shall be kept in a Scheduled Bank or a Co-operative Bank approved by the Cane Commissioner and shall be operated on by the secretary under the control of the Chairman subject to the directions, if any, issued by the Cane Commissioner. The Secretary shall maintain proper accounts shall be audited annually by a duly appointed auditor, and the Council shall remove all the audit objections to the satisfaction of the Cane Commissioner.

15. The Cane Commissioner may veto or modified may resolution or decision of the Council after assigning reason if it is against the interest and aims of the Council.

16. The secretary may, subject to the control of the Chairman, convene meetings of the Council as often as may be necessary and shall do so when required by any two members of the Council. He shall circulate the agenda, keep the minutes of the meetings carry on correspondence on behalf of the Council, and discharge such other functions as may be necessary. He shall forward a copy of the

minutes of every meeting to the Cane Commissioner within a week of the date on which it is held.

17. The procedure prescribed in Appendix II to these rules shall be followed at the meetings of a Council.

18. (1) The annual meeting of all the Council in a district [as required under Section 6(2) of the act] shall be held not later than the end of December during a crushing season.

(2) The meeting shall be held at such time and place as may be fixed by the Collector.

CHAPTER V

Inspectors

19. The Cane Commissioner and the Sugar Commissioner shall be ex officio Inspectors for the whole of the State. The Commissioner, the Collectors, the Sub-Divisional Officers, the District Planning Officers, the Deputy Cane Commissioners, the Assistant Cane Commissioners, the Range Co-ordination Officers, the District Cane Officers, the Additional District Cane Officers and the senior Cane Development Inspectors shall be ex officio Inspectors within their respective jurisdiction:

Provided that where necessary the Cane Commissioner or the Sugar Commissioner, as the case may be, may with the object that the inspection may be more effective, by order extend the jurisdiction of ex officio Inspectors other than the Commissioners, the Collectors, the Sub-Divisional Officers, the District Planning Officers and, may from special checking squads headed by such ex-officio Inspectors.]

20. Every Inspector may, within the local limits of his jurisdiction and with such assistance as may be necessary-

(a) Enter any factory or other place which is used or which he has reason to believe is being used as a purchasing centre or for the maintenance of any records, registers, accounts or other documents relevant thereto.

(b) Examine the weighbridge or weights used, kept or possessed for the weighment or purchase of cane.

(c) Cause any vehicle carrying cane or other consignments of cane to be weighed or re-weighed in his presence.

(d) Check weighments, purchases and payments made.

(e) Inspect factory roads, cattlesheds, cattle troughs and lighting arrangements made for weighments of cane.

(f) Examine the records showing the amount of cane purchased and crushed.

(g) Call for from the occupier of a factory or his employee, any information relating to the purchase, supply, crushing of cane and payment of cane price.

(h) Issue from time to time such instructions may be necessary to ensure equitable purchase of cane.

(i) Examine any records, registers, accounts or documents of Cane-growers Co-operative Societies.

(j) Examine any record, register or document or call for any information relating to the payment of purchase tax, commission and price of cane.

(k) Take into his possession and remove from the premises of a factory or purchasing centre such records, registers, documents,

statements, and returns, maintained or caused to be maintained by the occupier of a factory as he may require for the purpose of any enquiry or examination, and

(1) Exercise such other powers as may be necessary for carrying out the purposes of the Act and these Rules].

CHAPTER VI

Reservation and Assignment of Area

21. [(1) The occupier of a factory shall apply to the Cane Commissioner in Form I. Appendix-III for the reservation or assignment of an area for supply of cane to the factory for one or more crushing seasons falling over the period of reservation and assignment.

[(2). Every such application shall be accompanied by a Treasury receipt showing that a fee at the rate of Rupees One Thousand for each crushing season has been deposited in local treasury.”

(3) Every such application shall be accompanied by a Treasury receipt showing that a fee of rupees two has been deposited in the local treasury.

22. In reserving an area for or assigning an area to a factory or determining the quantity of cane to be purchased from an area by a factory, under Section 15, the Cane Commissioner may take into consideration-

(a) The distance of the area from the factory,

(b) Facilities for transport of cane from the area,

(c) The quantity of cane supplied from the area to the factory in previous year,

- (d) Previous reservation and assignment orders,
- (e) The quantity of cane to be crushed in factory,
- (f) The arrangements are made by the factory in previous years for payment of cess, cane price and commission,
- (g) The views of the Cane-growers Co-operative Society of the area,
- (h) Efforts made by the factory in developing the reserved or assigned area.]

23. Appeal against an order of the Cane Commissioner under Section 15 shall be to the State Government within 14 days of the publication of the order at the office of the Collector : provided that the State Government may, for any special reason, entertain an appeal made after the expiry of the above period; The appeal made under this rule shall be submitted to the State Government in triplicate.

23-A. The State Government shall be the authority empowered to revise the estimated under Section 12(3) and an application for revision of estimates published by the Cane Commissioner under Section 12(2) shall be made to the State Government within fourteen days from the publication of the estimates.

CHAPTER VII

Growers' Register

24. The occupier of a factory shall prepare in Form 2. Appendix III a register to be called the Growers' Register in respect of all the area from which supplies of cane are drawn by the factory. This register shall be properly maintained and shall be opened to inspection to every grower or to the Cane-growers' Co-operative Societies.

25. Any grower having or claiming to have grown sugarcane may apply to the occupier of the factory [concerned] for the correction of an entry in or the addition of new entry to the Growers' Register. The occupier shall keep a record of [such] applications.

26. The occupier of the factory shall, after such inquiry as he considers necessary, pass order in the application within 14 days of its receipt, and shall supply copy of such order free of charge to the applicant. An appeal from the order of the occupier of the factory shall lie to the Sub-Divisional Officer having jurisdiction.

27. The occupier of a factory shall, on an application made to him in writing and on payment of a fee of 25 naye paise per grower, furnish to any person a copy of entries in the Growers' Register in respect of any grower.

28. The Growers' Register shall be preserved by the occupier or a factory for a period of two years following the crushing season to which it relates.

CHAPTER VIII

Weighments

29. The Cane-Commissioner may authorise any person including such employees and representatives of the Cane-growers' Co-operative Societies as he may consider necessary to watch or check weighments, weigh-bridges and weights, as also to examine the parchas in which weights and prices of cane are recorded.

29-A. The occupier of a factory shall permit the persons as may be authorized by the Cane-Commissioner under Rule 29 to carry out the purpose mentioned in the said rule.

30. All transactions in connection with the purchase and supply of

cane shall be made according to the maund of 82 2/7 lb avoirdupois, and it shall not be lawful to use any other weight in relation to any such transaction.

31. No cane shall be purchased without actual and correct weighment.

32. The gross, tare and net weights of cane shall be correctly recorded. The net weight of cane shall be founded to the nearest eighth of a maund for purposes of calculation cane price.

33. An occupier of a factory shall not use, keep or possess for weighment of cane:

(a) The scales and weights which are incorrect, provided that if a weigh-bridge is weighing less up to the permissible limit specified in Appendix IV, the weighment may not be stopped but extra allowance in weight and price to the extent of the error detected in weighment shall be made to all suppliers of cane till the weigh-bridge is set right. No deduction either in weight or price shall be permissible to the occupier in case the weighbridge is over-weighing.

(b) Scales the arms of which are not legibly marked in Devnagri character on both sides and are not accessible to the vendors of cane and their authorized agents and are not legible to persons standing near the carts which are being weighed, or

(c) Scales or weights which have been disapproved by an inspector.

33-A. (i) In cases where the use of weighbridge has been prohibited by the operation of provisions in clauses (b) and (c) of Rule 33 above at any cane purchasing centre the Inspector may, by a written order, permit the use of beam scales temporarily.

(ii) At least one set of beam scale shall be provided by the occupier of the factory at each purchasing centre for weighment of the

requisitioned cane.

(iii) Arrangements for fixing a regular weighbridge shall be completed by the occupier of the factory within 72 hours of the detection of the incorrectness in the weighbridge whereafter weighments on the beam scales shall not be continued except with the written permission of the Inspector appointed under Section 11 or ex officio Inspector specified in Rule 19.

33-B. The beam scales provided under sub-rule (ii) of Rule 33-A may be used by a cane-grower to ascertain the weight of his cane if he so desires before its weighment at the weighbridge.

34. All weights used, kept or possessed for the purchase of cane or for checking the weighments shall be standard weights made of iron, brass or other suitable metal and shall be clearly stamped or marked to indicate the denomination.

35. The part of the mechanism of a weighbridge by which its adjustment is controlled, shall be kept sealed and locked in such a manner as not to allow any tampering being done with its mechanism.

36. All weighbridges and weights used, kept or possessed for purchase of cane shall, at all times without notice, be made available for inspection, and test when required by an Inspector or such other person as may be authorised by the Cane Commissioner.

