

COCONUT HUSKS CONTROL ORDER, 1973

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COCONUT HUSKS CONTROL ORDER, 1973

³3. Repealed by G.S.R. 1054(E), dated 31st August, 1968 (w.e.f. 31st August, 1986). For convenience of readers it is not being deleted. 4-In exercise of the powers conferred by the sub-clause (xi) of Cl. (a) of Sec. 2 of the Essential Commodities Act, 1955 (10 of 1955), the Central Government hereby declares coir fibre extracted from coconut husk to be an essential commodity for the purposes of the said Act. 5-In exercise of the powers conferred by Sec. 3 of the Essential Commodities Act, 1955 (10 of 1955), the Central Government, being of opinion that it is necessary so to do, hereby makes the following Order, namely:

1. Short title, extent and commencement :-

(1) This Order may be called the Coconut Husks Control Order, 1973.

(2) It extends to the whole of the State of Kerala.

(3) It shall come into force at once.

2. Definitions :-

In this Order, unless the context otherwise requires,-

(1) "dealer" means a person engaged in the business of purchase, sale, or storage for sale, of husks or fibre, and includes an agent of a dealer, but does not include an officer engaged in such business on behalf of the State Government or on behalf of the Coir Board or person who sells, or stores for sale, raw husks obtained from coconuts owned by him ;

(2) "fibre" means coir fibre extracted from coconut husk;

(3) "form" means a form appended to this Order;

(4) "husk"-means coconut husk, raw or retted;

(5) "inspector" means officer appointed by the State Government to exercise the powers and perform the functions of an inspector under this order;

(6) "Licensing Officer" means an officer appointed by the State Government to exercise the powers of a Licensing Officer under this order ;

(7) "locality" means a locality determined and published in the manner referred to in sub-clause (i) of Cl. 5 ;

(8) "manufacture" in relation to fibre means any process for making, extracting, immersing, cleaning, grading, finishing or packing fibre and includes any other operation necessary for the sale, transport, delivery or disposal of fibre ;

(9) "notification" means a notification published in the Official Gazette;

(10) "retting" with its grammatical variations and cognate expressions means the process of immersing husk in pond, lake or pit containing water, as a preliminary step to the extraction of fibre ;

(11) "State Government" means the State Government of Kerala ;

(12) "yarn" means yarn obtained by the spinning of fibre;

(13) "year" means a year commencing on the 1st day of April, and annual or annually shall be construed accordingly.

3. Establishment of the Advisory Board :-

(1) For the purpose of advising on all matters concerning the production, manufacture, sale, purchase and distribution of coconut husks and fibre, the State Government may establish a Board, to be called the Advisory Board.

(2) The Advisory Board shall consist a Chairman and such number of other members not exceeding thirty as the State Government may think expedient, to be appointed by the State Government by notification from among persons who are in its opinion capable of representing:

(a) dealers in coconut husks and holders of licences for retting;

(b) persons employed in or in connection with the production of retted husks and the manufacture of fibre;

(c) coir co-operative societies engaged in the production and sale of fibre and yarn;

(d) owners of factories producing fibre ;

(e) manufacturers of yarn and other coir products;

(f) exporters of yarn and other coir products;

(g) such other persons or class of persons who in the opinion of the State Government ought to be represented in the Advisory Board.

(3) The Chairman and the other members of the Advisory Board shall hold office as such for a period of two years.

(4) The Chairman or any other member may resign his office by notice in writing given to the State Government.

(5) If a vacancy occurs by death, resignation, or otherwise in the office of the Chairman or any other members of Advisory Board, the vacancy so caused shall be filled by the appointment under sub-clause (2) and any persons appointed to fill a casual vacancy shall hold office so long only as the persons in whose place he is appointed would have held office.

(6) The quorum of the Advisory Board shall be ten, but subject thereto the Advisory Board may act notwithstanding any vacancy.

(7) The Advisory Board may regulate its proceedings in such manner as it thinks fit, but on any matter on which the votes of the

Advisory Board are equally divided, the Chairman or the person presiding over a meeting of the Advisory Board shall have a second or casting vote.

