

IRON AND STEEL (CONTROL) ORDER, 1956

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IRON AND STEEL (CONTROL) ORDER, 1956

S. R.O. 1109/ESS/COMM/ Iron and Steel, dated 8th May, 1956 1. - In exercise of the powers conferred by Sec. 3 of the Essential Commodities Act, 1955 (10 of 1955) and in supersession of all previous Orders on the subject, the Central Government hereby makes the following order :

PART 1

Preliminary

1. 1 :-

(1) This Order may be called the Iron and Steel (Control) Order, 1956.

(2) It extends ¹to the whole of India, ² [* * *]

(3) It shall come into force with effect from the date on which this Order is notified in the Gazette of India.

1. Applied to the State of Pondicherry, vide Notification No. S.R.O. 1991/ Ess. Comm./Iron and Steel/Am (1), published in the Gazette

of India, dated the 8th September, 1956.

2. Omitted by S.O. 4099, dated 16th October, 1976.

2. Definitions :-

In this Order, unless the context otherwise requires,-

¹[(a) "books" includes any statement of accounts. Stock Registers, Production Registers, registers showing the utilization of Iron and steel materials, sale and purchase bill or any other documents which the Controller may specify under Cl. 12 or sub-clause (a) of Cl. 24 or sub-clause (b) of Cl. 28 of this order];

²(aa)] "controlled source" means-

(i) a producer,

(ii) a railway administration,

(iii) any factory, local authority, scrap merchant or person declared by the Controller to be "controlled source" ;

(b) "controlled stockholder" means a stockholder appointed by the Controller to hold stocks of iron or steel under such terms and conditions as he may prescribe from time to time ;

³[(c) "Controller" means the person appointed as Iron and Steel Controller by the Central Government and includes any person or body of persons authorized in writing by the Central Government to exercise all or any of the powers of the Iron and Steel Controller with regard to all or any of the categories of iron and steel or scrap;]

(d) "factory" means a factory as defined in Cl. (m) of Section 2 of the Factories Act, 1948 , other than a factory managed by a producer or a railway administration;

(e) "local authority" shall have the meaning assigned to it by sub-section (28) of Section 3 of the General Clauses Act, 1897 ;

⁴[(f) * * *].

(g) "producer" means a person carrying on the business of manufacturing iron or steel;

(h) "registered producer" means a producer who is registered as such by the Controller;

⁵[(i) "registered stockholder" means a person holding stocks of iron

or steel for sale who is registered as a stockholder by the controller under such terms and conditions as he may specify from time to time.];

⁶[(j) Scrap means fresh unused defective iron and steel materials and rerollable scrap and melting scrap of all categories. For purposes of this order rerollable scrap shall mean-

(a) all seconds/second grade/defectives cuttings of semis/bars/rails/structurals;

(b) plate cuttings, and

(c) used rails/structurals with length 1800 mm. maximum, width 600 mm. maximum and Thickness 5 mm. and above.

(d) scrap ingot mould".]

(k) "scrap merchant" means a person other than a producer (including a registered producer), who carries on the business of acquiring, sorting and classifying scrap for disposal;

⁷ [(l) "stockholder" means a person holding stocks of Iron or Steel for sale, including Controlled Stockholders and Registered Stockholders.]

1. Ins. by S.O. 214(E), dated the 12th April, 1973.

2. Sub-clause (a) relettered as sub-clause (aa) by S. O. 214(E), dated the 12th April, 1973.

3. Subs. by S.O. 3147, dated the 1st October, 1965, published in the Gazette of India, Pt. II, Sec. 3(ii), dated the 9th October, 1965.

4. Omitted by S.O. 3147, dated 1st October, 1965.

5. Subs. by S.O. 3147, dated the 1st October, 1965.

6. Subs. by S.O. 507(E). dated 1st July, 1985 (w. e. f. 4th July, 1985).

7. Ins. by S.O. 3147, dated 1st October, 1965.

2A. 2A :-

The Central Government may exempt steel of one or more categories specified in the ¹[First Schedule] to this Order, or iron or scrap of any category as may be specified, from all or any of the provisions of this Order, or declare that any provision of this Order shall apply to steel of one or more categories specified in the ² [First Schedule], or iron or scrap of any category as may be specified, with such modifications as that Government may specify in this behalf.]