37. Only standard weights consisting of six weights each of 50 kilograms, four weights each of 20 kilograms and two weights each of 10 kilograms shall be kept by the occupier of a factory at every purchasing centre where there is a weighbridge.

38. An occupier of a factory shall cause all weighbridges used, kept or possessed by him for the purchase of cane, to be tested twice daily once before starting weighment of cane for the day and again

at midday and shall maintain record of such tests which shall on demand be shown to an Inspector.

38-A. (1) At every purchasing centre at least one weighment clerk shall be appointed and deputed by the occupier of a factory to do the work connected with the purchase and weighment of cane.

(2) A weighment clerk shall-

(i) weigh the cane accurately:

(ii) calculate the cane price correctly;

(iii) prepare correctly all such records as he may be required by an occupier of a factory in connection with the transaction of cane;

(iv) where he is so required by the occupier of a factory make each and every entry correctly in the 'purchase' referred to in Rule 96; and

(v) use correct weight or weighbridges which have not been disapproved for use due to any defect.

(3) An occupier of a factory shall as far as possible exercise close and strict supervision over the work of the weighment clerk to ensure that the duties entrusted to him are carried out properly.

(4) At every purchasing centre at least one society clerk shall be appointed by the Cane-growers' Co-operative Society who shall-

(i) regularly and carefully watch and check weighment of cane, weighbridges and also examine the 'purchases' in which weights and prices of cane are recorded; and

(ii) make correct entries in the requisition slips and such other records as the Cane-growers' Co-operative Society require him to

maintain.

(5) A society clerk shall, where he finds that weighment of cane or cane price or any entry in the 'purcha' referred to in Rule 96 has not been correctly mentioned by the weighment clerk or incorrect weight or defective weighbridge has been used or any other contravention connected with the transaction of cane has been made report the discrepancy to the Inspector appointed under Section 11 or ex officio Inspector sanctioned in Rule 19 and forward one copy each of his report to the occupier of the factory and the Cane-growers' Co-operative Society.

(6) No weighment clerk shall work as such without possessing a licence under Rule 89.

39. (i) At every purchasing centre adequate facilities for weighment and particularly adequate staff, sufficient number of scales and adequate transport, shall be provided by the occupier of a factory to the satisfaction of the Cane Commissioner with a view to avoid congestion and undue delay in weighment. Cane-carts and trucks shall be weighed in the order of their arrivals and shall not be kept waiting for more than ten hours without adequate reasons.

Explanation.- (i) A cart shall not be deemed to have been kept waiting unduly if the supplier of cane, having received instructions in writing to deliver cane on a certain day, ignores such instruction or where the practice of issuing written instructions is in force, brings cane without receiving such instruction.

Explanation.- (2) Non-placement of wagons or non-availability of labour, trucks, tractors etc., for purposes of loading unloading and carrying cane to the factory premises from a cane purchasing centre shall not be regarded as adequate reasons for detention, unless it is for reasons beyond the control of the occupier or agent.

40. The occupier of a factory shall-

(a) Provide cement and concrete tracks or metalled approached from the public road to the parking ground at the factory premises and from the parking ground to the cane carrier of the factory and the metalled exist from the cane carrier to the public road and the roads provided shall be of not less than 3.6576 metres width;

(b) Keep the same in a proper state of repairs;

(c) Provided to the satisfaction of the Cane Commissioner adequate space for at least 33 per cent of the average number of carts requisitioned per day with metalled tracks separated by railings or walls for parking of carts waiting for weighment and keep the same in a proper state of hygienic cleanliness;

(d) Provided to the satisfaction of the Cane Commissioner, shelter and drinking water facilities at all purchasing centre. At least two pucca troughs of 1.2192 metres X 3.0480 metres X 0.9144 metres size shall be constructed on each side of the parking yard at the factory and kept constantly filled with clean water. Sufficient number of water taps but in no case less than four in the factory yard and one each at outstation purchasing centre shall be provided for the cartmen at convenient places. In case it is not possible to provide water tap at any outstation purchasing centre at least one handpump shall be provided at such outstation purchasing centre.

(e) Provided such other facilities as may be directed by the Cane Commissioner from time to time.

41. Weighments of cane shall not be made more than half an hour after sunset:

Provided that the Inspector or the Chairman of the concerned Cane-growers' Co-operative Society with the concurrence of the Inspector

may allow weighments of cane to be done after sunset:

Provided further that weighments of cane after sunset shall be made only if adequate lightning arrangements, approved by an Inspector and as may be sufficient for the easy reading of scale arms, are made and maintained.

42. No deductions shall be made from the weight of cane on the ground that the cane is improperly stripped or on any other ground except in so far as it may be permissible under any order or direction of the Central Government.

43. The occupier of a factory shall provide adequate labour for loading and unloading of cane at each purchasing centre.

CHAPTER IX

Payments

44. Payment of the price of cane shall be made on the basis of the recorded weight of the cane at the purchasing centre. The price shall be calculated to the nearest naya paisa.

45. Payments for cane shall be made only to the cane-grower or his representative duly authorized by him in writing to receive payment or to a Cane-growers' Co-operative Society.

Provided that the payment to the members of Cane-growers' Co-operative Society may be made by the factory

with the mutual agreement between the factory and the society. This remuneration to the factory for the payment to the member of a Cane-growers' Co-operative Society shall be determined by the Cane Commissioner:

Provided further that all arrears of cane price shall be remitted to the Cane-growers' Co-operative Society concerned within fifteen days of the close of the factory.

46. Where a dispute arises regarding the price of cane supplied or the claimants to the price or the 'purchas' under which payments are claimed payment to the claimants may be withheld pending inquiry. All such cases shall be entered in a register and shall be immediately referred to the Sub-Divisional Officer for orders. An appeal against the orders of the Sub-Divisional Officer shall lie to the Collector within thirty days:

Provided that whenever payment to the claimant is withheld under this rule, the occupier of the factory shall forthwith deposit the amount in dispute in the Court of the Sub-Divisional Officer.

47. The occupier of a factory shall not make any deduction from the amount due for cane sold to him by a cane-grower or Cane-growers' Co-operative Society:

Provided that recovery of the dues of a Cane-growers' Co-operative Society may be made by deduction from the price payable for cane.

48. If with the previous general permission of the Cane Commissioner given in respect of any area any loan was advanced by the occupier of a factory for meeting the expenses of cultivation, to the Cane-growers' form whom cane has been purchased, the amount of such loan, together with simple interest thereon at a rest not exceeding, 6-1/4 per cent per annum for the period the loan has been outstanding, may be deducted from the price of the cane:

Provided that the amount of the loan shall not be disproportionate to the area to be sown or the assistance necessary to sow it or the value of the cane to be delivered and that no deduction shall be made in respect of a loan given more than three years prior to the date of the

purchase of cane:

Provided further that intimation of previous general permission of the Cane Commissioner for loan advances is given to the Cane-growers' Co-operative Societies concerned at the time of advancing loans.

Explanation. – A loan for the purpose of this rule shall mean an advance made in pursuance of an agreement to sow a definite area of sugarcane or to enable such area to be sown or to deliver a certain amount of cane. The Cane Commissioner will decide, on application from the occupier of a factory whether a loan is proportionate to the area to be sown or the assistance necessary to sow it or the value of the cane to be delivered.

48-A. (1) The percentage of the total amount to be set apart under sub-section (5) of Section 17 shall be equivalent to the cost of cane (in rupees) estimated to go into the production of each bag containing one quintal of sugar or per 60 litres of ethanol (directly produced from the sugarcane juice or B-Heavy molasses) which shall be arrived at in the manner hereinafter provided, multiplied by one hundred and divided by the amount of advance (in rupees) per such bag to be given by the bank to the owner or any other person having control over the affairs of the factory or any other person competent in that behalf.

(2) In respect of any factory the cost of cane estimated to go into the production of each bag containing one quintal of sugar shall be a sum (in rupees) equivalent to the price of sugarcane per quintal (in rupees) payable by that factory (in the crushing season for which the percentage is to be worked out) including the commission of any cane-growers' co-operative societies in respect thereof, divided by the average recovery of sugar per quintal of sugar-cane worker out to be the third place of decimal, in that factory (in the preceding crushing season), determined in each case by the Collector.

Illustration.- If the price of sugarcane per quintal (including society's commission 15 paise per quintal) is Rs. 7.50 and the average recovery of sugarcane in the factory is 9.5 per cent i.e., .095 per quintal then the cost of cane estimated to go into the production of each bag containing one quintal of sugar works out to Rs. $7.50 / .095 / 78.94$ rupees.

Explanation I.- If the factory was under production during only a part of any such previous crushing season it shall be sufficient to take into consideration that part of the crushing season during which the factory was actually under production.

Explanation II.- If the factory had not commenced production before the crushing season for which the specification is made the Collector may specify the rate of direct payment per bag of sugar on the basis of comparable date relating to other factories, if any, in the same region or of any other relevant factory.

