

## **PAPER (REGULATION OF PRODUCTION) ORDER, 1978**

### CONTENTS

1. Short title and commencement
2. Definitions
3. Regulation of production of paper
4. Manner of determining the capacity to manufacture
5. Specification of white printing paper
6. Manufacturer not to manufacture certain varieties of paper
7. Marking of price
8. Maintenance and production of books, accounts, etc
9. Power to exempt
10. Certain provisions of order not to apply to certain manufacturers
11. Repeal and Saving

## **PAPER (REGULATION OF PRODUCTION) ORDER, 1978**

S.O. 169(E) 3. -Whereas the Central Government is of opinion that it is necessary and expedient so to do for maintaining and increasing supplies and for securing the equitable distribution and availability at fair prices, of paper, an essential commodity; Now, therefore, 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 and commencement :-**

(1) This Order may be called the Paper (Regulation of Production) Order, 1978.

(2) It shall come into force at once.

### **2. Definitions :-**

In this Order, unless the context otherwise requires,-

<sup>1</sup>[(a) \* \* \*];

<sup>1</sup>[(b) \* \* \*];

<sup>1</sup>[(c) \* \* \*];

(d) "manufacture" means the process by which a manufacturer

produces finished paper or paper board;

(e) "manufacturer" means a manufacturer of paper or paper boards or both, and registered as such with the Director General of Technical Development, Government of India;

<sup>4</sup>[(f) \* \* \*];

(g) "paper and paper board" means the material commodity known as paper and paper boards, and includes packing paper, wrapping paper and speciality paper, but does not include newsprint;

<sup>2</sup>[(h) \* \* \*];

(i) "white printing paper" means the common type of white printing paper of uniform formation, evenly finished and generally free from specks, holes or other blemishes, and suitable for printing;

(j) "quantity" means quantity by weight;

(k) "sale price" means the price, exclusive of freight. Central Sales Tax and local taxes of any paper or paper board;

(l) "retail sale price" means the maximum price at which paper or paper board may be sold to the consumer, inclusive of all taxes, transport charges and other dues;

<sup>6</sup> [(m) "writing and printing paper" means, the material commonly known as writing and printing paper and includes all varieties of papers which are primarily manufactured for printing and/or writing but does not include newsprint.]

1. Omitted by S.O. 286, dated 11th April, 1983.

4. Subs. by S.O. 286, dated 11th April, 1983.

6. Subs. by S.O. 286. '

### **3. Regulation of production of paper :-**

(1) Every manufacturer shall manufacture in respect of every quarter commencing on and from the date of commencement of the Paper (Regulation of Production) Amendment Order, 1983, white printing paper on the basis of the extent of production thereof as specified in the Table below namely: Table Capacity of manufacturer Extent of production of white printing paper. \ 1 2 Where percentage of capacity to Percentage of production of white manufacture writing and printing printing paper with reference to paper with reference to capacity the total production of paper and

to manufacture paper and paper paper boards shall be- boards is- not more than 50 per cent. 20 per cent; more than 50 per cent. 25 per cent;

(2) Notwithstanding anything contained in sub-clause (1) on and from the commencement of the Paper (Regulation of Production) Amendment Order, 1983, a manufacturer whose installed capacity (by way of new unit or substantial expansion)-

(i) has been commissioned on or after 1st January, 1976, but has not completed five years from the date of such commissioning, or

(ii) is to be commissioned on or after the date of commencement of the Paper Regulation of Production (Amendment) Order, 1983, shall be required to produce white printing paper to the extent of 5 per cent., in the first year, 10 per cent. in the second year, 15 per cent. in the third year, 20 per cent. in the fourth year and 25 per cent. in the fifth or subsequent years with reference to the total

#### **4. Manner of determining the capacity to manufacture :-**

The capacity to manufacture writing and printing paper and capacity to manufacture paper boards referred to in sub-clause (1) of Cl. 3 shall be determined on the basis of information furnished by the manufacturer under this order and such other information, if any, as the manufacturer may be referred to furnish in this behalf.]