(8) The State Government may, at any time, if it so deems expedient in the public interest, by order, dissolve an Advisory Board and thereupon the Advisory Board shall stand dissolved and all persons appointed to the Advisory Board shall cease to be members with effect from the date of the Order: Provided that the State Government shall take steps to establish another Advisory Board, as soon as may be, in the manner provided in sub-clause (2).

4. Appointment of Licensing Officer and Inspector :-

(1) The State Government may by notification appoint an officer not below the rank of a Joint Director in the Department of Industries and Commerce to be the Licensing Officer for the purposes of this Order.

(2) The State Government may by notification appoint such of its officers not below the rank of an Assistant District Industries Officer (Coir) as it thinks fit, to be inspectors for the purposes of this Order and shall assign to them such local limits as may be specified in such notification.

5. Licences for retting :-

(1) The Licensing Officer may, having regard to the facilities for retting, availability of husks, location of factories for the manufacture of fibre, means of transportation and other factors which he considers necessary, determine from time to time localities in the State, within which retting may be undertaken or cause to be undertaken by any person and the names of localities so determined shall be published in the official Gazette.

(2) The Licensing Officer may, after the publication of the name of the locality under sub-clause (1), by notification provide that from such date as may be specified in such notification, no person shall, except in such localities, undertake or cause to undertake, or engaged in retting operations.

(3) The Licensing Officer may, by notification provide that from such date as may be specified in such notification, no person shall, except under the authority and in accordance with the terms and

conditions of a licence under this Order, undertake or cause to undertake, or engage in retting operations in a locality determined under sub- clause (1).

(4) An application for a licence under sub-clause (3), shall be made to the Licensing Officer in Form I and such application shall be affixed with a court-fee stamp of Rs. 2.

(5) On receipt of an application under sub-clause (4), the Licensing Officer may, after making such inquiry, if any, as he may consider necessary by order in writing either grant the licence in Form II or reject the application : Provided that no application for the issue of a licence under this clause shall be rejected unless the applicant has been given a reasonable opportunity of showing cause against such rejection. Provided further that a copy of the Order rejecting the application shall be communicated to the applicant

(6) In granting a licence under this clause, the Licensing Officer shall have regard to-

(a) the extent of the localitjy wherein the proposed retting place is to be located, the location of the retting place therein and the facilities available for retting in the locality;

(b) the quality and quantity of husks proposed to be retted in the locality

(c) the financial status of the applicant ;

(d) the quality of green husks that may be available and the source of procurement of collection of stocks in the locality ,

(e) the suitability of the place proposed for retting taking into account-

(i) the facilities available in such place for watching and successfully preventing any possible contravention of the provisions of this Order :

(ii) the quality and quantity of husks that can be retted at such place and the sources of acquisition of the husks ;

(f) the past performance of the applicant in retting operation and his conduct in connection therewith;

(g) the quality and quantity of husks in the possession of the applicant.

(7) Where a licence granted under this clause is lost or destroyed, the Licensing Officer may, after making such inquiry as he deems necessary, issue a duplicate of the licence on an application affixed with a court-fee stamp of Rs. 4.

(8) A licence granted under this clause shall not be transferable.

(9) In the event of the death of the holder of a licence, his heirs may apply for a fresh licence to the Licensing Officer and the Licensing Officer, after making such inquiry as he deems necessary, may grant a licence or reject the application : Provided that no such application shall be rejected unless the applicant has been given a reasonable opportunity of showing cause against such rejection : Provided further that a copy of the Order rejecting the application shall be communicated to the applicant.

(10) A licence granted under this clause shall be valid for a period of one year, but may, on application, be renewed for one year at a time.

(11) An application for the renewal of a licence granted under this clause shall be made in Form III, at least thirty days before the date of expiry of the licence and shall be affixed with a court-fee stamp of Rs. 2: Provided that the Licensing Officer may entertain an application received after the said period of thirty days, if he is satisfied that there was sufficient cause for not making the application within that period.