1. Subs. by S.O. 781, dated the 11th March, 1967.
2. Subs. by S.O. 3147, dated the 1st October, 1965.

PART 2

Iron and Steel-Prime Quality

3. Application of this Part :-

(1) The provisions of this Part shall apply to all iron and steel of the categories specified in the ¹[First Schedule] to this Order: Provided that the provisions of this Part shall not apply to any fabricated iron or steel of the categories specified in the said ¹ [First Schedule] when such fabrication is done under the authority of or in accordance with the conditions contained or incorporated in a general or special written order of the Controller or under the authority of a quota certificate or permit issued under Cl. 4 or 5, as the case may be.

(2) A certificate signed by the Controller or by any officer authorized by him in this behalf, in respect of any category of iron or steel, shall be conclusive proof that it is an article to which this Part is applicable.

1. Subs. by S.O. 3147, dated the 1st October, 1965.

4. Acquisition :-

¹[(1)] No person shall acquire or agree to acquire any iron or steel from a producer, a stockholder or ²[any person in possession of iron and steel] except under the authority of and in accordance with the conditions contained in a quota certificate or permit issued by the Controller or under the authority of and in accordance with the conditions contained or incorporated in a general or special written order of the Controller,]

³ [(2) No person shall possess any stock of iron or steel except such stock as he has been authorised to acquire under sub-clause (1).]

1. Renumbered by S.O. 1421, dated the 29th March, 1971.
2. Subs. by S.O. 3147, dated the 1st October, 1965.
3. Ins. by S.O. 1421, dated the 29th March, 1971.

5. Disposal :-

¹ [No person shall sell or otherwise dispose of or agree to sell or otherwise dispose of] or export or agree to export from any place to which this Order extends any iron or steel, except in accordance with the conditions contained or incorporated in a special or general

written order of the Controller.

1. Subs. by S.O. 3147, dated the 1st October, 1965.

6. Carriers, warehousemen and servants :-

For the purposes of Cls. 4 and 5 and acquisition by or disposal to a carrier or warehouseman or servant acting in the ordinary course of business or employment as such or any iron and steel shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquired that steel and any acquisition from or disposal by a carrier or warehouseman or servant acting as aforesaid of any iron or steel shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the carrier, warehouseman or servant so disposes of that steel.

7. Use of iron and steel to conform to conditions governing acquisition :-

A person acquiring iron or steel ¹[* * *] shall not use the iron or steel otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition ²[or otherwise than for the purposes mentioned by him in the application for such acquisition.] ³ [* * *]

1. Omitted by S.O. 1421, dated the 29th March, 1971.

2. Ins. by S.O. 1421, dated the 29th March, 1971.

3. Omitted by S.O. 3147, dated the 1st October, 1965 published In the Gazette of India, Pt. II, Sec. 3(iii) dated the 9th October, 1971.

8. 8 :-

¹ [* * *]

1. Omitted by S.O. 3147, dated the 1st October, 1965 published In the Gazette of India, Pt. II, Sec. 3(iii) dated the 9th October, 1971.

9. Surrender of authorities at the time of acquisition :-

A person disposing of iron or steel in accordance with the provisions of Cl. 5 shall obtain from the person acquiring the steel the document which is the authority for the ¹ [disposal, possession or acquisition] and shall preserve it, and when so required shall deliver it to the Controller or to such person as the Controller may direct.

1. Subs. by S.O. 1421, dated the 29th March, 1971.

10. Power to direct release or sale :-

Notwithstanding the provisions of this Part of the conditions

governing the acquisition of any categories of iron or steel, the Controller may, by a written order, require any producer, any stockholder, or any person in possession of iron or steel either to release by way of loan or sell the whole or any part of any iron or steel in possession of such party to such person or class of persons on such terms and conditions as may be specified in the Order. Provided that if the Controller is of opinion that immediate action is necessary he may, for reasons to be recorded in writing, exercise such powers without the previous approval of the Central Government but he shall report the fact to the Central Government within twenty-one days of such exercise of powers whereupon the Central Government may pass such orders as it deems fit in the circumstances of the case.]

11. Power to prohibit removal :-

¹[(1)] ²[Notwithstanding anything contained in this part or in the condition governing the disposal of any categories of iron or steel, the Controller may order] any producer (including a registered producer), any stockholder (including a controlled stockholder) or any other person not to remove or permit the removal of any iron or steel, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside the precincts of such stockyard or premises, except with the written permission of the Controller.