#### **5. Specification of white printing paper :-**

(1) The white printing paper required to be manufactured under C1.3 shall be tinted with green, blue, pink or any other colours in such proportions as the Central Government may, from time to time, specify and its weight shall not exceed 60 grams per square metre, subject, however, to the tolerance limit permitted on nominal grammage as per relevant Indian Standards Institution specification.

(2) The white printing paper shall also conform to the specifications for white printing paper notified by the Indian Standards Institution from time to time.

#### **6. Manufacturer not to manufacture certain varieties of paper :-**

No manufacturer shall manufacture any other variety of paper tinted with any colour with which white printing paper is required to be tinted under sub-clause (1) of Cl. 5.

## **7. Marking of price :-**

Every manufacturer shall stamp on every ream of paper and every gross of paper board manufactured by him, the ex-factory sale price <sup>1</sup> [\* \* \*] of such paper or paper board.

1. Omitted by S.O. 583(E), dated 16th October, 1979, published in the Gazette of India. Extraordinary , Pt. II, Sec,3(ii,) dated the 16th Octobei-,1979.

## **8. Maintenance and production of books, accounts, etc :-**

(1) Every manufacturer shall keep books of accounts and other records relating to the types of machineries installed in his factory, the production capacity of each machinery, the manufacture and sale of paper and paper boards.

(2) Every such book, account or record, shall, when so required, be produced for inspection before the Central Government or any other officer specified by that Government in this behalf.

(3) Every manufacturer shall furnish to the Central Government such returns in such manner and at such times as the Central Government may specify.

## **9. Power to exempt :-**

(1) The Central Government may, having regard to critical financial situation faced by any manufacturer, in relation to the undertaking manufacturing paper or paper boards or both by order, exempt <sup>1</sup> [for reasons to be recorded in writing] such manufacturer from the whole or any part of the requirements of sub- clause (a) of Cl. (3).

(2) In determining, the financial situation faced by the manufacturer regard shall be had to the following:-

(a) the audited accounts in relation to the undertaking for the immediately preceding three years;

(b) accumulated loss of the undertaking even after taking into account all reserves: Provided that capital reserves created out of revaluation of fixed assets will not be taken into account, to the extent of such revaluation, for the purpose of this sub-clause:

(c) whether, where the manufacturer is a company any dividend has been declared in the immediately preceding three years.

(3) The exemption granting under sub-clause(1) shall be in force for such period, not exceeding one year, as may be specified in the

order under sub-clause (1).

(4) Where an exemption has been granted to a manufacturer under sub-clause (1), the Central Government may direct the manufacturer to sell to Government or any office or department of Government or any public undertaking such quantities of paper (not being white printing paper referred to in sub-clause (a) of Cl. 3 or paper board or both, not exceeding in the aggregate in any year thirty per cent. of the total production of paper and paper board by the manufacturer in that year, as it may determine from time to time, on the same terms as are applicable to the most favoured distributor of the manufacturer.]

1. Ins. by S.O. 787(E), dated 9th November, 1982.

**10. Certain provisions of order not to apply to certain manufacturers :-**

Nothing in Cls. 3,4 and 5 shall apply to the following classes of manufacturers, namely:-

<sup>1</sup>[(a) manufacturers whose installed capacity for the manufacture of paper and paper board is not more than 24,000 tonnes per annum and also not having a plant attached thereto for making bamboo or wood pulp;] <sup>2</sup>[ Explanation :-For the purposes of this clause, the installed capacity may be determined having regard to the total quantity of clearance of all varieties of paper and paper board in the preceding financial year, by or behalf of a manufacturer from one or more factories.]

<sup>3</sup>[(b) \* \* \*]

<sup>3</sup> [(c) \* \* \*]

1. Subs. by S.O. 533 (E), dated 27th July, 1984 (w.e.f. 27th July, 1984).

2. Ins. by S.O. 533

3. Omitted by S.O. 286(E), dated 11th April, 1983.

**11. Repeal and Saving :-**

The Paper (Control of Production) Order, 1974 is hereby repealed except as respects things done or omitted to be done under the Order so repealed.