

(b) the quantity of sugarcane crushed by such producer shall, whether such producer has exercised any option referred to in Rule 13-A of the Uttar Pradesh Sugarcane (Purchase Tax) Rules, 1961, or not, be assumed according to the specifications laid down in Schedule I of the said Rules.

(3) Every producer shall intimate to the Controller his usual place of storage of Khandsari sugar within a week from the commencement of this order.

(4) Every producer from whom levy is due under this clause shall deliver to the Controller or his nominee, the levy share in such lots, in such manner and at such times as the Controller may from time to time by general or special order direct.

(5) No producer shall sell or otherwise dispose of any Khandsari sugar manufactured by him or remove it to any place other than his usual place of storage intimated under, sub-clause (3) unless he has sold the levy share to State Government, under sub-clause (1) and obtained a release certificate in respect thereof.

**4. Penalty.**—Where a producer makes default in delivery of his levy share under sub-clause (1) of Clause 3, the Licensing Authority may, without prejudice to any other action that may be taken against him, cancel the licence granted to such producer under Clause 3 of the Uttar Pradesh Khandsari Sugar Manufacturers Licensing Order, 1967 :

Provided that the Licensing Authority shall give the licensee a reasonable opportunity of being heard before he passes any order for cancellation of the licence :

Provided further that notwithstanding anything contained in Clause 6 of the said Order, the Licensing Authority may suspend the licence during the pendency or in contemplation of proceedings under this clause.

**5. Power to entry, search and seizure.**—Any Enforcement Officer, with a view to securing compliance with this Order or to satisfying himself that this Order has been complied with—

- (i) enter with such assistance as may be necessary, any premises where he has reason to believe that Khandsari sugar is stored;
- (ii) examine and seize any books of accounts or documents which in the opinion of such officer would be useful for, or relevant to any proceedings in respect of any contravention of this Order and return such books of accounts and documents to the person from whom they were seized after copies thereof certified by him in presence of such person and failing him by other respectable witness or witnesses have been taken;
- (iii) search and inspect any premises, place, vehicle or vessel and seize Khandsari sugar 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.

**SCHEDULE**  
[(See Clauses 2 and 3(5)]

District.....

It is hereby certified that levy due on the following stocks of Khandsari sugar produced by Sri..... licence No..... has been realised and delivered by the producer at purchasing centre..... and accordingly a stock of..... quintals of Khandsari is released for disposal by the above producer.

Weight in quintals.....

Number of bags.....

Signature.....

Designation.....

**NOTIFICATION**

Noti. No. 2459/XXIX-A-V-2-Khandsari-25-57, dated March 19, 1975,  
published in U.P. Gazette, Extra, dated 19th March, 1975, p.2.

Whereas the State Government is of opinion that it is necessary and expedient so to do for securing equitable distribution of Khandsari and its availability at fair prices;

Now, therefore, in exercise of powers under sub-rule (2) of Rule 114 of the Defence of India Rules, 1971, the Governor is pleased to make the following Order, namely :

**U.P. KHANDSARI SUGAR MANUFACTURER'S  
LICENSING ORDER, 1967<sup>1</sup>**

Whereas, the power to regulate the manufacture of khandsari sugar by open pan process including bels exercisable by Central Government under Clauses 7, 8 and 9 of the Sugarcane (Control) Order, 1966 has been delegated to the State Government under Clause II of the said Order vide Ministry of Food and Agriculture, Community Development and Co-operation (Department of Food), Government of India Notification No. G.S.R. 1127/Ess. Com./Sugarcane, dated July 16, 1966;

And, whereas the State Government is of opinion that it is necessary and expedient so to do for regulating manufacture of Khandsari sugar by the open pan process including bels ;

Now, therefore, in exercise of the powers delegated to the State Government as aforesaid, the Governor of Uttar Pradesh is pleased to make the following order :

- 1. Short title and commencement.**—(1) This order may be called the Uttar Pradesh Khandsari Manufacturer's Licensing Order, 1967.
- (2) It extends to the whole of Uttar Pradesh.
- (3) It shall come into force at once.

1. Issued by Noti. No. 66-S/XVIII-C—1937-1969, dated 19-5-1967, published in U.P. Gazette, Extra, dated 19-5-1967, p. 17.

**2. Definitions.**—(a) "assigned area" means an area assigned to a factory under Section 15 of the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953 (U.A. Act No. XXIV of 1953).