³ [(2) In respect of those categories of iron or steel which may be exempt from all or any of the provisions of this order, the power conferred under sub-clause (1) shall be exercised by the Controller only with the previous approval of the Central Government : Provided that if the Controller is of opinion that immediate action is necessary he may, for reasons to be recorded in writing, exercise such powers without the previous approval of the Central Government but he shall report the fact to the Central Government within twenty-one days of such exercise of powers whereupon the Central Government may pass such orders as it deems fit in the circumstances of the case.]

1. Renumbered by S.O. 1421, dated 29th March, 1991.

2. Subs. by S.O. 1421, dated the 29th March, 1991

3. Ins. by S.O. 1421, dated the 29th March, 1991.

11A. Power to suspend supplies under Part II :-

Notwithstanding anything contained in this Part or in the conditions

governing the acquisition or disposal of any categories of iron or steel, the ¹ [Controller may, for reasons to be recorded in writing, order suspension of supplies of iron or steel forthwith to any person against whom there exists a credible information, or a reasonable suspicion of the contravention, of any conditions laid down under this Order or of any directions issued thereunder.

1. Subs. by S.O. 214 (E), dated the 12th April, 1973.

12. Power to require keeping of accounts and to obtain information :-

(1) Every producer and every stockholder ¹[* * *] shall keep such books, accounts and records relating to the business carried on by him as the Controller may require.

(2) Every producer or stockholder ¹[* * *] and every person employed in connection with the business of a producer or stockholder ¹ [* * *] shall, on being requested so to do, either by notice served on him or special or general direction issued by the Controller-

(a) produce to such person such stocks of iron or steel and such accounts and other documents and within such period as may be specified in the notice or direction;

(b) furnish to the Controller such estimates, returns and other information relating to the business and within such period as may be specified in the notice or direction.

1. Omitted by S.O. 3147, dated the 1st October, 1965 published in the Gazette of India, Pt. II, Sec. 3(ii), dated the 9th October, 1965.

13. 13 :-

The Controller may, where he is satisfied that such action is necessary in order to co-ordinate the production of iron or steel with the demands for iron or steel which have arisen or are likely to arise under authorizations to acquire duly issued under this Part-

(a) prohibit, with effect from such date as he may specify, the manufacture by any producer of iron or steel of any of the categories specified in the ¹[First Schedule] to this Order, otherwise than in accordance with any general or special directions issued by the Controller.

(b) require with effect from such date and with reference to such

periods as the Controller may specify, any producer to obtain approval to his programme of manufacture of iron or steel of any of the categories specified in the ¹ [First Schedule] to this Order;

(c) require, with effect from such date as the Controller may specify, any producer to manufacture iron or steel of such categories as he is capable of manufacturing in accordance either with programmes of production approved under sub-clause (b) of this clause or with special instructions issued by the Controller.

1. Subs. by S.O. 781, dated the 11th March, 1967, published in the Gazette of India, Extraordinary. Pt. II, Sec. 3(i), dated the 11th March, 1967.

14. 14 :-

(1) The Controller may by order in writing direct any stockholder ¹[* * *] to maintain a list of the godowns and stockyards with the boundaries thereof, where iron or steel belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the Official Gazette, direct that every producer, stockholder ¹[* * *] when selling any iron or steel shall give to the purchaser a memorandum containing the particulars specified in such notification.

(3) No producer, stockholder ¹[* * *] shall, without sufficient cause, refuse to sell any iron or steel which he is authorized to sell under this Part.

⁴[(4) The Controller may with a view to secure proper distribution of iron and steel, issue such written orders general or special as may be necessary to any ⁵ [producer or stockholder with regard to his function as producer or stockholder] respectfully].]

1. Omitted by S.O. 3147, dated 1st October, 1965.

4. Added vide S.O. 1192/Ess. Comm./Iron and Steel/Am. (6), published in the Gazette of India, dated the 14th May, 1960.

5. Subs. by S.O. 3147, dated the 1st October, 1965.

15. Power to fix prices :-

(1)The Controller may from time to time by notification in the Gazette of India, fix the maximum prices at which any iron or steel may be sold (a) by a producer, (b) by a stockholder including a

controlled stockholder, and (c) by any other person or class of persons. Such price or prices may differ for iron and steel obtainable from different sources and may include allowances for contribution to and payment from any equalisation fund established by the Controller for equalising freight, the concession rates payable to each producer or class of producers under agreements entered into by the Controller with the producers from time to time, and any other disadvantages. The Controller may also, by a general or special order in writing, require any person or class of persons enumerated above to pay such amount on account of ¹[Provided that the Controller may, with the approval of the Central Government, fix maximum prices for sale of iron and steel (a) by a producer, (b) by a stockholder including a controlled stockholder, and (c) by any other person or class of persons ²[* **] for export outside India and such prices may be different from the maximum selling prices fixed for sale for other purposes] : ³[Provided further that the ³ [Controller] may, with the approval of the Central Government, fix maximum controlled prices for sale of iron or steel by the registered producers and controlled stockholders to the manufacturers of engineering goods for fabrication products for export, at prices lower than the maximum selling prices fixed for sale for other purposes.]

