

JUTE (LICENSING AND CONTROL) ORDER, 1961

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JUTE (LICENSING AND CONTROL) ORDER, 1961

S. O. 538, dated 10th March, 1961 1 -In exercise of the powers conferred by Sec. 3 of the Essential Commodities Act, 1955 (10 of 1955), the Central Government hereby makes the following order, namely :-

1. Short title, extent and commencement :-

- (1) This Order may be called the Jute (Licensing and Control) Order, 1961.
- (2) It extends to the whole of India except the State of Jammu and Kashmir.
- (3) It shall come into force at once.

2. Definitions :-

In this Order, unless the context otherwise requires,-

- (a) "Jute Commissioner" means the Jute Commissioner appointed

by the Central Government and includes any other officer appointed by the Central Government to exercise the powers of the Jute Commissioner under this Order;

(b) "jute textiles" means hessian and sacking cloth made from jute, bags made from hessian or sacking cloth, twine, yarn and any other article made, wholly or in part, from jute;

(c) "Licensing authority" means the Jute Commissioner and ¹[also] the State Government and includes any other officer appointed by the Central or the State Government to be the licensing authority;

(d) "raw jute" means the fibre of jute also known as part, kosta, nalita, bimli or mesta;

(e) "year" means the year commencing on the 1st July and ending with the 30th June next following;

² [(f) "carrier" includes a railway administration or any other person engaged in the business of transporting properly from one place to another by land, air or water.]

1. Sub. by S.O. 794(E), dated 30th November, 1977.

2. Ins. by S.O. 3915, dated the 14th December, 1965, published in the Gazette of India, Extraordinary, Pt. II, Sec. 3(ii), dated the 14th December, 1965.

3. Licensing of dealers in raw jute and jute textiles :-

(1) The Jute Commissioner may, by notification in the Official Gazette direct that, with effect from such date as he may specify in the notification, no person shall carry on business in raw jute or jute textiles involving the purchase, sale or storage for sale of raw jute or jute textiles, except under and in accordance with the terms and conditions of a licence issued under this Order. ¹[Provided that the Jute Commissioner may by notification in the Official Gazette, exempt any ²[* * *] class of such persons from the provisions of this sub-clause : Provided further that in granting such exemption under the preceding provision the Jute Commissioner shall have regard to the following matters, namely :

(i) the volume of business in raw jute or jute textile carried on by ³[such class of persons];

(ii) the quantity of raw jute or jute textiles in the possession of ³[such class of persons];

(iii) the period for which the stocks of raw jute or jute textiles are ordinarily held by ⁵ [such class of persons] for the purpose of sale or storage;

(iv) price situation and availability position of raw jute or jute textiles in the country; and

(v) any other relevant factor.]

(2) Every such licence shall be issued by the licensing authority on application made to it in such form and manner as the Jute Commissioner may prescribe.

(3) A licence issued under this clause shall be valid for the year for which it is issued and may be renewed for one year at a time.

(4) A fee of Rs. 10 shall be charged for every licence and of Rs. 5 for its renewal.

1. Added by S.O. 794(E), dated 30th November, 1977, published in Gazette of India, Extraordinary, Pt. II, Sec. 3 (ii), dated 30th November, 1977.

2. Omitted by S.O. 680(E), dated 23rd November, 1978, published in the Gazette of India, Extraordinary, Pt. II, Sec. 3(ii), dated 23rd November, 1978.

3. Subs. by S.O. 680(E).

5. Sub. by S.O. 680(E), dated 23rd November, 1978, published in the Gazette of India, Extraordinary, Pt. II, Sec. 3(ii), dated 23rd November, 1978.

4. Matters to be taken into consideration in granting licences :-

In granting or refusing a licence under this Order, the licensing authority, shall, among other matters, have regard to-

(a) the stock of raw jute or jute textiles, as the case may be available in the locality;

(b) the business ordinarily carried on by the applicant;

(c) any other matter which in the opinion of the licensing authority is relevant for the purpose.

5. Conditions of licence :-

Every licence issued under Cl. 3 shall be subject to the following conditions, namely:

(a) the licensee shall maintain true and correct accounts in such form and submit to the licensing authority such returns and at such

intervals as the Jute Commissioner may prescribe;

(b) the licence shall issue to every customer a receipt or invoice in such form and containing such particulars as the Jute Commissioner may prescribe;

(c) the licensee shall give all reasonable facilities to the licensing authority or any officer duly empowered by such authority to enter the business premises and inspect the stocks and accounts;

(d) the licensee shall comply with any direction lawfully issued to him under this Order in his business.