(b) "bels" means a rab manufacture unit capable of handling juice from not less than 93 quintals of cane per day, or to which seven or more animal driven crushers supply juice;

(c) "factory" shall have the meaning assigned to it by Section 2(j) of the Sugarcane (Regulation of Supply and Purchased) Act, 1953;

(d) "Khandsari Officer" means a person appointed or designated as such by the State Government for purposes of this Order;

(e) "Khandsari Inspector" means a person appointed as such by the Sugar Commissioner;

(f) "Khandsari Sugar" means sugar containing more than ninety per cent sucrose and manufactured by open pan process including bels;

(g) "Khandsari Unit" means unit engaged or ordinarily engaged in the manufacture of Khandsari sugar from sugarcane juice or rab;

*Explanation.*—The term Khandsari unit includes bels and centrifugals.

<sup>1</sup>(h) "licensing authority" means the Sugar Commissioner, Uttar Pradesh appointed by the State Government under Section 9 of the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953; and include an Additional Sugar Commissioner, a Joint Sugar Commissioner, a Deputy Sugar Commissioner and an Assistant Sugar Commissioner;

(i) "licensing year" means the period beginning on the first day of October in any year and ending on the 30th September next following;

(j) "licence" means a licence granted under the provisions of this Order;

(k) "manufacturer" means a person who uses a power crusher, bel or centrifugal in the process of manufacture of Khandsari sugar and includes a person who prepares rab for conversion into Khandsari sugar;

(l) "Power crusher" means crusher working with the aid of diesel, electrical or steam power and engaged or ordinarily engaged in crushing sugarcane and extracting juice therefrom for the manufacture of gur, shakkar, gur, jaggery, rab or Khandsari sugar;

<sup>2</sup>(m) "reserved area" shall mean the area reserved for a factory under an order made under sub-clause (1) of clause 6 of the Sugarcane (Control) Order 1966 and/or an order made under Section 15 of the Uttar Pradesh Sugar Cane (Regulation of Supply and Purchase) Act, 1953;

(n) "schedule" or "form" means a schedule or form appended to this order;

(o) "State Government" means the Government of Uttar Pradesh.

1. Subs. by Notl. No. 5035-S/XVIII-5-1863-77, dated 29-9-1977 published in U.P. Gazette, Extra, dated 29-9-1977, pp. 2-3.
2. Subs. by Notl. No. 2516-S/XVIII-C—1996-66, dated 3-5-1966 published on the same date.

**3. Grant of Licence.**—(1) No manufacturer shall, without obtaining from the Licensing Authority, a licence, in the form prescribed in Schedule I, undertake or carrying on any process concerned with the manufacture of Khandsari sugar by means of a power crusher, bel or centrifugal :

Provided that no licence shall be given to any person who is minor.

<sup>1</sup>(2) (i) An application for grant of licence under sub-clause (1) shall be made to the Licensing Authority in the form prescribed in Schedule-III and accompanied by a satisfactory proof of the payment of the fee prescribed in the Schedule IV.

(ii) In case of an existing Licence, an application under sub-clause (2)(i) shall also be accompanied by the prior issued Licence, and if the Licence is lost, destroyed or misplaced by an application under Clause 5 for the issue of duplicate thereof.

<sup>2</sup>(3) Notwithstanding anything hereinafter contained no application for the grant of a licence shall be considered unless it is made in accordance with the provisions of sub-clause (2) of Clause 3.

<sup>3</sup>(4) An application for the grant of a licence shall be disposed of by the Licensing Authority expeditiously and shall not be rejected except where the application has not been made on the prescribed form or is incomplete or is not accompanied by proof of the payment of the requisite fee or the Licensing Authority is of the opinion that it is necessary or expedient so to do in the public interest with a view to—

- (a) Regulating the Khandsari Sugar Manufacturing Industry in the best interest of the industry; or
- (b) avoiding uneconomic concentration of khandsari units in any area; or
- (c) ensuring in a reserved or assigned area adequate supplies of sugarcane to a factory :

Provided that the Licensing Authority shall also take into consideration the directions of the State Government issued in this behalf from time to time, while disposing of an application for grant of a licence :

Provided further that no application for grant of licence shall be rejected without giving the applicant a reasonable opportunity of being heard :

Provided also that an application for the grant of a licence shall be disposed of within three months of the date on which the application is made."

