

COTTON CLOTH ACT, 1918

23 of 1918

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^a[a] For Report of Select Committee, see Gazette of India, 1918 Pt. V, p. 77; and for Proceedings in Council, see 1918, Pt. VI, pp. 754,953, 1000 and 1147. The Act has been declared to be in force in the Khondamals District by the Khondmal Laws Regulation, 1936 (Regn. 4 of 1936), S. 3 and Schedule and in Angu District by the Angul Laws, 1936 (Regn. 5 of 1936), S. 3 and Sch. Both these districts form part of the State of Orissa now. Regn. 5 of 1936 has been repealed by Orissa Act 19 of 1967, S. 2 (15-9-1967). 26th September, 1918

1. Short title :-

This Act may be called the Cotton Cloth Act, 1918.¹[It extends to the whole of India except ² [the territories which immediately before 1st November, 1956, were comprised in Part B States]

1. Words "It extends to the whole of India except Part B States"

were added to section 1 by A. L. O., 1950.

2. Substituted for the words "Part B States" by A. L. O., 1956.

2. Definitions :-

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

(a) "Controller" means a Controller appointed under this Act;

(b) "cotton-cloth" means cotton cloth manufactured in this country; and

(c) "standard cloth" means any kind of cotton cloth which a Controller may, from time to time, declare to be standard cloth.

4. Powers of the Controller :-

(1) Whenever it appears to a Controller that such a course is necessary or expedient for the purpose of encouraging or maintaining the supply of standard cloth, at reasonable rates to the poorer classes of the community, he may (subject to this Act and the rules made thereunder and to the control of the ¹ [State Government]) make general or special orders regulating or giving direction within the area in which he is empowered, with respect to the manufacture, transport, distribution and sale or purchase of, or other dealings in cotton cloth.

(2) Without prejudice to the generality of the foregoing power, orders may be made by a Controller-

(a) declaring and defining the classes of standard cloth;

(b) prescribing distinctive indications which shall be woven into, impressed or otherwise displayed upon, different classes of standard cloth;

(c) requiring any person, who ordinarily manufactures cotton cloth, to manufacture, or provide for the manufacture of, standard cloth in such quantity, of such quality and by such date as the Controller may direct; and

(d) fixing the prices to be paid to the manufacturer for standard cloth or for any particular class of standard cloth, and providing for the payment thereof on delivery: Provided that in fixing prices the Controller shall have regard to the cost of production and to the allowance of a reasonable profit, without necessarily taking into consideration the market-price, and if the Controller is satisfied that

the manufacturer has incurred actual loss arising out of forward contracts entered into before the commencement of this Act, and that such loss is immediately attributable to an order under this Act, he may take such loss into account: Provided further that the Controller may fix different prices in the case of different localities or, if special reasons exist, in respect of different manufacturers in the same locality

1. Substituted for the words 'Provincial Government' by A. L. O., 1950.

5. Appointment of Advisory Committees :-

Where a Controller is appointed in exercise of the power conferred by Section 3, the ¹[State Government] shall appoint a Committee consisting of such number of persons having knowledge of the cotton or cotton cloth trade as ²[it] thinks fit to assist the Controller with 'their advice in the performance of his duties. Before a Controller issues any order declaring and defining the classes of standard cloth or fixing the prices to be paid to the manufacturer, he shall consult the Committee, and he may consult the Committee on any other matter connected with his duties : Provided that, if the opinion of the majority of members of the Committee who are present at any meeting is adverse to the issue of any order, the Controller shall, if he does not accept the Committee's advice, refer the matter for the decision of the ¹ [State Government]

1. Substituted for the words 'Provincial Government' by A. L. O., 1950.

2. Substituted for the word 'he' by A. O., 1937.

6. Manufacture and delivery of standard cloth :-

Where, by an order made in the exercise of powers conferred by Section 4 , the Controller has directed a manufacturer to manufacture, or provide for the manufacture of, standard cloth and has fixed the price therefor, the manufacturer shall deliver the same at such time and place and in such manner as the Controller may specify from time to time, and the Controller shall pay or cause to be paid to the manufacturer the said price, together with the freight, if any, actually paid by the manufacturer.

7. Delegation of powers :-

Subject to the control of the ¹ [State Government], a Controller may, from time to time by order in writing, delegate all or any of his powers subject to such conditions and restrictions as may be

prescribed therein.

1. Substituted for the words 'Provincial Government' by A. L. O., 1950.

8. Penalty for disobedience of orders under Section 4 :-

If any person acts in contravention of, or without reasonable cause, fails to comply with, the provisions of any order made under Section 4, or counterfeits upon any cloth a distinctive indication prescribed by the Controller, such person shall be punishable with imprisonment which may extend to six months, or with fine or with both.

9. Power to fix prices of standard cloth :-

(1) The ¹[State Government] shall, if standard cloth is sold in the ²[State] by order in writing which shall be notified in the ³[Official Gazette], fix the price at which alone standard cloth or any class of standard cloth shall be sold to the public.

(2) Orders may be made fixing different prices for different localities or for different methods of sale.

(3) Every such order shall be published in such manner as the ¹[State Government] may consider to be best adapted for bringing the prices so fixed to the notice of the poorer classes

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1. Substituted for the words 'Provincial Government' by A. L. O., 1950.

2. Substituted for the word 'Province', A. L. O., 1950.

3. Substituted for the words "Local Official Gazette" by A. O., 1937.

10. Limitation of sale of standard cloth :-

(1) No person shall sell or keep, offer or expose for sale to the public standard cloth otherwise than at such price as may be fixed by the ¹[State Government] and in accordance with the terms and conditions of a licence issued in this behalf.

(2) If any person contravenes the provisions of sub-section (1), he shall be punishable with imprisonment which may extend to six months, or with fine or with both.

1. Substituted for the words 'Provincial Government' by A. L. O., 1950.

11. Grant of licences for sale of standard cloth :-

A licence for the sale of standard cloth shall be granted by such authority, in such form and subject to such conditions as the ¹ [State Government] may prescribe by rules made under this Act.

1. Substituted for the words 'Provincial Government' by A. L. O., 1950.

12. Rule-making power :-

(1) The ¹[State Government] may make rules,-

(a) prescribing the powers and duties of the Controller,

(b) prescribing the manner in which the Controller's orders shall be published or served, as the case may be, and

(c) generally giving effect to the provisions of this Act.

(2) The ¹[State Government] shall, if standard cloth is sold in the ¹[State] make rules prescribing the authority by which, the form in which and the conditions under which, any licence or class of licences for the sale of standard cloth shall be granted.

(3) Rules made under this Act shall be published in ⁴[* * *] the ⁵[Official Gazette], ⁶ [* * *] and on such publication shall have effect as if enacted in this Act.

1. Substituted for the words 'Provincial Government' and 'Proince'' by A. L, O., 1950.

4. The words "the Gazette of India or" were repealed by A. O., 1937.

5. Substituted for the words 'Local Official Gazette' by A. O., 1937.

6. The words "as the case may be" were repealed, A. O., 1937.

13. Protection for acts done under the Act :-

No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

14. Powers of Act to be cumulative :-

All powers given by this Act shall be in addition to and not in derogation of any other powers conferred by or under any enactment, and all such powers may be exercised in the same manner and by the same authority as if this Act had not been made.