(12) Every application for the renewal of a licence shall be accompanied by the licence and such application shall be dealt with as provided in sub-clause (5).

(13) If the holder of a licence desires to reduce or increase the area of retting or reduce or increase the-quantity of husks for retting or change the area of retting, he shall inform the Licensing Officer in writing at the time of the licence, and the Licensing Officer, after conducting such inquiry as he deems necessary; shall effect the amendments in the licence granted.

(14) A holder of a licence for retting husks shall before the tenth day of every month, furnish to the Licensing Officer a return specifying the stock of retted husks with him on the last day of the previous month.

6. Licence for the manufacture of fibre :-

(1) The Licensing Officer may by notification provide that from such date as may be specified in the notification, no person shall manufacture fibre from raw or retted husks except by the authority and in accordance with the terms and conditions of a licence issued by the Licensing Officer in that behalf.

(2) An application for a licence under sub-clause (1) shall be made to the Licensing Officer in Form IV and such application shall be affixed with a court-fee stamp of Rs. 2.

(3) On receipt of an application under sub-clause (2), the Licensing Officer after making such inquiry as he may consider necessary, and after considering the demand for fibre, the facilities provided by the applicant for the manufacture of fibre, the financial capacity of the applicant and such other factors as may be considered relevant by order in writing, either grant the licence in Form V or reject the application : Provided that no application for the issue of a licence under this clause shall be rejected unless the applicant has been given a reasonable opportunity of showing cause against such rejection: Provided further that no application for a licence shall be rejected if it is shown to the satisfaction of the Licensing Officer that the manufacture of fibre is necessary for the purpose of performing an export contract for the supply of fibre or a contract for the transportation of fibre to any place outside the State of Kerala for its eventual use outside that State: Provided also that a copy of the order rejecting the application shall be communicated to the applicant.

(4) A holder of a licence for the manufacture of fibre shall, before the tenth day of every month, furnish to the Inspector concerned, a return specifying the quantity of fibre manufactured by him and the stock of fibre with him on the last day of the previous month.

7. Sale of raw and retted husks :-

(1) No person shall sell, offer to sell, or dispose of in any manner husks in excess of such quantities as may be fixed by the State Government by" general or special order, except under the authority and in accordance with the terms and conditions of a permission granted by the Licensing Officer in that behalf: Provided that nothing contained in this sub-clause shall apply to transactions in unhusked coconuts.

(2) An application for the grant of a permission under sub-clause (1) shall be made to the Licensing Officer in Form VI and such

application shall be affixed with a court-fee stamp of Rs. 2.

(3) On receipt of an application under sub-clause (2), the Licensing Officer may, after making such inquiry, as he may consider necessary, by order in writing, either grant the permission or reject the application: Provided that no application for the issue of a permission under this clause shall be rejected unless the applicant has been given a reasonable opportunity of showing cause against such rejection: Provided further that no application for a permission shall be rejected if it is shown to the satisfaction of the Licensing Officer that the sale or disposal of husks is necessary for the purpose of performing an export contract for the supply of fibre or contract for the transportation of fibre to any place outside the State of Kerala for its eventual use outside that State: Provided also that a copy of the Order rejecting the application shall be communicated to the applicant.

8. Movement permit :-

(1) The Licensing Officer may, by notification, direct that with effect from such date as may be specified in the notification, no person or dealer or a holder of a licence under this Order shall move or attempt to move, transport or attempt to transport or abet the movement of, or transport of, husks, except such quantities as may be specified in the notification for domestic use or for use by the member of his family, except under the authority and in accordance with the terms and conditions of a movement permit issued in that behalf by the Inspector.

(2) An application for a movement permit under sub-clause (1) shall be made to the Inspector in Form VII and such application shall be affixed with a court-fee stamp of Rs.2.