(5) An applicant aggrieved with the order of the Licensing Authority under sub-clause (4) may, within thirty days from the date of such order

1. Subs. clause (2), (3) and (4) Subs by Notl. No. 1048-S/Chl.U.A.—1/1997-1517-97 dated 30 Sep 1997 Published in U.P. Gazette extra Part IV Section (Kha) dated 30 Sep. 1997.
2. Subs. clause (2), (3) and (4) Subs by Notl. No. 1048-S/Chl.U.A.—1/1997-1517-97 dated 30 Sep 1997 Published in U.P. Gazette extra Part IV Section (Kha) dated 30 Sep. 1997.
3. Subs. clause (2), (3) and (4) Subs by Notl. No. 1048-S/Chl.U.A.—1/1997-1517-97 dated 30 Sep 1997 Published in U.P. Gazette extra Part IV Section (Kha) dated 30 Sep. 1997.

prefer an appeal to the State Government whose decision thereon shall be final.

(6) An applicant shall be entitled to a refund of licence fee paid—

- (a) on the rejection of his application ; or
- (b) where an appeal has been preferred under sub-clause (5) on the rejection of the appeal;

Provided that the applicant shall not be entitled to the refund of late fee paid, if any.

(7) Where a licensee surrenders the licence granted to him within thirty days of its receipt by him and satisfies the Licensing Authority that he has not availed of it in any manner, he shall be entitled to a refund of three fourth of the licensing fee deposited by him.

<sup>1</sup>[3-A. Where application for grant or renewal of licence for the licensing year, 1974-75, has been made before the date of the commencement of the Uttar Pradesh Khandsari Sugar Manufacturer's Licensing (First Amendment) Order, 1974, the deficiency in the licence fee may be made good before August 31, 1974.]

<sup>2</sup>[4. **Period for which licences are to be issued.**—A licence granted under this order shall be subject to the conditions prescribed in the Form of licence set out in Schedule-I and shall be valid until suspended or cancelled by the Licensing Authority.

<sup>3</sup>[5. **Issue of a duplicate licences.**—If a licence granted under this order is defaced lost or destroyed, the Licensing Authority may issue a duplicate thereof on application accompanied by a satisfactory proof of the payment into treasury of rupees one hundred only.

<sup>4</sup>[6. **Conditions for suspension or cancellation of licence.**—The Licensing Authority may, without prejudice to any other action that he may be authorised to take under this order, cancel or suspend any licence, if the licensee—

- (a) is found to have furnished incorrect information or cancelled material facts in the matter of grant of a licence; or
- (b) is found to have practice any fraud or made any misrepresentation in the matter of such grant of a licence; or
- (c) has contravened any condition of his licence or any provision of this order; or
- (d) has made any default, if any, in payment of dues, under the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953, and the U.P. Sugarcane (Purchase Tax) Act, 1961 :

1. Inserted vide Notl. No. 4378/S-XVIII-(5)-1627-74, dated 19-8-1974, published in UP Gazette, Extra, of the same date.
2. Clause (4) (5) and (6) Subs by Notl. No.-1048-5/Chl-U.A.-1/1997-1517-97, dated 30 Sep. 1997 Published in U.P. Gazette Extra Part (4) Sec. (Kha) dated 30 Sep., 1997.
3. Clause (4) (5) and (6) Subs by Notl. No.-1048-5/Chl-U.A.-1/1997-1517-97, dated 30 Sep. 1997 Published in U.P. Gazette Extra Part (4) Sec. (Kha) dated 30 Sep., 1997.
4. Clause (4) (5) and (6) Subs by Notl. No.-1048-5/Chl-U.A.-1/1997-1517-97, dated 30 Sep. 1997 Published in U.P. Gazette Extra Part (4) Sec. (Kha) dated 30 Sep., 1997.

Provided that the Licensing Authority shall give to the licensee a reasonable opportunity of being heard before he passes any order for cancellation or suspension of the licence."

**7. Power of the Licensing Authority.**—The Licensing Authority or any person authorised by it may with a view to securing compliance of the provisions of this order—