(3) The percentage arrived at under sub-rule (1) shall be subject to review by the Collector either of its own motion, or on representation being made by the owner or other person having control over the affairs of the factory or by a cane grower's co-operative society, if the Collector having regard to subsequent variations in the recovery of sugar, price of cane and the amount of the Bank advance is satisfied that it is necessary to do, and in that case

the references in sub-rule (2) to the said factors shall be construed as references to those factors as varied, and the revised percentage so arrived at shall have effect from such date as the Collector may by order specify.

(4) Where the owner or any other person having control over the affairs of the factory represents to the Cane Commissioner that having regard to his immediate requirement of finance for meeting wages and other dues payable to workmen and other current manufacturing

expenses the amount of advance left with him after setting apart of the percentage arrived at under sub-rule (1), together with other funds available or expected to be available with him through the proceeds of available or expected to be available with him through the proceeds of sale of sugar or from any other source, will be insufficient to meet such requirements, the Cane Commissioner may, with the prior approval of the State Government reduce the percentage arrived at under sub-rule (1) by not more than twenty per cent, thereof and thereupon the percentage referred to in sub-section (5) of Section 17 shall be the percentage as so reduced.

(5) The agreement referred to in sub-section (5) of Section 17 shall provide for the opening of a separate account in the same bank by the owner or other person having control over the affairs of the factory or any other person competent in the behalf, and the percentage of advance referred to in that sub-section shall be credited into that account.

(6) The percentage arrived at under sub-rule (1) shall be intimated by the Collector to the owner or other person having control over the affairs of the factory or any person competent in that behalf before 1st October, each year:

(7) (i) The owner or the occupier of a factory shall furnish to the Collector the district, sending a copy to the Cane Commissioner, a fortnightly statement in Form No. 12 within three days of the close of the fortnight.

(ii) The owner or any other person as aforesaid shall furnish such other information to the Collector as he may require for the proper enforcement of the provisions of sub-section (5) of Section 17.

(8) If in the case of any factory any balance is left from the amount set apart on the basis of a percentage arrived at under sub-rule (1) or as the result of review under sub-rule (3) or of reduction under

sub-rule (4), as the case may be, the owner of the factory or other person having control over the affairs of the factory may apply to the Collector for the refund of such balance and the Collector may, after such enquiry as he may deem fit, pass order for the refund of such balance.

CHAPTER X

Commission on purchase of Cane

49. The occupier of a factory shall pay commission on cane purchase at the rate of three percent of minimum statutory cane price fixed by the Government of India, out of which seventy five percent shall be payable to the cane grower's co-operative society and Twenty five percent to the Council:

Provided that out of the Commission payable on cane purchased during crushing season 2004-2005 an amount at the rate of 75 paise per quintal shall be paid to the cane growers directly.

49-A. Every occupier of a Gur, Rab or Khandsari Sugar Manufacturing Unit, liable to pay Purchase Tax under Section 3 of the Uttar Pradesh Sugarcane (Purchase Tax) Act, 1961 (U.P. Act No. IX of 1961), shall pay to the Council for every quintal of cane purchased by the Unit, commission at the rate of seventeen paise per quintal for the crushing season 1990-91 (w.e.f. 1-6-1991) till 1994-95 and for the crushing season 1995-96 and onward at the rate of half per cent of the minimum statutory cane price. The entire amount of the commission will be utilised for the construction of roads and other development work.

50. In determining the proportion in which payments out of the commission shall be made to the Council and the Cane-growers' Co-operative Society of an area the State Government may take into consideration the financial resources and the working requirements

of the Council and Cane-growers' Co-operative Society.

51. Necessary adjustment in the payment of the commission to a Council or a Cane-growers' Co-operative Society in respect of a crushing season, shall be made before the end of that season.

CHAPTER XI

Cane-growers' Co-operative Society

52. The terms and conditions of service including the qualifications, grades, and scales of salaries of the permanent as well as temporary staff of the Cane-growers' Co-operative Society shall be determined by the Federation subject to the approval of the Cane Commissioner.

53. The strength of staff to be maintained by a Cane-growers' Co-operative Society shall be fixed by the Cane Commissioner or an officer authorized by him in that behalf, with due regard to the working requirements and financial resources of the society.

54. The power to appoint, grant leave of absence to, punish, dismiss, transfer and control Secretaries, Assistant Secretaries and Accountant of Cane-growers' Co-operative Societies, whether permanent or temporary, shall be exercised by the Federation subject to the general control of the Cane-Commissioner who may rescind or modify any order of the Federation:

Provided that Cane Commissioner may himself exercise any of such powers in case of emergency.

55. Similar power as stated in Rule 54 may be exercised by the society in respect of the other staff, subject to the regulations made by the Federation and the general control of the Cane-Commissioner.

56. ***

57. All arrangements in connection with the sowing, sale and supply of cane by Cane-growers' Co-operative Societies shall be in accordance with such general or special instructions as may be issued by the Cane- Commissioner from time to time.

58. Every Cane-growers' Co-operative Society shall prepare a budget annually and submit it for sanction to the Cane-Commissioner not later than thirty days before the commencement of the budget year.

59. (1) Expenditure shall be incurred unless it has been provided for in the budget as sanctioned.

(2) In an emergency or to meet an unforeseen contingency the Cane Commissioner may order expenditure on any specified item from the funds of a Cane-growers' Co-operative Society, provided that such expenditure is in the furtherance of the objects of the society.

60. If the Cane Commissioner finds that the management of a society or any member thereof is misusing the resources of the society or is utilising its funds against the provisions of the Co-operative Societies Act and Rules or the bye-laws of the society or any standing or specific instructions of the Cane Commissioner, he may prohibit the society or the member concerned from incurring the expenditure or the liability, and the management of the society or the member concerned, as the case may be, shall be bound to carry out such instructions.

61. ***

62. ***

63. An appeal against an order of the Cane Commissioner under the provisions of this Chapter shall lie to the State Government within one month of the date of the communication of the order to the society or the persons concerned.

CHAPTER XII

Collection of Cess

64. The Collector shall be the authority empowered to assess and collect cess.

65. The occupier of a factory shall maintain a correct account day to day in Form 3, Appendix III, of the cane entering the area specified in the notification under Section 20.

66. Before the fifteenth day of each month the occupier of a factory shall pay into the treasure the amount due as cess on the quantity of sugarcane which has entered the specified area during the month immediately preceding.

67. Before the close of each month the occupier of a factory shall submit to the Collector, a return in Form 4, Appendix III, showing the quantity of cane that has entered the specified area during the month immediately preceding and the amount of cess deposited by him into the treasury on account of such cane, together with the treasury receipt, showing that the amount of cess due has been duly credited into the treasury.

68. The Collector shall, on receipt of the return submitted to him under Rule 67 check that the amount of the cess has been correctly calculated and that the full amount thereof has been credited into the treasury.

CHAPTER XIII

Determination of Occupier

69. A notice of nomination of a person as “occupier of a factory” under Section 21 shall be given to the Cane Commissioner and the

Collector in Form 5, Appendix III. On receipt of the notice, the Collector shall examine the contents thereof and would either accept or reject it, but while rejecting, he shall record reasons in writing.

70. The person declared as “occupier of a factory” shall deposit as security a sum of rupees fifty thousand in cash or in Government securities of the market value of rupees fifty thousand or post office cash certificate of the present encashment value of rupees fifty thousand. Such security shall be deposited with Collector and shall be retained so long as that person acts as occupier:

Provided that, for reasons to be recorded in writing, the Collector may dispense with the security deposit or permit the deposit of such smaller security as he may think proper.”

71. Government will have the first charge on such sum for the recovery of any fine, penalty due form the factory under the Act or these rules.

CHAPTER XIV

Licensing of purchasing agents

72. To 86.

CHAPTER XV

Licensing of other Employers

87. No weighment clerk or any other person shall be employed by the occupier of a factory to do any transaction for the purchase of cane including survey and preparation of list of cane growers or allotment and distribution of requisition slips for cane, unless he has been licensed by the Collector of the district in which such transaction takes place. The fee for each such license shall be

rupees five hundred. Where the applicant wishes to carry on such transaction in more than one district he shall apply for a license to the Collector of any one of such districts and for endorsement thereon to the Collector of other districts making the license valid for such districts also, unless there are valid reasons to the contrary such endorsement shall be made without any extra charge thereof.

88. An application for a license under Rule 87 shall be made in Form 9, Appendix III, to the Collector of the district in which the applicant wishes to carry on any transaction in connection with the purchase of cane. Such application shall be accompanied by (a) a treasury receipt showing that the license fee prescribed under Rule 87 has been paid, (b) a nomination from the occupier of the factory concerned in Form 10, Appendix III. An application may be made jointly for more than one employee but the license fee of rupees five hundred shall be payable for each employee:

Provided that an occupier of a factory shall not nominate within three years of dismissal any person dismissed from the service of a Cane Growers Co-operative Society supplying cane to the factory.