(2) For the purpose of applying the prices notified under sub-clause (1) the Controller may himself classify any iron and steel and may, if no appropriate prices has been so notified, fix such price as he considers appropriate : Provided that where any stocks are required by a special order of the Controller to be moved from one place to another or are to be sold at a place which is not connected with any railhead, the Controller may direct that the maximum prices fixed under sub- clause (1) or (2), shall not apply to such stocks and may, in respect of such stocks, specify the maximum prices at which the iron or steel may be sold.

(3) No producer or stockholder or other person shall sell or offer to sell, and no person shall acquire, any iron or steel at a price exceeding the maximum prices fixed under sub-clause (1) or (2).

1. Added by S.O. 814/Ess. Comm./Iron and Steel/Am. (5), published in the Gazette of India, dated the 2nd April, 1960.

2. Omitted by S.O. 3147, dated the 1st October, 1965, published In the Gazette of India, Pt. II, 3(ii), dated the 9th October, 1965.

3. Added vide S.O. 2369/Ess. Comm./Iron and Steel/Am. (3), published in the Gazette of India, dated the 13th November, 1958.

16. Power to control the creation of new productive capacity :-

No person shall, except under the authority of, and in accordance with the conditions specified in general or special order of the Controller-

¹[(a) erect, re-erect, construct or extend any buildings or works intended for-

(i) the production of iron or steel, or

(ii) the transformation of iron or steel from one category to another category specified in the ²[First Schedule] to this Order;

¹[(b) instal any plant or equipment, including any machine tools, for-

(i) the production of iron or steel, or

(ii) the transformation of iron or steel from one category to another category specified in the Schedule to this Order ;]

¹[(c) transform iron or steel from one category to another category specified in the ²[First Schedule] to this Order]: ⁶ [Provided that no condition-specified by the Controller under this clause shall be either inconsistent, or at variance, with the provisions of the Industries (Development and Regulation) Act, 1951, and the rules made thereunder].

1. Subs. by S.O. 3147, dated the 1st October, 1965, published in the Gazette of India, Pt. II, 3(ii), dated the 9th October, 1965.

2. Subs. by S.O. 781, dated the 11th March, 1967.

6. Ins. by S.O. 1421, dated the 29th March, 1971.

17. Power of Central Government to give directions :-

The Central Government may give directions as to the procedure to be followed by the authorities issuing quota certificates, permits or written orders, referred to in Cls. 4 and 5, as to the maintenance by the Controller of records in connection with the distribution of iron or steel and generally for the purpose of giving effect to the provisions of this Part.

17A. Power of Central Government to give directions to producers, etc :-

The Central Government may give directions to producers and stockists of any category of iron or steel or to such other persons,

as it considers necessary regarding the procedure to be followed in the production, despatch, stocking and placing of orders on producers or stockists, whether such category of iron or steel is subject to, or exempt from, the operation of all or any of the provisions of this order.

17B. Power of Central Government to set up committees, etc :-

(1) For the purpose of giving effect to the provisions of this order, with respect to any category of iron or steel, whether such category is subject to or exempt from the operation of all or any such provisions, the Central Government may, by notification in the Official Gazette, set up, from time to time, such committees, bodies or authorities as it may consider necessary.

(2) The Committee, body or authority set up under sub-clause (1) shall carry out such functions as may be specified in the notification under which such Committee, body or authority is set up.]

PART 3

Defectives and Scrap

18. Acquisition of scrap :-

No producer shall acquire or agree to acquire any scrap except under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller, and no person or authority other than a producer shall acquire or agree to acquire any scrap from a controlled source save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

19. Use of scrap to conform to conditions governing acquisition :-

A person acquiring scrap ¹[* * * * *] shall not use it otherwise than in accordance with any conditions contained or incorporated in the document which was the authority for the acquisition, ² [or otherwise than for the purpose mentioned by him in the application for such acquisition.]