- (a) require any manufacturer to give any information in his possession in respect of any process connected with the manufacture of Khandsari sugar;
- (b) require a licensee to maintain, furnish or produce such records, data or information as may be necessary from time to time;
- (c) inspect any books or documents and any stock of Khandsari sugar or rab belonging to or under control of any person in respect of which it or he has reason to believe that a contravention of any provision of this Order has taken place or is likely to take place and may take such books or document into his possession for examination or scrutiny ;
- (d) enter and search any premises, place or vehicle and seize any article in respect of which the Licensing Authority or the person so authorized by it, has reason to believe that a contravention of any provision of this Order has been committed or is apprehended ;
- (e) seize and take into custody an implement used in connection with the manufacture of Khandsari Sugar or rab intended for conversion into Khandsari sugar in respect of which the breach of any provisions of this Order or condition of the licence has been committed or is apprehended ;
- (f) (i) put a seal on the power crusher, bel or centrifugal or any other implement used or likely to be used in any process connected with manufacture or production of Khandsari sugar or rab without obtaining a licence required under Clause 3 of the Order. The seal shall be put by the Khandsari Inspector, Khandsari Officer or such other officer as may be authorized in this behalf by Licensing Authority.
- (ii) the seal shall be put on such vital or running part of the power crusher, bel or centrifugal or any other implement as aforesaid as may prevent its use or incapacitate removal of the seal ;
- (iii) Every Khandsari Inspector, Khandsari Officer or such other officer as may be authorized in this behalf, shall as soon as he has sealed the power crusher, bel, centrifugal or any other implement as aforesaid prepare on the spot a statement in Form I, in quadruplicate. The first copy will be sent to the Licensing Authority and the second copy shall be handed over to the manufacturer and his signature in token of its delivery obtained on the last copy ; the third copy shall be sent to the Khandsari Officer concerned and to the Khandsari Inspector where the power crusher, bel or centrifugal or any other implement as aforesaid has been sealed by the Khandsari

Officer. The copies shall be sent to the authorities concerned on the very day of sealing :

- (iv) every Khandsari Inspector or any other person authorized in this behalf shall maintain a fortnightly account of all the seals put during a fortnight in Form II and shall submit a copy of the same to the Khandsari Officer and another to the Licensing Authority within three days of the close of the fortnight.

**8. Penalties.**—If any person contravenes any of the provisions of this Order or condition of the licence he shall be punishable in accordance with the provisions of the Essential Commodities Act, 1955.

**9. Repeal and savings.**—The Uttar Pradesh Khandsari Sugar Manufacturer's Licensing Order, 1963 is hereby repealed except as respects rights accrued or liabilities incurred, licences granted, proceedings taken, orders made, directions issued, or things omitted to be done under that order.

**SCHEDULE I  
Licence**

*Under Clause 3 of the Uttar Pradesh Khandsari Sugar Manufacturer's Licensing Order, 1967*

Licence No.....Dated.....  
Shri/Sarvri.....  
son of/of the firm.....  
resident of village/town.....P.O.....  
district.....is hereby permitted to  
work the following :

- (a).....power crusher of size.....
- (b).....bels with.....animal driven kolhoos.
- (c).....power driven centrifugals.
- (d).....Hand Driven centrifugals.

for the manufacture of Khandsari sugar or rab for conversion into Khandsari sugar in village/town.....P.O.....  
tehsil.....police station.....district.....  
subject to the following conditions :

1. The Licence is non-transferable.
2. The licensee shall use the power crusher, bel or centrifugal only for the purpose for which the licence has been issued.
3. The licensee shall not carry out the extension, addition or alteration in the capacity, number and size or change in the location of a power crusher, bel or centrifugal covered under this licence without the prior permission of the Licensing Authority.
4. If the power Crusher or Khandsari unit is disposed of by the licensee to another person, the licensee shall inform of the transaction to the Licensing Authority and the Khandsari Officer of the area within a week of such transfer.
5. The licensee shall maintain a daily account of quantity of cane crushed, quantity of Khandsari sugar or rab prepared for conversion into

Khandsari sugar and quantity of manufactured. Khandsari sugar/rab kept in storage or despatched.

6. The licensee shall allow for purpose of inspection immediate access to the entire premises where any of the processes connected with the production of Khandsari, sugar or rab are carried out under the licence to the Licensing Authority, the Khandsari Officer or any person authorised by the Licensing Authority, and shall also be bound to produce on demand without prior notice all records which he is required to maintain, for inspection and examination.

7. The licensee shall not purchase any cane without actual and correct weighment and shall maintain a proper record of the same.

8. The licence is not to be suspended or cancelled by the Licensing Authority for breach of any of the conditions of the licence or the Order. The power crusher, the bels and the centrifugals covered by the suspended licence call not be put into commission again till the suspension order is withdrawn.

9. The licensee shall comply with the provisions of the order and carry out such further instructions of the Licensing Authority, the Khandsari Officer or any other person authorised by it, as may be issued from time to time, to carry out the purposes of the Order.

10. No change in the name, ownership, location or machinery shall be affecting adversely the Government revenue and the responsibilities of licensee with the prior permission of the Licensing Authority."

(To be used in the case of renewals)

Year	Number of the licence	Date of renewals	Details of Machinery allowed to work							Validity	Signature of Licensing Authority
			Power Crusher Bels			No. of Centrifugals					
			Number	Size	Maximum crush allowed	Number	Number of kolhoos	Hand-driven	Power-driven		
1	2	3	4	5	6	7	8	9	10	11	12

1. Condition (10) Subs. by Notification No. 1048-5/Chl-U.A.-1-1997-1517-97 dated 30 Sep. 1997.

## ¶ SCHEDULE-II

Application for grant of license may be moved any time.