89. On receipt of an application for license under Rule 88, the Collector may issue a license in Form II, Appendix III. Before granting a license under this rule Collector may demand a security not exceeding rupees twenty thousand in cash or Government securities for the due observance of the conditions of the license.”

89-A. The license shall keep with him the license granted by the Collector during the duty hours and on demand produce the same to the Inspector.

90. The security prescribed in Rule 89 shall remain in deposit with the Collector throughout the period of the license and for six months thereafter. Government will have the first charge on such security for the recovery of any fine imposed on the licensee under the Act

or these rules.

91. (a) The Collector may cancel a license issued under Rule 89 or breach of any provision of the Act or these rules or any condition of the license, without prejudice and in addition to any other penalty which the license may have incurred under the Act or these rules. No order for the cancellation of the license shall be issued until an opportunity for explanation has been given to the employee concerned and to the occupier of the factory who has nominated him. Pending enquiry under this rule Collector or Inspector may suspend a license, but such suspension shall not take effect until the expiry of seventy-two hours from the giving of notice thereof to the occupier of the factory concerned.

(b) The Collector may also cancel the license of such employee if-

(i) there have been persistent complaints against him of misbehaviour with the cane-growers, or-

(ii) Irregularities have been found against him in the purchase of cane.

92. A license issued under Rule 89 shall be cancelled on the application of a licensee's employer.

93. An appeal from the order of the Collector refusing, suspending or cancelling a license shall lie to the Commissioner within one month of the date of the order. The decision of the Commissioner shall be final.

94. The occupier of a factory shall cause to be put up at each purchasing centre in Devanagri script-

(a) A copy of an abstract of these rules, and

(b) A notice of suitable size in clear bold letters showing the minimum price of cane fixed by Government and the rates of which cane is being purchased at the centre.

95. Such notice shall be put up-

(a) At each entrance to the factory.

(b) At the place at which weighments of cane are made of the factory, and

(c) At such other conspicuous place near the places mentioned in (a) and (b) as the Collector or an Inspector may direct.

CHAPTER XVII

Registers and records

96. (1) no occupier of a factory shall purchase cane without preparing or causing to be prepared at the purchasing centre a 'purcha' in quadruplicate showing correctly-

(a) The serial number of the 'purcha'

(b) The date of purchase,

(c) The name of the person from whom the cane is purchased, with his percentage and full address together with similar particular about the person, if any, authorised by the vendor to deliver cane on his behalf,

(d) The number if the requisition slip or purzi issued to the vendor,

(e) The gross weight of the cane, including the weight of the vehicle in which cane is brought,

- (f) The weight (tare) of the vehicle in which the cane was brought,
- (g) The weight of the building material to be deducted,
- (h) The net weight of the cane is purchased,
- (i) The rate at which the cane is purchased, and
- (j) The price that has to be paid for the cane at that rate.

(2) The entries under item (e) and (f) of sub-rule (1), shall be made and announced in the presence of the person who actually delivers the cane while the vehicle is still standing on the weighbridge, and on the case of weighment on beam scales, immediately on completion of the weighment; entries under items (a) to (d) shall be made as soon as weighment takes place; and entries under items (g) to (j) shall be made as soon as the empty cart is weighed.

97. The purcha referred to in Rule 96 shall be handed over in duplicate to the person from whom cane is purchased or to his authorised agent before the person or his authorised agent leaves either the gross or the tare weigh-bridge. The triplicate copy shall be passed on to the Cane-growers' Co-operative Society and the quadruplicate copy counterfoil shall be kept at the purchasing centre.

98. When payment is made for cane purchased, the receipt of the payee shall be taken on one of the counterfoils of the parcha handed over to him in accordance with the provisions of Rule 97:

Provided that if a number of parchas are presented together for payment, the receipt of the payee for the whole amount due to him may be taken only on the latest parcha. In such case the number of, or other references to, the other parchas covered by the receipt shall be given in the receipt and the other parchas shall be cancelled.

98-A. When the payment is made by the Cane-growers' Co-operative Society to the cane supplier, the occupier of the factory shall make payment of cane price to such society on the basis of one of the counterfoils of the parcha kept at the purchasing centre on presentation of the bill for price of total quantity of cane supplied by such society shall issue receipt for the amount so received from the factory, which receipt shall be kept by the said factory.

99. An occupier of a factory shall maintain or cause to be maintained at each purchasing centre, a register or record showing correctly the particulars mentioned at items (a) to (j) of sub-rule (1) of Rule 96, and in addition, the following-

- (i) The amount of authorised deduction, if any:
- (ii) the amount actually paid in cash;
- (iii) the amount paid otherwise than in cash, if so authorised;
- (iv) date of payment.

100. (1) an occupier of a factory shall maintain or cause to be maintained, except in respect of cane purchase through a Cane-growers' Co-operative Society, separately for each cane-grower, on account containing the following particulars:

- (i) Name of the supplier (with the necessary details to ensure his identity, e.g., father's name address, etc.
- (ii) Date of purchase.
- (iii) The rate per maund paid for cane.
- (iv) Serial number (s) of the relevant parcha(s).

- (v) Net weight of cane purchased.
- (vi) Progressive total weight of cane purchased.
- (vii) Amount due for cane purchased.
- (viii) Progressive total amount due for cane purchased.
- (ix) Amount paid for purchase.
- (x) Progressive total amount paid for cane purchased.

When the cane is supplied through a Cane-growers' Co-operative Society, the society shall maintain the account referred to in sub-rule (1) in respect of each of its members. In addition, this account shall also show deductions, if any, made from the price of cane payable to a member. A separate register or record shall be maintained for each factory to whom cane is supplied.

101. An occupier of a factory shall maintain or cause to be maintained at each purchasing centre an inspection book in which Inspector or other persons authorised by Cane Commissioner, may record their remarks and instructions.

102. The registers and records maintained and copies of counterfoils or purchas issued, including the copies or counterfoils of the purchas containing the receipt of the payees shall be kept at the purchasing centre until it is finally closed for the year. They shall be open to inspection and checked by an inspector or such other public servant as may be appointed by him for the purpose :

103. The register, records, purchas, etc., referred to in this Chapter shall be preserved by the occupier of the factory or the Cane-growers' Co-operative Society concerned for two years from the date of the last transaction entered therein.

104. The occupier of a factory shall submit correct returns relating to the production and sale of sugar and purchase of cane in such form, by such date and to such authority as may be directed by the Cane Commissioner.

105. An occupier of a factory shall maintain or cause to be maintained for each purchasing centre an abstract in the following form regarding the purchases of cane and payment of cane price and commission and send a copy thereof to the Cane Commissioner, or to any authority specified by the Cane Commissioner, in respect of each month by the 14th day of the next following month-

(i) Period from.....to.....

(ii) Quantity of cane purchased.

(iii) rate.

(iv) Price of cane due.

(v) Price paid.

(vi) Balance of price due up-to-date.

(vii) Commission due to societies.

(viii) Commission due to councils.

(ix) Commission paid to societies.

(x) Commission paid to councils.

(xi) Balance of commission up-to-date.

(xii) Cane cess due.

(xiii) Cane cess paid.

(xiv) Balance of cense-to-date.

CHAPTER XVIII

Sugar Commissioner

106. The Sugar Commissioner may, by order, require the occupier of a factory to submit to him or to any other authority specified in such order, any information, return or statement relating to the productions, supply and crushing of cane ; the manufacture of sugar including its costs ; the quantity and grades of sugar manufactured, in stock and issued ; and the quantities in which and the prices at which such sugar is sold.

107. The Sugar Commissioner may examine or cause to be examined by a person duly authorized by him in this behalf-

(a) Any machinery used, kept or possessed for the production of sugar.

(b) Such register, return, accounts and documents as in his opinion are relevant for the purpose of checking the recovery of sugar or of estimating the capacity of a machinery or any part thereof.

CHAPTER XIX

Arbitration

108. Any dispute touching the business of (a) a Cane growers' Co-operative Society between members, or between members and society, between two registered societies, or between a society and a factory, or between a cane grower and a factory, (b) a council and Cane-growers' Co-operative Society, or between a council and

a factory or between a council and a cane-grower, regarding the payment of contribution to a business of a council, shall be referred to the Cane Commissioner for decision. The Cane Commissioner shall decide it himself or refer it to arbitration. No suit shall lie in a Civil or Revenue Court in respect of any such dispute.

109. If Cane Commissioner decides the dispute referred to him under Rule 108 himself his decision shall be final.

110. If the Cane Commissioner directs the reference of a dispute to arbitration, it shall be referred to a sole arbitrator to be appointed by him, or to a board of three arbitrators of whom one shall be nominated by each of the parties to the dispute and the third by the Cane Commissioner who shall also appoint one of the arbitrators as Chairman.