6. Duplicate licence :-

Where a licence is lost or destroyed, the licensing authority may, on application made to it in this behalf; issue a duplicate licence on payment of a fee of Rs. 5.

7. Suspension or cancellation of licence :-

The licensing authority may suspend or cancel a licence issued under this Order if-

(a) the licence has been granted through mistake or obtained by fraud or misrepresentation;

(b) the licensee has committed a breach of any of the conditions of the licence or any provision of this Order, provided that before suspending or cancelling the licence, the licensee shall be given a reasonable opportunity to make his representation.

7A. Appeal against order of licensing authority :-

Any person aggrieved by an order refusing to grant a licence or an order suspending or cancelling a licence may, within a period of thirty days from the date of ¹ [receipt of] communication of such order, prefer an appeal-

(a) if the order is made by the licensing authority other than the Jute Commissioner to the Jute Commissioner, or

(b) if the order is made by the Jute Commissioner, to the Central Government, for his or its decision thereon.]

1. Ins. by S.O. 102(E), dated 20th February, 1979, published in Gazette of India, Extraordinary, Pt. II, Sec. 3 (it), dated 20th February, 1979.

8. Power to fix prices :-

1 [(1) The Jute Commissioner may, by notification in the Official Gazette, fix the maximum or the minimum prices, or both, at which any variety of raw jute or jute textiles or any grade of such variety may be purchased or sold, and different prices may be fixed for different areas or for different varieties of raw jute or jute textiles or grades thereof.

(1-A) In fixing such price or prices, the Jute Commissioner shall have regard to the quality of raw jute or jute textiles and the railway freight and other expenses necessary for the transport of raw jute or jute textiles from the production centre to the area or areas in relation to which such price or prices is or are fixed.

(2) No person shall sell or offer to sell or purchase or offer to purchase any raw jute or jute textiles at a price exceeding the maximum price or the minimum price fixed therefor under sub-clause (1).]

1. Subs. by S.O. 3423, dated the 4th December, 1963.

8A. Power to control production of jute textiles :-

The Jute Commissioner may, by order, direct any manufacturer or class of manufacturers or manufacturers generally, to produce or not to produce such, classes or specifications of jute textiles as may be specified in the order and prescribe the maximum or minimum quantities of jute textiles which each such manufacturer, or class of manufacturers, or manufacturers generally, shall produce during such period as may be specified in the said order : Provided that in making an order under this clause, the Jute Commissioner shall have regard to,-

(a) the capacity of manufacturer or class of manufacturers or the manufacturers generally, to manufacture jute textiles;

(b) the need to maintain the supplies with particular reference to the availability of raw jute, the requirements for domestic consumption and the need to safeguard export earnings; and

(c) any other relevant factor.]

8B. Appeal :-

(1) Any person aggrieved by any order of the Jute Commissioner made under Cl. 8-A may, within thirty days of the date of receipt of such order, prefer an appeal to the Central Government.

(2) On receipt of an appeal under sub-clause (a), the Central Government shall after giving the appellant an opportunity of being heard and after such further inquiry as may be necessary, pass such order on the appeal as it thinks fit.]

9. Powers to regulate stocks of raw jute :-

¹ [(1) The Jute Commissioner may by order,-

(i) specify the maximum quantity of raw jute or any specified variety or jute which a manufacturer may buy;

(ii) direct that the said raw jute or any specified variety of jute shall be brought

(iii) specify the maximum quantity of raw jute which a jute manufacturer may have in his own possession during any specified period, for the purpose of manufacture of jute textiles.]

(2) In issuing an order under sub-clause (1), the Jute Commissioner shall have regard to-

(a) the quantity of raw jute used by the manufacturer during the previous year;

(b) the capacity of the manufacturer to manufacture jute textiles;

(c) the availability of raw jute for manufacture of jute textiles; and

(d) any other factor which, in the opinion of the Jute Commissioner, is relevant for the purpose.

1. Subs. by S.O. 1611, dated the 23rd May, 1966, published in the Gazette of India, Pt. II, Sec. 3(ii), dated the 4th June, 1966.

9A. Power to regulate minimum purchase and minimum stock of raw jute :-

¹ [(1) The Jute Commissioner may, by order, specify the minimum quantity of raw jute or any specified variety of jute, which a manufacturer shall,-

(i) actually purchase either from any specified person or agency or otherwise, during any specified period;

(ii) have in his own possession during any specified period, for the purpose of manufacture of jute textiles.]