(3) The Inspector may, after making such inquiry as he may consider necessary about the necessity for the movement by order in writing grant the permit or reject the application: Provided that no application for the issue of a movement permit under this clause shall be rejected unless the applicant has been given a reasonable opportunity of showing cause against such rejection : Provided further that no application for a movement permit shall be rejected if it is shown to the satisfaction of the Inspector that the movement of husk is necessary for the purpose of performing an export contract for the supply of fibre or a contract for the transportation of fibre to any place outside the State of Kerala for its eventual use

outside that State: Provided also that a copy of the Order rejecting the application shall be communicated to that applicant.

(4) Any person aggrieved by an order of the Inspector rejecting his application may appeal in writing to the Licensing Officer within thirty days from the date of receipt of the order of rejection and the Licensing Officer shall pass such orders thereon as he thinks fit.

9. Cancellation of licence or permission :-

(1) When the Licensing Officer is satisfied that an applicant for a licence or permission under this Order has furnished incorrect information or that he has, after obtaining the licence or permission, contravened any provisions of this Order or the terms and conditions of a licence or permission or direction or for any other cause to be recorded in writing, the Licensing Officer may, without prejudice to any other action, by order cancel the licence or permission, as the case may be.

(2) When the Inspector is satisfied that an applicant for a movement permit under this Order has furnished incorrect information or that he has, after obtaining the permit, contravened any provisions of this Order, or the terms and conditions of a permit or direction or for any other cause to be recorded in writing, the Inspector may, without prejudice to any other action by order cancel the permit: Provided that before cancelling a movement permit, the holder thereof shall be given a reasonable opportunity of showing cause against such cancellation: Provided further that a copy of the Order together with the reasons for the cancellation of such permit shall be communicated to the holder thereof.

10. Power to fix prices :-

The Licensing Officer may, after taking into consideration,-

- (a) the quality of husks and fibre in a locality;
- (b) the transportation and retting facilities;
- (c) the advantages in fixing prices on regional and seasonal basis;
- (d) the wages payable to the persons employed in the locality;
- (e) the price of yarn in the locality; and
- (f) the export prices of coir products manufactured from yam in the locality, and on the recommendation of the Advisory Board and with the approval of the Chairman, Coir Board, fix-

(i) the price at which raw husk or any type of raw husk may be sold for any retting purposes;

(ii) the ex-retting price at which any retted husk or type of retted husk may be sold in the locality by publishing the price in the Official Gazette or by communicating by letters or otherwise, the price to the persons in possession of husks.

(2) No person, dealer or holder of a licence under this Order shall, after the date of publication of the price or, as the case may be, after the date of communication of such price, under sub-clause (1) purchase or sell or offer to sell husks at a price higher than the price fixed under sub-clause (1).

11. Power to issue directions :-

(1) The Licencing Officer may with a view to securing the proper distribution of husks issue directions to any person who possesses husk in a locality to sell or deliver such quantity of husks at the price fixed under Cl. 10 in respect of that locality to such persons and within such periods as he may specify: Provided that no such direction shall apply to such quantities of husks as the persons to whom such directions have been issued may show to the satisfaction of the Licensing Officer as being necessary for the performance of an export contract for the supply of fibre or a contract for the transportation of fibre to any place outside the State of Kerala for its eventual use outside that State.

(2) In issuing the directions under sub-clause (1) the Licensing Officer shall have regard to-

(a) the quantity of husks available in the locality with persons to whom such directions have been issued;

(b) the quantity of husks in the possession of the buyer and the normal rate of production of yarn;

(c) the quantity of husks required to fulfil contracts for fibre or yarn entered into by the holder of a licence under the Order;

(d) the information contained in the returns furnished under sub-clause (14) of Cl. 5 or the information contained in the application made under sub-clause (2) of Cl. 7 or in the records maintained under Cl. 13.

(3) Where the directions issued under sub-section (1) become

infructuous by reasons of the buyer mentioned in the direction refusing to purchase or omitting to purchase the retted husks within the specified date, the person in possession of the husks shall report the matter to the Licensing Officer.

(4) The person in possession of the husks shall not effect any sale of such husks within seven days of making a report under sub-clause (3).