111. In case it is decided to appoint a board of three arbitrators-

(a) The Cane Commissioner shall issue a notice calling upon each of the parties to nominate one person as its nominee within 15 days of the receipt of the notice;

(b) If a party consists of more than one person, such person shall jointly make one nomination;

(c) If more than one person is nominated by the party, the Cane Commissioner shall appoint any one of

the nominees as the nominee of the party;

(d) If a party fails to nominate an arbitrator within the appointed time, or its nomination is not valid, the Cane Commissioner may himself make the nomination.

(e) If one of the arbitrators fails to attend or refuses to act as an

arbitrator, the remaining arbitrators may decide the dispute and, in case of difference of opinion between them, the dispute shall be referred to the Cane Commissioner;

(f) If two of the arbitrator fail to attend or refuse to act as arbitrators, the remaining arbitrator shall refer the case to the Cane Commissioner who may authorise him to proceed with the reference or any decide

the case himself; (g) In case of difference of opinion among a board of three arbitrators, the views of the majority shall prevail.

112. The Cane Commissioner, the sole arbitrator to be Chairman of the board of arbitrators shall have power to administer oath and to require by summons the attendance of the parties concerned and of witnesses and the production of all books and documents relating to the matter in dispute.

113. (1) In these proceedings the Cane Commissioner or the sole arbitrator or the Chairman of the Board of arbitrators shall fix the date, time and place of hearing of the dispute and carry on the necessary correspondence in connection with the disposal of the case.

(2) The Summons and notices in these proceedings shall be served by registered posts or by personal service or by affixing copies at the last known residence or place of business of the person concerned.

114. The award of the sole arbitrator or the board of arbitrators shall be binding on both parties and shall not be called into question in any civil or revenue Court.

115. The sole arbitrator or the board or arbitrators shall give an award within the time originally fixed or as extended by the Cane Commissioner, failing which the Cane Commissioner may decide the dispute himself, or appoint another arbitrator or board of

arbitrators for the purpose.

116. No award shall be invalid merely on the ground that it has been given after the expiry of the time fixed or by reason of any defect of form or any technical error therein.

117. The Cane Commissioner may suo motu or on an application for revise such decision, provided that such review is necessary in the interest of equity, justice and good conscience.

118. (1) any party considering itself aggrieved by the award of a sole arbitrator or a board of arbitrators may appeal to the Commissioner within one month of the date of the communication of the award. (2) The order of the Commissioner in appeal shall be final.

119. The decision of the Cane Commissioner or the award of the sole arbitrator or the board of arbitrators or the order of the Commissioner in appeal may be enforced in one of the following ways:

(a) On an application being made to the Cane Commissioner, the Cane Commissioner may send a requisition to the Collector for enforcement of his decision or the award of an arbitrator or a sole board of arbitrators or the order of the Commissioner in appeal. On receipt of such requisition the Collector shall recover all sums recoverable under such decision or award or order, as the case may be, as arrears of land revenue.

(b) On an application being made to the Civil Court having jurisdiction over the subject-matter of the decision or award or order, the decision of the Cane Commissioner or the award of the sole arbitrator or the board of arbitrators or the order of the Commissioner in appeal shall be enforced by the Court, as if such decision, award, or order in appeal were a decree of that Court.

Penalties

120. No prosecution shall be instituted under these rules unless the person complained against has been given an opportunity by the Cane Commissioner or the District Magistrate to show cause why he should not be prosecuted.

121. No Court shall take cognizance of any offence under the Act or these rule except upon complaint made within one year of the date on which the offence is alleged to have been committed.

CHAPTER XXI

Forfeiture of Securities

122. The Collector may, by order in writing, forfeit, in whole or in part, any security deposited with him under these rules after giving the occupier of a factory or a licensee an opportunity of explaining the charges against him and of producing evidence in his defence.

123. An appeal against an order under Rule 122 shall lie to the Commissioner within one month of the date of communication of the order to the person whose security is forfeited. The order of the Commissioner in appeal shall be final.

124. The Collector or the Commissioner, in appeal, may order compensation to be paid out of the forfeited security to any person who has suffered loss owing to the misconduct of the occupier of a factory or licensee. 125. The Collector may order the payment of any sum payable under an award given under these rules by forfeited of the security deposited with him.

CHAPTER XXII

Power to exempt from Rules

126. The State Government may, by order, exempt any person from the operation of all or any of these rules.

CHAPTER XXIII

Interpretation of Rules

127. All matters connected with the interpretation of these rules shall be referred to the Cane Commissioner whose decision shall be final.

APPENDIX I

Rules of procedure at meetings of Sugarcane Board

(Rule 7)

1. At all meetings of the Board five members inclusive of the Chairman shall form a quorum.
2. Notice of a resolution or a motion to be moved at a meeting of the Board other than the first meeting, shall be sent to the Secretary at least eight days before the date fixed for such meeting.
3. The Secretary shall send to each member at least four days before the date fixed for a meeting other than an emergency meeting a notice of the business to be brought forward at the meeting.
4. No business other than that contained in the agenda sent to members shall be transacted at a meeting except with the consent of the Chairman.
5. No motion or amendment shall be discussed at a meeting unless it is seconded.
6. Every question shall be decided by a majority of votes of the members present. In case of the votes being equally divided, the Chairman shall have a casting vote.
7. The Chairman shall be the sole judge of any point of order and may, if necessary, dissolve the meeting or adjourn it to any other day.
8. If at any meeting there is no quorum, the Chairman shall adjourn the meeting to any subsequent date and no quorum shall be necessary for such an adjourned meeting. 9. In any case not provided by these

rules the procedure shall be in accordance with the ruling of the Chairman.

APPENDIX II

Rules of procedure at meetings of Cane Development Councils

(Rule 17)

1. All meetings of the Council shall be held at a place notified by the Secretary with the approval of the Chairman.

2. Notice in writing of meetings of the Council and the agenda shall be circulated to all members of the Council not less than one week before the Council shall be made available to the Chairman at least ten days before the meeting.

3. All meetings of the Council shall be presided over by the Chairman. In the absence of the Chairman the member present shall elect a Chairman from among themselves.

4. At meetings of the Council half of the members, inclusive of the Chairman, shall form a quorum. 5. No business other than that contained in the agenda shall be transacted at a meeting except with the approval of the Chairman.

6. A motion or amendment may be withdrawn with the permission of the Chairman by any member who has given notice thereof.

7. Every question shall be decided by a majority of votes of the members present. In the case of votes being equally divided, the Chairman shall have a second or casting vote.

8. The Chairman shall be the sole judge of any point of order, and may call any member to order and may, if necessary, dissolve the

meeting or adjourn it to any other day.

9. If at any meeting there is no quorum, according to Rule 4, the Chairman shall adjourn the same to any subsequent date not earlier than the 10th day from the date of the meeting adjourned.

10. Notice in writing for the adjourned meeting together with the agenda shall be circulated to all members not less than one week before the meeting.

11. No quorum will, however, be necessary for an adjourned meeting.

12. In any case not provided for by these rules, the procedure shall be in accordance with the ruling of the Chairman.

APPENDIX III

FORM 1

Application for Reservation and Assignment of Area (Rule 12)

PART A

1. Name and address of the applicant factory

.....

.....

.....

.....

.....

.....

.....

2. Name(s) and address (es) of the occupier(s) of the factory

(1)

(2)

(3)

(4)

(5)

(In case a nomination has been made mention only the name of the individual so (nominated).

3. Model crushing capacity of the mills

....

(a) Last season.....

(b) Now

4. Particulars of crushing of cane in the last three seasons :

Date of
 Season Quantity Number of Remarks
 crushed inlakh working Starting Closing
 maunds days
 1 2 3 4 5 6
 19-19..
 19-19..
 19-19..
 Average of the three seasons

5. Particular of payments of cess, cane price and commission:
 In respect of the last crushing season
 Nature of dues Balance Amount Amount Balance Total of Remarks
 due in due due Columns respect of 2 and 5 seasons before the last
 season
 1 2 3 4 5 6 7
 Cess ...
 Commission ...
 Cane-Price ...
 Total ...

6. Particular of purchases, if any, at more than the minimum cane price during the last crushing season:

Period
 Name of Increased From To Quantity Remarks
 Purchasing rate of purchased at
 centre purchase increased rate
 1 2 3 4 5 6

7. Assuming that last year's area would be available to the factory give the expected duration of the season:

DaysFrom.....
..... to.....