1. Deleted by S.O. 195 (E), dated 16th March, 1972.

2. Ins. by S.O. 195 (E), dated 16th March, 1972.

20. Disposal of scrap :-

No person or authority having the management of a controlled source shall ¹ [use or process or sell or otherwise dispose of] any

scrap save under the authority of and in accordance with the conditions contained or incorporated in a written order of the Controller.

1. Subs. by S. O. 3147, dated the 1st October, 1965, published in the Gazette of India, Pt. II, Sec. 3(ii), dated the 9th October, 1965.

21. Carriers, warehousemen and servants :-

For the purpose of Cls. 18 and 20 any acquisition by a disposal to a carrier, warehouseman or servant acting in the ordinary course of his business or employment as such of any scrap shall be deemed to be only an acquisition by or disposal to the person on whose behalf or to whose order the carrier, warehouseman or servant so acquires that scrap; and any acquisition from or disposal by a carrier, warehouseman or servant acting as aforesaid of any scrap shall be deemed to be only an acquisition from or disposal by the person on whose behalf or to whose order the warehouseman or servant so disposes of that scrap.

22. Power to direct sale :-

(1) The Controller may, by a written order, require any person holding stock of scrap whether acquired by him in accordance with the provisions of Cl. 18 or otherwise to sell the whole or any part of the stock to such person or class of persons and on such terms and conditions as may be specified in the order.

(2) In respect of those categories of scrap which may be exempt for the time being from all or any of the provisions of this order, the power conferred under sub-clause (1) shall be exercised by the Controller only with the previous approval of the Central Government: Provided that if the Controller is of opinion that immediate action is necessary he may, for reasons to be recorded in writing, exercise such powers without the previous approval of the Central Government but he shall report the fact to the Central Government within twenty-one days of such exercise of powers whereupon the Central Government may pass such orders as it deems fit in the circumstances of the case.

23. Power to prohibit removal :-

¹[(1)] The Controller may order any controlled source, scrap merchant or any other person not to remove or permit the removal of any scrap, whether sold or unsold, from his stockyard or from

any other part of his premise to any place outside the precincts of such stockyard or premises except with the written permission of the Controller.

² 3 [(2) In respect of those categories of scrap which may be exempt for the time being from all or any of the provisions of this order, the power conferred under sub-clause (1) shall be exercised by the Controller only with the previous approval of the Central Government: Provided that if the Controller is of opinion that immediate action is necessary he may, for reasons to be recorded in writing, exercise such powers without the previous approval of the Central Government but he shall report the fact to the Central Government within twenty-one days of such exercise of powers whereupon the Central Government may pass such orders as it deems fit in the circumstances of the case.]

1. Renumbered by S.O. 1421, dated the 29th March, 1971.
2. Ins. by S.O. 1421, dated the 29th March, 1971.

23A. Power to suspend supplies of scrap :-

Notwithstanding anything contained in this Part or in the conditions governing the acquisition or disposal of any categories of scrap, the Controller may, for reasons to be recorded in writing order suspension of further supplies of scrap forthwith to any person against whom there exists a credible information, or a reasonable suspicion, of the contravention of any condition laid down under this Order or of any direction issued hereunder. Note.-

(1) The provisions of this clause shall be invoked only as an interim action in order to forestall further mis-utilization of scrap and shall be followed up with further action, regard being had to the circumstances of the case.

Note.-

(2) The follow-up action as contemplated in Note (1) shall be initiated within a period of three months of the date of order of suspension of supplies.

Note.-

(3) The Controller may, by order, for reasons to be recorded in writing extend the period of follow-up action for a further period not exceeding three months.

Note.-

(4) The order of suspension of supplies shall stand withdrawn if the Controller fails to initiate the follow-up action within the said period of three months or within the extended period if the period of the follow-up action has been so extended as the case may be.

24. Regulation of controlled sources :-

The Controller may from time to time issue directions to the person or authority having the management of any controlled source requiring him-

(a) to keep such books, accounts and records relating to his business as the Controller may specify in the direction;

(b) to produce to such person as may be mentioned in the direction such stocks of scrap and such accounts and other documents as the Controller may specify in the direction;

(c) to furnish to the Controller such estimates, returns and other information relating to the business as may be mentioned in the direction ;

(d) to sort the scrap in his possession from time to time in accordance with such classification as may be mentioned in the direction.

25. Declarations, written orders and directions :-

(1) Declarations under Cl. 2(a) and directions under Cl. 24 shall be in writing and shall be delivered to the person or authority concerned personally or by registered post.

(2) Written orders under Cl. 18 or Cl. 20 may be made by the Controller on application or on his own motion and shall be delivered to the person or authority concerned personally or by registered post.