(2) In issuing an order under sub-clause (1) the Jute Commissioner

shall have regard to-

- (a) the capacity of the manufacturer to manufacture jute textiles;
- ²[(b) the maximum quantity of raw jute which the manufacturer has had in his possession during the period of ³ [six months immediately preceding the date of the order].
- (c) the need to maintain and increase the supplies of jute textiles;
- (d) the need to maintain stability in the prices of raw jute;
- (e) any other factor which, in the opinion of the Jute Commissioner, is relevant for the purpose.]

1. Subs. by S.O. 2879, dated 26th September, 1963.

2. Subs. by S.O. 794(E), dated 30th November, 1977.

3. Subs. by S.O. 784(E), dated 4th December, 1979, published in the Gazette of India, Extraordinary, Pt. II, Sec. 3(ii) dated 4th December, 1979.

10. Power to requisition stocks 5 :-

[(1)] The Jute Commissioner may, with a view to maintaining or increasing the supplies of raw jute or jute textiles or securing their equitable distribution, by order, require any person holding stock of raw jute or jute textiles,-

(a) to sell the whole or a specified part of the stock to the Government or to an officer of the Government or to such other person or class of persons ¹[and on such terms and conditions] as may be specified in the order;

(b) not to sell or deliver the stock without the permission in writing of the Jute Commissioner; or

(c) if he is not the owner of the stock, to disclose the name of the owner.

²[(2) In issuing an order under sub-clause (1), the Jute Commissioner shall have regard to-

(i) the quantity of raw jute or jute textiles in the possession of various stockists or

(ii) the quality, condition and grade composition of such stocks in case of raw jute and quality and construction in case of jute textiles;

(iii) period and the purpose for which such stocks of raw jute or jute textiles are being held by various stockists or manufacturers with particular reference to the necessity of discouraging speculative hoarding in, and ensuring availability at fair prices of raw jute or jute textiles;

(iv) genuine and firm contractual sale commitments, if any;

(v) whether the stock has been declared to the Jute Commissioner or not under any provision of this Order and in case the stock has been so declared, whether it has been correctly declared or not;

(vi) whether the stockist is the real owner-or he is holding the stock for and on behalf of third parties;

(vii) whether the stock is being held in violation of any order of the Jute Commissioner under this Order; and

(viii) -any other factory which, in the opinion of the Jute Commissioner, may be relevant for the purpose.]³ [Provided that it shall not be necessary for the Jute Commissioner to have regard to the factors specified in item (iv) if he considers it necessary or expedient so to do in the public interest.]

1. Ins. by S.O. 5001, dated the 27th October, 1971.

2. Ins. by S.O. 420(E), dated 18th July, 1978, published in Gazette of India, Extraordinary, Pt. II, Sec. 3(11), dated 1st July, 1978.

3. Added by S.O. 507(E), dated 4th September, 1979, published in the Gazette of India, Extraordinary, Pt. II, Sec.3(iij. dated 4th September, 1979.

10A. 10A :-

Subject to the prior approval of the Central Government, the Jute Commissioner may, by general or special order, prohibit the transport of raw jute from any place within any area to any place outside that area by land, air or water except under such conditions, limitations and restrictions as may be specified in such order.

10B. 10B :-

Subject to the prior approval of the Central Government, the Jute Commissioner may, by order in writing, direct any carrier to close the booking and transport of any raw jute by land, air or water between such places and for such period as may be specified in the order and such carrier shall comply with the order.]

11. Power of entry and inspection :-

(1) The Jute Commissioner or any officer authorized by him in this behalf may, with a view to securing compliance with this Order-

(a) require any person to give any information in his possession with respect to any business carried on by him or any other person;

¹[(b) inspect or cause to be inspected or seize or cause to be seized any books of accounts or other documents in the possession or under the control of any person which in his opinion shall be useful for or relevant to, any proceedings in respect of any contravention of this order and allow the person from whose custody such books of accounts or other documents are seized to make copies thereof or to take extracts therefrom in the presence of the officer having the custody of such books of accounts or other documents.]

(c) enter and search any premises and seize any raw jute or jute textiles in respect of which he has reason to believe that a contravention of this Order has been,

² [(2)The provisions of the Code of Criminal Procedure, 1973 (2 of 1974), relating to search and seizure shall, so far as may be, apply to searches and seizures under this clause.]

1. Subs. by S.O. 576(E), dated 27th September, 1976, published in the Gazette of India, Extraordinary, Pt. II, Sec.3(ii), dated 27th September, 1978.

2. Subs. by S.O. 576(E), dated 27th September, 1976, published in the Gazette of India, Extraordinary, Pt. II, Sec(ii), dated 27th September,1978.

12. Penalty :-

Any person who contravenes any of the provisions of this Order or fails to carry out any direction or requisition made thereunder shall be punishable under Sec. 7 of the Essential Commodities Act, 1955.