8. Loans, if any, advance by the mill:

Particulars of Total Total amount to Reference of the Cane Remarks
area amount be realised Commissioner's advanced during the season
order sanctioning season advance of loans

1 2 3 4 5

9. Requirements of wagons, assuming the availability of last year's
area:

Number of wagons

Broad gauge

Meter guage

Part B

10. Name of purchasing centres that may be reserved or assigned:

Serial Name Rail or To be Whether Quantity of Acreage Estimated
Name of Remarks

No. of Road reserved reserved or cane this supply(in Co- centre or
assigned for supplied last season lakh operative assigned the mills
last season (in maunds) Society season-yes lakh or no maunds)

1 2 3 4 5 6 7 8 9 10

11. Any new road or rail centre proposed to be opened:

Tahsil

Name Rail Distance Name of District Whether Remarks
of or from the villages villages
centre Road factory and to be already
exact affected reserved for the
location mills

1 2 3 4 5 6 7

12. Names of villages proposed to be added to or deleted or transferred from the existing lists of villages attached to various centres:

District

Name of Tahsil At present Proposed to Name of Remarks
village attached to be deleted centre to
centre added which it
transferred may be
attached

1 2 3 4 5 6

Date.....

Signature of occupier of the factory

FORM 2

Grower's Register

(Rule 24)

Name of village, pargana or district.....

Name of factor

Name of purchasing centre

Area under cane

Improved

Serial Name of Total Quota Khasra DCSI Ratoon Plant Amount

Remarks

number cane-grower holding of number of of cane

with farther's supply plots under bounded

name and cane in his

caste cultivation

1 2 3 4 5 6 7 8 9 10

FORM 3

(Rule 65)

Local area.....

Quantity which entered local area (maunds)

Date Carts Lorries Tram Rail Others Total

Date.....

Signature of occupier

FORM 4

(Rule 67)

Return for calendar Month

Local area.....

Quantity of cane Amount of cess due Number and date of
which entered local and credited into treasury chalan or
area treasury receipt

Rs. np.

Date.....

Signature of occupier

FORM 5

Notice of nomination

(Rule 69)

I/Wehereby give
notice that I/we have nominated

.....to be the occupier of the
.....factory for the purpose of the

Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act ,
1953 and that he has accepted the nomination

as such. with effect from.....

.....

.....

....

Signature of person Signature of occupier.

nominated.

(Signature)..... (Signature).....

(Witness, name and (Witness, name and
designation of witness). designation of witness).

FORM 6

[Omitted by Noti. No. 2797-S/.XVIII-(5)-2050-64 . dated 1st
February, 1978]

FORM 7

Nomination to be made by the occupier or manager of a factory

(Rule 73)

.....,.....being the occupier of the.....
.....factory hereby nominate
.....son offor the purchase and
supply of cane intended for use in the said factory and recommend
that he may be given a licence to work as a purchasing agent at.

.....
purchasing centres on behalf of the said factory . I further declare
that he is to the best of my knowledge a suitable person for the grant
of such licence.

Date.....

Signature of occupier of the factory

FORM 8

[Omitted by Noti. No. 7297-S/XVIII-(5)-2050 -64, dated 1st February. 1978]

FORM 9

(Rules 88)

Application for a licence to work on behalf of an occupier of a factory in connection with any transaction for the purchase of cane .

I.....son of..... resident ofhaving been selected by the occupier of.....factory to work as.....in connection with the transaction for the purchase of cane at.....purchasing centres on behalf of the aforesaid occupier of the factory hereby apply for a licence under the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953. and the rules made thereunder.

I hereby agree to abide by the terms and conditions of the licence and declared that it shall be lawful for the Collector to realize any penalty or any money due as compensation or which I may become liable under the condition of the licence or under the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953, and the rules made thereunder, from the security which I have given under the Act, or Rules without prejudice and in addition to any other lawful remedy for the realization of such penalty .

Date.....

Signature of Applicant

FORM 10

(Rule 88)

Nomination to be made by the occupier of a factory

,.....being the occupier of the.....
factory, hereby nominateson of.....
as.....to work on my behalf at..
.....purchasing centre in connection with the transaction for the
purchase of cane. I further declare that he is to the best of my belief
and knowledge a suitable person for the grant of such a licence.

Date.....

Signature of occupier of the factory

FORM 11

(Rule 89)

Licence for an employee of a factory

This is to certify thatresident of.....
is authorised to work as.....at.....
..... purchasing centre on behalf of.....
factory in connection with the transaction for the purchase of cane
subject to the terms and conditions hereinafter mentioned and to the
provisions of the Uttar Pradesh Sugarcane (Regulation of Supply
and Purchase) Act, 1953. and the rules made thereunder :

Date.....

Signature of occupier of the factory

(1) The licence shall remain in force till the:

(2) The licensee shall comply with the provisions of the Act and the
rules made thereunder and shall obey all lawful direction which may

be issued to him by the Inspector of the Collector.

(3) The licensee shall be responsible for the proper discharge of his duties, and shall not show favour or disfavour to any person, in connexion with any transaction for the purchase of cane, on behalf of the aforesaid factory.

(4) The licence shall be liable to be suspended or cancelled by the Collector at his discretion without prejudice to and in addition to any penalty which the licensee may incur under the provisions of the Act and the rules made thereunder.

(5) The licensee shall be responsible for returning the licence to the Collector on expiry of the term thereof in the event of the licence being suspended or cancelled, on such suspension or cancellation.

Dated.....

Signature of Collector of District

FORM 12

1. Name of the factory.....

2. District.
.....

3. Statement of the fortnight ending on :

Quantity of Cane	Commission	Recovery	Sugar	Sugar	Bank	Amount
of Cane	Re	of sugar	price payable	to of sugar	bags	bags
Advance	Price	may produced	due the society	to date	produced	
pledged	obtained	credited to	paid as	cane	price	

1 2 3 4 5 6 7 8 9 10

1. During the fortnight

2. Total up to the end of fortnight

Signature.....

APPENDIX IV

[Rule 33(a)]

Permissible errors for weighbridge of different capacity Capacity of
Maximum error allowed in Machines deficiency when fully loaded

Kg. Kg.

1,000 1.4

2,000 1.8

3,000 2.5

5,000 3.6

10,000 5.4

15,000 6.0

20,000 9.0

25,000 10.8

30,000 12.2

40,000 14.6

60,000 18.0

80,000 21.0

1,00,000 25.4

2,00,000 38.0

**The U.P Sugarcane Supply & Purchase order,
1954**

The U.P. Sugarcane Supply and Purchase Order, 1954
Published vide Notification U.P. Gazette, dated September 4, 1954, Part
1-A, vide Notification No. 2662/ 3-S/18-C-1723-53, dated September 1, 1954

up378

In exercise of the powers conferred by Section 16 of the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953 (U.P. Act No. XXIV of 1953), the Governor is pleased to make the following Order and to direct that it shall come into force from the date of its publication in the Gazette.

1. Short title and commencement. - (1) This Order may be called the U.P. Sugarcane Supply and Purchase Order, 1954.

(2) It shall come into force at once.

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

- (a) "Act" means the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953;
- (b) "Rules" means the U.P. Sugarcane (Regulation of Supply and Purchase) Rules, 1954;
- (c) the terms and expressions used in the Order shall have the same meaning as in the Act and the Rules.

3. Purchase of cane in reserved area. - (1) The occupier of a factory shall estimate or cause to be estimated by the 31st day of the October or such later date in a crushing season as, on an application being made to the Cane Commissioner by the occupier of a factory, may be fixed by the Cane Commissioner, the quantity of cane with each grower enrolled in the Growers' Register and shall on demand submit the estimate to the Cane Commissioner and the Collector.

(2) A Cane-grower or a Cane-Grower's Co-operative Society may within 14 days of the issue of an order reserving an area for a factory, offer in Form A of the Appendix, to supply cane grown in the reserved area, to the occupier of the factory.

(3) The occupier of the factory for which an area has been reserved, shall, within fourteen days of the receipt of the offer enter into an agreement in Form B or Form C of the Appendix, with the Cane-grower or the Cane-grower's Co-operative Society, as the case may be. in respect of the cane offered:

Provided that any purchase of cane made before the execution of the prescribed agreement shall be deemed to have been made in accordance with such agreement.

(4) The Cane Commissioner may, for reasons to be recorded in writing, extend the date for making offers in respect of any reserved area.

[4. Purchase of cane in assigned area. - (1) The occupier of a factory for which an area has been assigned, shall within fourteen days of the order of assignment of the area, enter into an agreement in Form B or C of the Appendix, as the case may be, with the Cane-grower or Cane-Grower's Co-operative Society for the purchase from the assigned area of such quantity of cane as may be fixed by Cane Commissioner:

Provided that any purchase of cane made before the execution of the prescribed agreement shall be deemed to have been made in accordance with such agreement.]

5. General provisions regarding purchase of cane. - (1) Cane grown in the reserved or assigned area of a factory shall not except with the permission of the Cane Commissioner, be purchased by any person without the previous issue, at convenient centers in the said

area of requisition slips and identification cards to the growers by the occupier of the factory.

(2) Notwithstanding anything in sub-clause (1) requisition slips and identification cards to members of a Cane-grower's Co-operative Society shall not be issued except by such Society.