(5) Without prejudice to the foregoing provisions of this clause, it shall be open to the Central Government to issue such general directions as it may consider necessary for sale to any specified person or class of persons every month a certain portion of the monthly production of retted husks of any person in terms of the licence granted under this Order at the prices fixed under Cl. 10.

(6) If any direction issued under sub-clause (1) is repugnant to any direction issued under sub-clause (5), the direction issued under sub-clause (5) shall prevail and the direction issued under sub-clause (1) shall, to the extent of the repugnancy be void and be of no effect.

12. Project area :-

The Licensing Officer may, on the recommendation of the Advisory Board and with the approval of the State Government, select any area in any locality as a project area for the establishment of institutions for intensive development of retting of husks or for the manufacture of fibre and shall authorize such number of Inspectors as he thinks fit to be in charge of the project area, with a view-

(a) to provide for the supply of retted husks at reasonable prices in that area;

(b) to ensure payment of minimum rates of wages to persons employed in the retting of husks and manufacture of fibre in that area;

(c) to improve the quality of yarn; and

(d) to provide for such other matters as the State Government may consider necessary for the implementation of the provisions of this Order in that area.

13. Maintenance of records :-

The Licensing Officer may, by general or special order published in the Official Gazette, direct the holder of a licence or permission

under this order to maintain such records of his business, in such manner and to submit to him such returns relating to his business, as to indicate clearly the amount of husks in his daily stock, the source of their acquisition, the price paid therefor and the mode of their disposal.]

14. Owner, etc. to give notice of retting operations :-

Every owner or occupier of land or any agent of such owner or occupier in charge of or management of that land, if retting operations are carried on in that land, shall, in the absence of reasonable excuse, give notice of such retting operations to the Inspector.

15. Appeal :-

(1) Any person aggrieved by any order of the Licensing Officer under the provisions of this Order may appeal in writing to the State Government within thirty days from the date of receipt by him of the copy of the order: Provided that the State Government may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period.

(2) On receipt of an appeal under sub-clause (1), the State Government shall, after giving the applicant an opportunity of being heard and after such further inquiry, as may be necessary, pass such orders on the appeal as it thinks fit

16. Powers of entry and inspection :-

The Licensing Officer or any officer not below the rank of an Inspector authorized by him in this behalf may, with a view to securing compliance with the provisions of this Order, by general or by special order,-

(a) require any person, dealer or holder of a licence or permission under this Order to give such information in his possession with respect to any business carried on by him;

(b) require any person, dealer or holder of a licence or permission under this Order in writing to furnish samples of any article to which this Order applies;

(c) require any person, or dealer holder of a licence or permission under this Order in writing to produce books or documents belonging to him or under his control;

(d) inspect or cause to be inspected any books or document in the possession or under the control of such persons;

(e) stop and search any vehicle, vessel or receptacle in which he has reason to believe that a contravention of this Order has been, is being or is about to be contravened;

(f) enter and search any premises; or

(g) seize any article to which this Order applies in respect of which he has reason to believe that a contravention of this Order has been, is being or is about to be committed and thereafter take or authorize the taking of all measures necessary for securing the production of stocks so seized in a court or for their safe custody, pending such production.

(2) The provisions of Secs. 102 and S.103 of the Code of Criminal Procedure, 1898 [now S.100 of the Criminal Procedure Code, 1973], relating to searches and seizures shall, so far as may be, apply to searches and seizures under this clause.

17. Penalty :-

Any person who contravenes any of the provisions of this Order or of the terms and conditions of a licence, permission or permit granted under 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 (10 of 1955).

18. Power of Central Government to issue directions :-

Notwithstanding anything contained in this Order, the Central Government shall have power to issue any direction to the State Government in respect of any of the matters dealt with in this order, and such direction shall prevail over any order issued by the State Government or the Licensing Officer under this Order.

19. Repeal and saving :-

The Coir Retting (Licencing) Order, 1968, is hereby repealed, except as respects things done or omitted to be done under that Order before the commencement of this Order.