(3) The person or authority to whom a direction or written order is addressed shall comply with the same, and with any conditions contained or incorporated therein. ¹ [* * *]

1. Omitted by S.O. 3147, dated the 1st October, 1965, published in the Gazette of India, Pt. II, Sec. 3(ii), dated the 9th October, 1971.

26. 26 :-

(1) The Controller may by order in writing direct any controlled source or scrap merchant or other person holding stocks of scrap to

maintain a list of the godowns and stockyards with the boundaries thereof, where scrap belonging to him is stocked, and to exhibit such list on his business premises. The Controller may in any such order give directions as to the manner in which the order is to be carried out.

(2) The Controller may, by notification in the Gazette of India, direct that every controlled source, scrap merchant or other person holding stock of scrap when selling any scrap shall give to the purchaser a memorandum containing the particulars specified in such notifications.

¹ [(3) The Controller may, with a view to secure proper distribution of iron and steel scrap defective, issue such written orders, general or special as may be necessary to any controlled source or scrap merchant, with regard to his function as controlled source or scrap merchant, respectively.]

1. Added vide S.O. 1192/Ess. Comrn./Iron and Steel/Am. (6), published in the Gazette of India, dated the 14th May, 1960.

27. Controllers power to fix prices :-

(1) The Controller shall from time to time with the approval of the Central Government publish by notification in the Gazette of India, price for different classes of scrap. Such prices may differ for scrap obtainable from different persons and classes of persons, may specify buyers, and sellers, prices and may include allowances for contributions to any equalisation fund established by the Controller for equalizing freight and other disadvantages.

(2) For the purpose of applying the prices notified under sub-clause (1) of this clause, the Controller may himself classify any scrap and may, if no appropriate price has been so notified, fix such price as he considers appropriate : Provided that the Controller may direct that the maximum prices fixed under sub- clause (1) or (2) shall not apply to any specified stocks of scrap held by railways or any other department of Government including Government Corporations, like Sindri Fertilisers and Chemicals Limited, Hindustan Steel Limited and the like, and may, in respect of such stocks, specify the maximum prices at which such scrap may be sold.

(3) When an accumulation of scrap contains heavy pieces which in the opinion of

(4) No person shall sell or offer to sell or otherwise dispose of, and no person shall acquire, any scrap at prices in excess of those notified or fixed by the Controller under this clause.

27A. Power to control the creation of productive capacity in respect of scrap :-

No person shall, except under the authority of, and in accordance with the conditions specified in a general or special orders of the Controller,-

(a) erect, re-erect, construct or extend any building or works intended for processing or transformation of scrap;

(b) instal any plant or equipment, including any machine tools for the processing or transformation of scrap;

(c) transform scrap from one category to another.]

PART 4

General

28. Powers of the Controller :-

The Controller may, with a view to securin compliance with this Order,-

(a) require any person to give such information in his possession in respect of stocks of iron or steel or of scrap acquired by him or in respect of any business carried on by that or any other person;

(b) inspect or cause to be inspected any stocks of iron or steel or of scrap held by any person and any books or other documents belonging to or under the control of any person;

¹ [(c) enter and search or authorize any gazetted officer to enter and search any premises and seize or authorize the officer aforesaid to seize any article] in respect of which he has reason to believe that the contravention of this Order, has been, is being or is about to be committed, and any other article in the premises which he has reason to believe has been or is intended to be used in connection with such contravention.

1. Subs. by S.O. 1600, dated the 3rd May, 1969.

28A. Revocation and surrender of revoked authorities :-

(1) The Controller may revoke any quota, certificate, permit, authorization, release order, allocation planning note or any other special or general written order issued in exercise of the powers

conferred on him by any clause of this Order : Provided that before making such revocation, the Controller shall afford a reasonable opportunity to the affected person to show cause as to why the revocation shall not be made.

(2) Where the Controller has passed an order of revocation under sub-clause (1), the

28B. Power to debar to any person from receiving iron or steel or scrap :-

(1) The Controller may, by order, for reasons to be recorded in writing, debar any person for any period, not exceeding five years, from receiving iron or steel or scrap from a registered producer or a registered stock-holder or a controlled stockholder or from any other source either directly or through any committee, body or authority set up under Cl. 17-B or otherwise,-

(a) if the said person, uses iron or steel or scrap for any purpose other than the purpose for which any such material is acquired by, or sold to him or uses any such material in contravention of any condition subject to which the material is acquired by or sold to him; or

(b) if he is found to have violated any condition laid down under any clause of this order or any direction issued thereunder; or

¹[(c) if he is found to have submitted any false documents or to have made any misrepresentation in acquiring or seeking to acquire any such material :] Provided that before any such order is made, the person concerned shall be given a reasonable opportunity of being heard.