(3) An occupier of a factory or Cane-grower's Co-operative Society shall maintain a record of the identification cards issued and a daily account of the requisition slips issued to the growers and returned by them.]

[(4) Purchase of cane shall be spread over the entire crushing season in an equitable manner and due consideration shall be given to variety and maturity of sugarcane:

Provided that this restriction shall not apply where the quantity of cane purchased does not exceed one cart load from a cane grower in a crushing season.]

(5) A dispute whether a particular system adopted for the purchase of cane is equitable or not, may be referred to the Cane Commissioner whose decision shall be final.

[(6) No person other than a cane-grower or a Cane-grower's Co-operative Society shall sell cane to the occupier of factory.]

(7) No person shall transfer or abet the transfer of a requisition slip for the cane of a grower to another person, with the object of enabling cane other than that belonging to the grower for whom the requisition slip has been issued, to be sold to a factory.

(8) No person shall accept or obtain or agree to accept or attempt to obtain from any person as gratification or consideration, bonus, set off, luck money, or any other such payment whatsoever, other than

legal remuneration, as a motive or reward for weighing or purchasing cane or making payment therefor or for issuing requisition slips or identification cards or for showing or for bearing to show, in connection with the bonding, Weighment or purchase or supply of a payment for cane, favour or disfavour to any person.

(9) No person shall falsely represent himself as a grower of cane or as authorised by such grower to deliver cane on his behalf or as a person authorised in writing by the grower to receive payment on his behalf.

[(10) The occupier of a factory shall alter the location of or establish or close a purchasing at a particular place for the supply of cane to the factory, if so directed by the Cane Commissioner.

(11) Save with the previous approval of the Cane Commissioner no occupier of a factory shall purchase cane consigned by a cane Grover by rail from a railway station where a purchasing centre has been established or has been ordered to be established under sub-clause (10).

(12) An occupier of a factory, who opens a purchasing centre, shall send intimation thereof within twenty-four hours of the start of operations to the Collector and to the Inspector within whose jurisdiction such purchasing centre is situate.

(13) If a purchasing centre is opened with the intention of purchasing cane for a period of fourteen days the occupier of a factory shall (a) affix a notice at the purchasing centre at the time of opening, showing the probable duration of the period during which purchasing centre is to remain open and (b) or the same time send intimation of such duration to the Collector and to the Inspector within whose jurisdiction the purchasing centre is situate.

(14) If a purchasing centre is opened with the intention of purchasing

cane for a period of fourteen days or more, or if it remains open for a period of fourteen days or more, the occupier of a factory shall at least three days before he closes the purchasing centre either permanently or except as provided in sub-clause (15) (a) temporarily-

- (a) affix a notice to that effect at the purchasing centre specifying clearly the date on which the centre is to be closed, and
- (b) send intimation of the date of proposed closure to the Collector and to the Inspector within whose jurisdiction the purchasing centre is situate.

(15) If a purchasing centre has to be closed owing to a breakdown of machinery or other causes necessitating an abrupt but temporary suspension of operations the occupier of a factory shall-

- (a) cause to be passed immediately at the purchasing centre notice indicating the probable duration of suspension;
- (b) cause the suspension of purchase to be otherwise advertised as widely as possible;
- (c) send intimation thereof immediately to the Collector and to the Inspector within whose jurisdiction the purchasing centre is situate; and
- (d) purchase requisitioned cane brought within twelve hours of posting of notice as aforesaid.

(16) An occupier of a factory shall-

- (a) cause a list to be put up at each purchasing centre showing the names of the persons employed by him for, making Weighment, purchases and payments and for arranging purchases of cane at that centre;
- (b) cause such lists to be maintained up-to-date;
- (c) send a copy of the names and full particulars of the persons who are entered in those lists, within twenty-four hours of

their employment, to the Collector and to the Inspector, within whose jurisdiction such purchasing centre is situate;

- (d) give to each person employed for making Weighment, purchases or payments, a written authority to that effect; and
- (e) not employ, without the permission of the Collector, for making weighments, purchases or payments any person who has been previously convicted of the breach of any provisions of the Act or Rules, or has been sentenced to imprisonment for a period exceeding six months.

(17) No person, who is not authorised as aforesaid, shall make or supervise weighments, purchases or payments at any purchasing centre on behalf of an occupier of a factory.

Note:- This rule is not intended to prevent responsible officers of a factory from exercising supervision.

(18) On demand by an Inspector of a person employed by an occupier of a factory for making weighments, purchases or payments shall produce the written authority given to him.]

(19) The occupier of a factory situate outside Uttar Pradesh may make purchases of cane in Uttar Pradesh either himself or through any person employed or appointed by him in this behalf, and in all such cases he or his employees or other persons acting or his behalf shall be bound by the rules and this order as if the factory were situate in Uttar Pradesh.

Appendix

Form A

Offer by a Cane-grower or a Cane-grower's Co-operative Society
in a reserved area of supply of cane to factory

[Clause 3(2)]

Applicant with father's name

1. Name of

the Cane-grower's Co-operative Society

2. Village, pargana and district.

3. Name and address of factory to which cane is offered.

4. Total area of land in possession fit for growing sugarcane (for individuals only).

5. Total area of land in his cultivation under cane in 19
the members his
the members

6. Total area of land in his cultivation proposed to be put
the members' under cane in 19
the members

7. Estimated yield.

8. Quantity of cane estimated for sale.

9. Date of offer.

.....
Signature of the cane-grower or
authorised representative of a Cane-
grower's Co-operative Society.

Dated.....

Form B

Agreement between a Cane-grower and the Occupier of a factory
[Clauses 3 (3) and 4 (1)]

I,.....son of
caste a cane-grower of village
..... pargana.....district.....
hereinafter to be referred to as the first party and
the occupier of factory hereinafter to be
referred to as the second party, hereby enter into an agreement for
the sale and purchase of cane on the following terms:

(1) The first party agrees to sell during the season 19_____,
19_____, his sugarcane crop standing on.....[hectares]
as detailed below with an approximate yield of.....
...[quintals] to the second party at the minimum price notified by
Government subject to deductions, if any, as may be notified by the
Government from time to time. The first party further undertakes
to supply good cane free from leaves, tops, and roots at the factory
gate or at purchasing centre in such quantities and on
such date as may be specified in the requisition slips issued by the
occupier of the factory in conformity with this agreement and the
instructions issued by the Cane Commissioner.

(2) The cane shall be taken by the second party in instalments
equitably spread over the whole working period of the factory.

(3) In the event of wilful failure to supply at least 5 per cent of the agreed quantity of sugarcane, the first party shall be liable to pay the second party compensation at a rate not exceeding [thirty three paise per quintal] on such deficit.

(4) In case the first party wilfully fails to supply cane to the second party on three consecutive occasions according to the requisition made by the second party, the first party shall cease to have a claim to sell cane to the second party.

(5) In the event of the second party wilfully failing to take delivery of the cane, which the first party is ready to deliver in accordance with this agreement, the second party shall be liable to pay to the first party the actual price of the quantity of such cane which he fails to purchase. In the event of the second party otherwise than wilfully failing to purchase cane in accordance with this agreement, he shall be liable to pay the first party compensation at a rate not exceeding [thirty three paise per quintal] for such quantity of cane as the second party fails to buy; provided that for any deficiency in purchase in the instalments fixed for the period after 1st day of April the second party shall be liable to pay compensation to the first party at a rate not exceeding [sixty six paise per quintal].

(6) In the event of a breakdown at the factory or of other circumstances due to natural causes, calamities or accident beyond human control, arising to show that the second party will not be able to purchase the cane as he has agreed to purchase the first party, after giving a week's notice to the second party and with the previous permission of the Cane Commissioner shall have the option of making other arrangements for the disposal of the cane and in such case no compensation shall be payable by either party to the other.

(7) No compensation for breach of this agreement shall be payable by either party when such breach is due to natural causes, calamities or accidents beyond human control.

(8) Any dispute between the parties regarding the quality and condition of the cane, the place of delivery, the instalments and other matters pertaining to the agreement shall be referred to arbitration in the manner provided for in the rules. No, suit shall lie in Civil or Revenue Court in respect of any such dispute.

.....
 Signature of the Cane-grower
 (or his thumb-impression)

.....
 Signature of the Occupier or his
 authorised representative in token of his
 accepting the above contract

Dated.....

