

## **COTTON TRANSPORT ACT, 1923**

**3 of 1923**

**[23rd February, 1923]**

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STATEMENT OF OBJECTS AND REASONS "The India Cotton Committee, which was appointed in 1917, brought to notice (1) that the practice of adulterating long staple cotton with short staple was very prevalent at the gins and press-houses in certain long staple areas, the object being to secure for the mixture the higher prices offered for long staple; (2) that, owing to the consequent mixture of seed, there was considerable deterioration in the cultivation of many of the superior varieties of cotton; (3) that soft cotton waste was also used for the purpose of adulteration with "kapas" (the natural floss); and (4) that short staple cotton was frequently railed to a long staple area and re-booked thence, even without mixing, as long staple cotton. 2. As instances of (1) and (2), the Committee quoted the imports of short staple cotton into the Broach tract, the result of which has been that Broach cotton has largely lost its former reputation. Other superior varieties of cotton are threatened with the same fate. The practice described under (4) above is facilitated by the trade custom whereby cotton is bought and sold on the name and reputation of the area where it

purports to have been grown; i.e., on the name of the railway station from which the bales are last booked. 3. These malpractices are exercising so serious and dangerous an influence on the industry as a whole, that the necessity of taking Governmental action has become a matter of immediate importance. The Bill provides a remedy by enabling Local Governments to prevent inferior cotton or cotton waste, as defined, from being imported, except under licence, into areas which it is desired to protect. The principal provisions of the Bill are as follows :- 1. Local Governments are empowered, with the previous consent of the Provincial Legislature, to define the areas and to notify the stations which should be regarded as protected. Consignments of cotton are not allowed to any such notified station except from other notified stations in the same area. 2. It is necessary to make certain exceptions to the prohibition in favour, for instance, of millowners within the area requiring extraneous cotton and of purchasers of cotton waste for industrial purposes. Local Governments are accordingly empowered to frame rules for a licensing system and to appoint the authorities for the issue of licenses. 3. Station masters or other railway servants responsible for the delivery of goods or parcels are prohibited under penalties from delivering cotton improperly consigned to their stations." -Gazette of India, 1922, Part V, p. 213

### **1. Short title and extent :-**

(1) This Act may be called the Cotton Transport Act, 1923 .

(2) <sup>1</sup> [ It extends to the whole of India except the State of Jammu and Kashmir.][23rd February, 1923.]

1. Substituted for the original section, as amended by 3 A. L. O., 1956, by the Cotton Transport (Amendment) Act, 1960 (22 of 1960), S. 2 (23-8-1960).

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

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

(a) "certified copy", in relation to licence, means a copy of the licence certified in the manner described in Section 76 of the Evidence Act, 1872 , by the authority by which the licence was granted;

(b) "cotton" means every kind of unmanufactured cotton, that is to

say, ginned and unginned cotton, cotton waste and cotton-seed;

(c) "cotton waste" means droppings, strippings, fly and other waste products of a cotton mill other than yarn waste;

(d) "licence" means a licence granted under this Act;

(e) "notified station" means a railway station specified in a notification under section 3 ;

(f) "prescribed" means prescribed by rules made under this Act; and

(g) "protected area" means an area into which the import of cotton or of any kind of cotton has been prohibited <sup>1</sup> [wholly or partly] by a notification under section 3 .

1. Inserted by the Cotton Transport (Amendment) Act, 1925 (24 of 1925), S. 2.

### **3. Power to issue notification prohibiting import of cotton into protected area. :-**

(1) The <sup>1</sup>[State Government] may, for the purposes of maintaining the quality or reputation of the cotton grown in any area in the <sup>1</sup>[State], by notification in the <sup>3</sup>[Official Gazette], prohibit the import of cotton or of any specified kind of cotton into that area <sup>4</sup>[by rail, road, river and sea, or by any one or more of such routes] save under, and in accordance with the conditions of, a licence: Provided that no such notification shall be deemed to prohibit the import into any protected area of packages containing any kind of cotton and not exceeding ten pounds avoirdupois weight.

(2) Any such notification may prohibit the delivery to, and the taking of delivery by, any person, at any specified railway station situated in the protected area, of any cotton, the import of which <sup>3</sup>[by rail] into that area is prohibited when such cotton has been consigned from a railway station not situated in that area, unless such person holds a licence for the import <sup>3</sup> [by rail] of the cotton into that area.

OBJECTS AND REASONS "We are impressed with the necessity of enabling a Local Government to prohibit the import into protected areas of all or any of the kinds of cotton specified in clause 2. In famine times it might, for instance, be necessary for a Local Government to permit the import into such an area of cotton-seed which is extensively used as cattle food. This decision necessitates

a considerable number of consequential alterations throughout the Bill, e.g., in sub-clause (2) of this clause and in els. 4, 5 and 7, in addition to those in clause 2 referred to above. We have further provided in sub-el. (1) of this clause for the exemption from the provisions of the Act of all cotton which is consigned in packages not exceeding ten pounds in weight. This alteration is intended to secure the free movement of samples of cotton. The Upper India Chamber of Commerce advocated the exemption from the Bill of small parcels such as are ordinarily sent as samples and might in fact be despatched by parcel post." -J.C.R.