(2) Any person aggrieved by an order of the Controller under sub-clause (1), may within a period of thirty days of the date of the communication of the order, prefer an appeal ²[such authority as the Central Government may, by notification in the Official Gazette, Constitute for the purpose of hearing Appeals]

(3) On receipt of an appeal under sub-clause (2), ³[the authority constituted under that sub-clause] shall after giving the person aggrieved a reasonable opportunity of being heard, dispose of the appeal.

⁴ [(4) Every appeal filed under sub-clause (2) and pending before the Central Government immediately before the commencement of

the Iron and Steel (Control) Amendment Order, 1978, shall on such commencement stand transferred to the authority constituted under the said sub-clause and having jurisdiction to hear such appeal, and the authority so constituted shall proceed to hear and dispose of such appeal as if it had been an appeal filed before it.]

1. Subs. by S.O. 507 (E), dated 1st July, 1985 (w.e.f. 4th July, 1985).
2. Subs. by S.O. 716 (E), published in the Gazette of India, Extraordinary, Pt. II, Sec. 3(ii) No. 543, dated 8th December, 1978.
3. Subs. by S.O. 716 (E), published in the Gazette of India, Extraordinary, Pt. II, Sec. 3(ii) No. 543, dated 8th December, 1978.
4. Subs. by S.O. 716 (E), published in the Gazette of India, Extraordinary, Pt. II, Sec. 3(ii) No. 543, dated 8th December, 1978.

28C. 28C :-

No order of suspension, revocation or debarring of a person from receiving iron or steel or scrap made by the Controller in terms of Cls. 11-A, 23-A, 28-A or 28-B shall be called in question in any proceedings before any appellate authority merely on the ground that in the course of discharge of duties as Controller, the Controller had dealt with the matter earlier or that he had issued or directed the issue of the show cause notice, as the case may be to such person.]

29. Savings :-

Notwithstanding the supersession of the Iron and Steel (Control of Production and Distribution) Order, 1941 and the Iron and Steel (Scrap Control) Order, 1943, any order or appointment made, licence or permit granted, quota certificate or direction issued by any authority whatsoever, under either of the above orders, and in force immediately before the commencement of this Order, shall be deemed to be the order or appointment made, the licence or permit granted, the quota, certificate or direction issued under this Order shall continue to be in force.

PART 5

Ferro-Alloys

30. Application of this Part :-

The provisions of this Part shall apply to ferro- alloys.

31. Definitions :-

In this part, unless the context otherwise requires,-

(a) "Controller" means the Iron and Steel Controller, Calcutta or an officer authorized by him to perform the duties assigned by this Part to the Controller;

(b) "ferro-alloys" means any of the substances specified in the Second Schedule to this Order;

(c) "producer" means a person carrying on the business of manufacturing ferro- alloys:

(d) "stockholder" means any person who owns or has in his possession or under his control any quantity of any ferro-alloys.

32. Power to direct sale :-

The Controller may, by written order, require any person holding stock of ferro-alloys to sell the whole or any part of the stock to such person or class of persons and in such circumstances as may be specified in the Order.

33. Power to prohibit removal :-

The Controller may order any producer, stockholder or any other person not to remove or permit the removal of any ferro-alloy, whether sold or unsold, from his stockyard or from any other part of his premises to any place outside such stockyard or premises except with the written permission of the Controller.

34. Fixation of maximum prices :-

The Controller may with the approval of the Central Government, by notification fix the maximum prices at which any ferro-alloy may be sold by a producer or a stockholder or any other person.

35. Acquisition :-

No producer or stockholder or any other person shall sell and no person shall acquire any ferro-alloy at a price exceeding the maximum price fixed, if any, under Cl. 34.

36. Power to obtain returns, etc :-

The Controller may, with a view to securing compliance with this Part,-

(a) require any producer, stockholder or any other person to furnish returns in respect of stocks, purchase, sale or disposal of ferro-alloys in such forms as may be specified by the Controller;

(b) inspect or authorize any person to inspect any stocks of ferro-alloys held by any person or any books or other documents

belonging to or under the control of any person;

(c) enter and search, or authorize any person to enter and search, any premises, and seize or authorize any person to seize any stock of ferro-alloys in respect of which he has reason to believe that a contravention of this Part has been, is being or is about to be committed;

(d) require any producer, stockholder or any other person to keep such books accounts and other records relating to the production, stocks, sales or disposal of ferro-alloys.