Area under sugarcane						
Village	Desi	Improved		Approximate yield in [Quintals]	Quantity agreed for sale	Remarks
		Ratoon	Plant			
1	2	3	4	5	6	7

Form C

Agreement between a Cane-grower’s Co-operative Society and the Occupier of a factory

[Clauses 3 (3) and 4 (1)]

We the Cane growers’ Co-operative Society acting through their authorized representatives, hereinafter to be referred to as the first party and the occupier of factory, hereinafter referred to as the second

party, hereby enter into an agreement for the sale and purchase of cane on the following terms:

(1) The first party agrees to sell during the season 19. 19 for [quintals] of sugarcane of the members of the society standing on [hectares] as detailed below with an approximate yield of [quintals] to the second party at the minimum price notified by Government from time to time, provided that the price payable by the second party to the first party shall not in any case be lower than that paid generally by the second party to other growers of the villages in which Co-operative Societies operate. The first party further undertakes to supply good cane free from leaves, tops and roots at the factory gate or at purchasing centre in such quantities and on such dates as may be specified in the requisition slip issued by the occupier or manager of the factory in conformity with this agreements and the instructions issued by the Cane Commissioner.

(2) The cane shall be taken by the second party in instalments equitably spread over the whole working period of the factory.

(3) In the event of wilfully failure to supply at least eighty-five per cent of the agreed quantities of sugarcane, the first party shall be liable to pay the second party compensation at a rate not exceeding [thirty three paise per quintal] on such deficit.

(4) In case the first party wilfully fails for a fortnight to supply cane to the second party in accordance with the requisition made by the second party, the first party shall cease to have a claim to sell cane to the second party.

(5) The second party shall ordinarily send his requisition for cane to the first party at least four days before the cane is required and will not make changes within this period without sufficient reasons.

(6) In the event of the second party without wilfully failing to take delivery of the cane, which the first party is ready to deliver in accordance with this agreement, the second party shall be liable to pay to the first party the actual price of the quantity of such cane which he fails to purchase. In the event of the second party otherwise than wilfully failing to purchase cane in accordance with this agreement he shall be liable to pay the first party compensation at a rate not exceeding [thirty three paise per quintal] for such quantity of cane as the second party fails to buy; provided that for any deficiency in the purchase in the instalments fixed for the period after 1st day of April, the second party shall be liable to pay compensation to the first party at a rate not exceeding [sixty six paise per quintal].

(7) In the event of a breakdown at the factory or of other circumstances due to natural causes, calamities or accidents beyond human control arising to show that the second party will not be able to purchase the cane he has agreed to purchase, the first party, after giving a week's notice to the second party and with the previous permission of the Cane Commissioner, shall have the option of making other arrangements for the disposal of the cane and in such case no compensation shall be payable by either party to the other.

(8) No compensation for breach of this agreement shall be payable by either party when such breach is due to natural causes, calamities or accidents beyond human control.

(9) Any dispute between the parties regarding the quality and condition of the cane, the place of delivery, the instalments and other matter pertaining to this agreement, shall be referred to arbitration in the manner provided for in the rules. No suit shall lie in a civil or revenue court in respect of any such dispute.

.....
Signature of the authorised
representative of Cane-grower's

.....
 Signature of the occupier or his
 authorised representative in token of
 his accepting the above contract.

Dated.....

Area under sugarcane						
Village	Desi	Improved		Approximate yield in [Quintals]	Quantity agreed for sale	Remarks
		Ratoon	Plant			
1	2	3	4	5	6	7

[Form D]

The U.P. Sugar (Control) Order, 1966

The U.P. Sugar (Control) Order, 1966
Published vide Notification U.P. Gazette, (Extraordinary), dated June 30,
1966, page 7, vide Notification No. 6974/29-B-1-5-49, dated June 30, 1966

up377

Whereas, the State Government is of opinion that it is necessary and expedient so to do, for maintaining the supplies of sugar and for securing its equitable distribution and availability at fair prices.

Now, therefore, in exercise of the powers under Section 3 of the Essential Commodities Act, 1955 (Act No. X of 1955), read with the Government of India, Ministry of Food, Agriculture, Community Development and Co-operation (Department of Food), G.S.R. No. 906, dated June 9, 1966 read with Section 21 of the General Clauses Act, 1897 (Act No. X of 1897) and all other powers enabling him in this behalf and in supersession of U.P. Sugar (Control) Order, 1963 published in the U.P. Gazette, (Extraordinary), dated August 31, 1963, and with prior concurrence of the Central Government, the Governor of Uttar Pradesh is pleased to make the following Order:

1. Short title and commencement. - (1) This Order may be called the U.P. Sugar (Control) Order, 1966.

(2) It extends to the whole of Uttar Pradesh.

(3) It shall come into force at once.

2. Definitions. - In this Order, unless the context otherwise requires-

(a) "Authorised retailer" means a person appointed as such by the District Magistrate to purchase, sell or distribute [levy sugar] in retail to the consumers;

(b) "bulk consumer" means a person, other than an [authorised dealer] or authorised retailer, to whom an [authorised

dealer] sells [levy sugar] at wholesale rate for consumption in his own establishment or undertaking for the purpose of processing any food-stuff;

- (c) “District Magistrate” means District Magistrate of the district and includes any officer authorized by him to perform any of the functions under this Order;
- (d) “Identify Card” means a card issued by the District Magistrate in this behalf for obtaining [levy sugar] and includes an identity card issued by the District Magistrate or any other officer on his behalf before the date of this Order;
- (e) “retail sale” means sale of [levy sugar] in quantities less than one quintal at a time;
- (f) [* * *].
- (g) “State Government” means the Government of Uttar Pradesh;
- (h) “enquiry form” means form attached to this Order and prescribed by the State Government in which a person gives information about the members of his family, income and any other information for the preparation of his identity card for obtaining [levy sugar];
- (i) [* * *]
- (j) “Household” means all persons, who normally eat food prepared in the same kitchen;
- [(k) “levy sugar” means sugar sold by a vacuum-pan sugar factory in pursuance of a direction issued by the Central Government, or by an officer or authority subordinate to the Government empowered in that behalf under Section 5 thereof under clause (f) of sub-section (2) of Section 3 of the Essential Commodities Act, 1955 (Act No. 10 of 1955) for sale through authorised dealers or authorised retailers; and sub-para (1) ‘authorised dealers’ means a person licensed under the U.P: Sugar and Gur Dealers Licensing

Order, 1962, who is authorised by the District Magistrate to sell levy sugar and who has also executed an agreement in this regard.]

[3. Restriction on sale of levy sugar. - (a) No authorised retailer shall sell any sugar other than levy sugar;

(b) No authorised dealer or authorised retailer shall within their respective areas, sell levy sugar at a price higher than that specified by the District Magistrate for sale by wholesale or retail, as the case may be.]

4. Submission of return. - Every [authorised dealer and authorised retailer] shall-

(i) maintain such accounts and submit such statements and returns and within such time as may, from time to time, be required by the District Magistrate; and

(ii) be personally liable for the correct and timely submission of the statements and returns aforesaid.

5. Display of prices. - Every [authorised dealer] and authorised retailer shall display prominently the sale price of sugar according to the grades of sugar in stock with him at the entrance to the place of business or as near as possible thereto.

6. Possession of sugar stocks. - [* * *].

7. Power of entry, search, etc. - The District Magistrate or any person authorised by the State Government in writing in this behalf may-

(i) inspect or cause to be inspected, or enter or search any premises used or believed to be used for the purchase, sale or storage for sale of sugar; and

(ii) seize or authorise the seizure of any sugar in respect of which

he has reason to believe that any provision of this Order has been, is being or is about to contravened.

8. Use of Identity Cards. - No person shall-

- (a) dishonestly prepare, or apply for, or obtain, or use an Identity Card to obtain [levy sugar] in excess of the quantity which he is entitled under orders of the District Magistrate;
- (b) wilfully alter or destroy or permit to be altered or destroyed an Identity Card issued to him.

9. Possession of Identity Card. - (a) Not more than one Identity Card shall be possessed by the members of a household at any time;

- (b) [an authorised retailer or authorised dealer] shall not keep in his possession the identity cards of consumers; and
- (c) no person shall present more than one identity card at a time to the [authorised retailer] for obtaining supplies.

10. No person shall furnish incorrect information in the enquiry form.

[11. Restriction on the movement of sugar to or within the border area. - No person shall transport, attempt to transport or abet the transport of sugar in quantities exceeding 5 kilograms at a time-

- (a) to any place in the border area from any place outside that area; or
- (b) from any place in the border area to any place in that area except on a permit given by a District Magistrate

Provided that no such permit would be necessary-

- (i) for transport of sugar from sugar factories to a place in the border area by a recognised dealer in pursuance of a valid order for such transport; or

- (ii) for transport under and in accordance with Military Credit Notes.

Provided further that no such permit would be necessary for the transport of Khandsari sugar-

- (i) within the same town or village in the border area;
- (ii) from a village in the border area to the nearest market (Mandi) for purposes of sale in the State of Uttar Pradesh whether such market (Mandi) is within or outside the border area;
- (iii) from a place of manufacture or production of Khandsari sugar in the border area to the village of the manufacturer or producer in the border area; and
- (iv) to Choharpur Market and therefrom to Chakrata, Saiya or Kalsi in Dehra Dun District from places outside the border area.]