1. Substituted for the words "Provincial Government" and "Province" by A. L. O., 1950.

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

4. Inserted by the Cotton Transport (Amendment) Act, 1925 (34 of 1925), S. 3.

#### **4. Refusal to carry unlicensed cotton :-**

(1) Notwithstanding anything contained in the Railways Act, 1890 , or any other law for the time being in force, the station master of any railway station or any other railway servant responsible for the booking of goods or parcels at that station may refuse to receive for carriage at, or to forward or allow to be carried on the railway from, that station any cotton consigned to a notified station, being cotton of a kind of which the delivery at such notified station has been prohibited unless both stations are in the same protected area, or unless the consignor produces a certified copy of a licence for the import of the cotton [by rail] into the protected area in which such notified station is situated.

(2) Every certified copy of a licence when so produced shall be attached to the invoice or way-bill, as the case may be, and shall accompany the consignment to its destination, and shall there be dealt with in the prescribed manner.

(3) Where by or under any law in force in the territories of any State in India the import <sup>1</sup>[by rail] rail] into any area, or the delivery at any railway station, of cotton or of any kind of cotton has been prohibited, the <sup>2</sup>[Central Government] may, by notification in the <sup>3</sup> [Official Gazette], declare that the provisions of sub-section (1) shall apply in respect of cotton consigned to any such station as if such area and such station were respectively a protected area and a notified station, and as if any licence granted under such law were a licence granted under this Act.

1. Inserted by Cotton Transport (Amendment) Act, 1925 (34 of

1925), S. 4.

2. Substituted for the words "Governor-General in Council" by A. O., 1937.

3. Substituted for the words "Gazette of India" by A. O., 1937.

#### **5. Procedure where cotton arrives at notified station :-**

(1) Where any cotton, the import of which <sup>1</sup>[by rail] into any protected area has been prohibited, has been consigned to and arrives at a notified station in any such protected area, the station master or other railway servant responsible for the receipt and delivery to the consignee of goods or parcels, as the case may be, at that station shall, unless both the notified station and the railway station from which the cotton has been consigned are situated in the same protected area, refuse to deliver the cotton until he is satisfied that the consignee holds a licence for the import of the cotton <sup>1</sup> [by rail] into the protected area in which such notified station is situated; and, if he is not so satisfied, or if within fourteen days the consignee or some person acting on his behalf does not appear in order to take delivery, shall return the cotton to the railway station from which it was consigned, together with an intimation that delivery of the cotton has been refused or has not been taken, as the case may be.

(2) Any station master or other railway servant receiving any cotton returned under sub-section (1), or returned with a like intimation from a railway station specified in a notification under sub-section (3) of section 4, shall cause to be served on the consignor in any manner authorised by S.141 of the Indian Railways Act, 1890, a notice stating that the cotton has been so returned and requiring the consignor to pay any rate, terminal or other charges due in respect of the carriage of the cotton to and from the railway station to which it was consigned, and such charges shall be deemed to be due from the consignor for all the purposes of section 55 of that Act.

1. Inserted by the Cotton Transport (Amendment) Act, 1925 (34 of 1925), S. 5.

#### **6. Penalties :-**

Any person who, in contravention of the provisions of this Act or of notification or rule made hereunder, knowingly takes delivery of any cotton from a notified station or imports,, or attempt, to import, any cotton into a protected area, and any station master or other railway servant who, in contravention of the provisions of sub-

section (1) of section 5 , without reasonable excuse, the burden of proving which shall be upon him, delivers any cotton to a consignee or other person, shall be liable to a fine not exceeding one thousand rupees, and upon any subsequent conviction to imprisonment which may extend to three months, or to fine which may extend to five thousand rupees, or to both. OBJECTS AND REASONS "We have made it clear that an innocent contravention of the Act is not to be punishable. We have further considered with care the proposal supported by the Local Government of Bombay and others that the Bill should provide for the confiscation of cotton in respect of which an offence under this clause has been committed, and we have by a majority.....decided not to make any alteration in this respect. We think that the difficulties which would arise in connection with the seizure and identification of cotton after its arrival at a press or other place of destination would result in any such provision proving ineffectual, unless powers are given to the police and other officials which we are disinclined to provide until experience shows that they are necessary." -J. C. R.

## **7. Power to make rules :-**

(1) The <sup>1</sup>[State Government] may, by notification in the <sup>2</sup>[Official Gazette], make rules to provide for any of the following matters, namely:-

(a) the prevention of the import into a protected area by road, river or sea, save under and in accordance with the conditions of a licence, of cotton the import of which into that area has been prohibited <sup>3</sup>[wholly or partly] by a notification under section 3 ;

<sup>4</sup> [(b) the terms and conditions to be contained in licences, the authorities by which they may be granted and the fees which may be levied in respect thereof; and]

(c) the manner in which licences and certified copies thereof shall be dealt with on and after the delivery of the cotton to which they relate.

(2) Any such rules may provide that any contravention thereof or of the conditions of any licence, not otherwise made punishable by this Act, shall be punishable with fine which may extend to five hundred rupees.

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

1950.

2. Substituted for the words "local Official Gazette" by A. O., 1937

3. Inserted by the Cotton Transport (Amendment) Act, 1925 (34 of 1925), S. 6.

4. Substituted for original clause by the Cotton Transport (Amendment) Act, 1960 (22 of 1960). S. 3 (23-8- 1960).

**9. Protection for acts done under Act :-**

No suit or other legal proceeding shall be instituted against any person in respect of anything which is in good faith done or intended to be done under this Act.