37. Power to issue instructions :-

The Controller may issue such instructions consistent with the provisions of this Part as may be necessary for carrying out the purposes of this Part.

SCHEDULE 1

Iron and Steel to which Part II applies

Iron and Steel and products thereof, the following, namely :- (1) Pig iron and sponge iron; (2) Ingots, blooms, billets, slabs and sheet bars (including tinplate bars) and hoe bars including shell steel ingots, blooms, billets and bars; (3) Bars (including flats, squares and rounds) and rods (including wire rods) of iron and steel whether in straight lengths or in coils; (4) Railway track construction material and railway material including the following: (i) rails sleepers, fish plates, crossing sleepers, and sleeper bare; (ii) tyres, wheels and axles; (5) Angles, shapes and sections of iron or steel ; (6) Hoops, strips, box strapping and skelp of iron or steel whether galvanised or not; (7) (i) coil Hot or cold rolled whether coated (ii) sheets or not and both in carbon steel (iii) plates and as well as in special steel or (iv) Universal plates special specifications; (8) Galvanised/coated sheets both plain as well as corrugated; (9) Tinned both prime and waste, terne plates including tin free steel sheets; (10) Heavy structurals (including heavy sections of joints), channels and angles; (11) Medium structurals (including medium sections of joints, channels and angles); (12) Light structurals (including light sections of joints, channels, angles and light rails of 30 lbs. and under); (13) Tees; (14) Spring steel in any form unfabricated or semi fabricated; (15) Alloy steel including stainless steel of all grades in any form unfabricated or semi-fabricated; (16) Iron or steel wire whether or not coated, plain or barbed but not insulated.]

SCHEDULE 2

2

Ferro-silicon. Silicon-manganese. Ferro-chrome. Ferro-molybdenum. Ferro-tungsten. Ferro-manganese. Ferro-vanadium. Ferro-phosphorus. [Ferro silico magnesium. Ferro niobium/ferro columbium Ferro silico zirconium Ferro boron.] Ferro-titanium. Ferrous scrap containing more than- 0.50 per cent. Nickel, or 0.20 per cent. Molybdenum, or 1.00 per cent. Tungsten, or 0.20 per cent. Vanadium, or 1.00 per cent. Cobalt.] NOTIFICATION S.O. 508 (E)/ESS/Iron and Steel- 2A, dated the 1st July, 1985. -In exercise of the powers conferred by Cl. 2-A of the Iron and Steel (Control) Order, 1956, the

Central Government hereby declares that Cls. 7 and 19 of the said Order shall apply to the categories of steel and iron or, as the case may be, scrap specified in the Schedule annexed hereto and acquired by any person on or after the date of this notification.

SCHEDULE 3

SCHEDULE

All categories of steel and iron specified in the First Schedule to the iron and steel (Control) Order, 1956, namely :- "(1) Pig iron and sponge iron; (2) Ingots, blooms, fillets, slabs and sheet bars (including tinsplate bars) and hoe bars including shell steel ingots, blooms, billets and bars; (3) Bars (including flats, squares and rounds) and rods (including wire rods) or iron and steel whether in straight lengths or in coils; (4) Railway track construction material and railway material including the following: (i) rails, sleepers, fish plates, crossing sleepers and sleeper bars; (ii) tyres, sheets and axles; (5) Angles, shapes and Sections of iron or steel (6) Hoops, strips, box strapping and skelp of iron or steel whether galvanised or not; (7) (i) Coils Hot or cold rolled whether coated (ii) Sheets or not both in carbon steel as well (iii) Plates, and as in special steel or special speci- (iv) Universal plates, cations. (8) Galvanised coated sheets, both plain as well as corrugated. (9) Tinsplate, both prime and waste, terne plate, including tin free steel sheets; (10) Heavy structural (including heavy sections of joints, channels and angles); (11) Medium structurals (including medium sections of joints, channels and angles); (12) Light structurals (including light sections of joints, channels, angles and light rails of 30 lbs. and under); (13) Tees; (14) Spring steel in any form, unfabricated or semi fabricated; (15) Alloy steel including stainless steel of all grades in any form unfabricated or semi fabricated; (16) Iron or steel wire, whether or not coated, plain or barbed, but not insulated; and all categories of scrap"