## SCHEDULE III

## Form of application

[Under Clause 3(2) of the U.P. Khandsari Sugar Manufacturer's Licensing Order, 1967]

Form of application for grant or renewal of licence for power crusher/bel/centrifugal for the licensing year.....

1. Name of the applicant.....
2. Parentage/Name of the firm.....
3. Address to correspondence.....
4. In the case of a firm.....
  - (a) Name of the Managing partner with full address.....
5. Location of the unit :
 

Village..... P.O..... Tehsil.....  
Police Station..... District.....
6. Machine for which the licence is required :
  - (i) Number of power crusher with size and capacity.....
  - (ii) Bels with number of kolhoos.....
  - (iii) Power driven centrifugal.....
  - (iv) Hand-driven centrifugals.....
7. Where the applicant had set up power crusher/bels/centrifugals in the previous year..... Yes/No.  
(If Yes, particular mentioned)
  - (a) Number of power crusher with size and capacity.....
  - (b) Number of Bel with number of kolhoos.....
  - (c) Number of power-driven centrifugals.....
  - (d) Number of hand-driven centrifugals.....
8. (a) Quantity of sugarcane crushed.....  
(b) Quantity of Khandsari sugar manufactured (qtls).....
9. The amount of licence fee deposited with treasury challan number and name of the Treasury (Challan to be attached with the application).

Machine for which licence applied for	Amount deposited	Treasury Challan number and date	Name of treasury
1	2	3	4

- (a) Number of power crushers.....
  - (b) Number of bels.....
  - (c) Number of power driven centrifugals.....
  - (d) Number of hand-driven centrifugals.....
- Total amount.....

10. Details of arrears of purchase tax, penalty and interest and Development Council Commission due on the date of application :
  - (a) Purchase tax..... Rs.....
  - (b) Penalty..... Rs.....
  - (c) Interest..... Rs.....
  - (d) Development Council Commission Rs.....
  - (e) Total amount of arrears..... Rs.....
11. Whether the applicant/firm was ever prosecuted for any offence under the order :
  - (a) The details of the offence/offences
  - (b) Licensing year to which the offence/offences relate
  - (c) Punishment awarded.
12. Was the licence under this order ever cancelled/suspended. If so, details thereof.
13. Whether the applicant has opted to pay the tax on the assessed quantity of sugarcane purchased.....  
Please attach a copy of option exercised.

[Applicant may please carefully see relevant provisions of U.P. Sugarcane (Purchase Tax) Act, 1961, and the Rules before sending the option].

.....  
Signature of applicant.

I/We have read the provisions of the U.P. Khandsari Sugar Manufacturers' Licensing Order, 1967, and understand that the licences issued to me/us will be subject to the provisions of that Order and that any breach of the conditions of such licence will amount to a breach of the Order.

I/We declare that to the best of my/our information and belief, the information is correct and complete.

Place.....

Date.....

.....  
Signature of applicant/  
Managing Partner

**Note**—This should be submitted through Khandsari Inspector/Khandsari Officer of the area concerned.

## ¶ SCHEDULE-IV

**Licence fee in respect of Licences granted after the coming into force of the Uttar Pradesh Khandsari Sugar Manufacturer's Licensing (Eleventh Amendment) Order, 1997**

- (a) Per power crusher on the basis of size of rollers—  
(Radius X Length)—
  - (1) not exceeding 20 cms x 25.5 cms Rs 8250.00

1. Schedule (IV) Subs by Notf No. 1048-S/Chi-U.A.-1/1997-1517-97, dated 30 Sep. 1997.

- (2) exceeding 20 cms x 25.5 cms but not exceeding 25.5 cms x 30.5 cms Rs. 9000.00
- (3) exceeding 25.5 cms x 30.5 cms but not exceeding 28 cms x 35.5 cms Rs. 10,000.00
- (4) exceeding 28 cms x 35.5 cms but not exceeding 33 cms x 46 cms Rs. 11,250.00
- (5) exceeding 33 cms x 46 cms Rs. 14,000.00
- (b) Per power driven Centrifugal Rs. 2750.00
- (c) Per hand driven Centrifugal Rs. 200.00

II. Late Fee

	Column-1	Column-2
(a) For grant of licence	(1) For each power crusher, or bel or power driven centrifugal	Rs. 200 from 1st September to 30th September each year.
	(2) For each hand driven centrifugal	Rs. 3 from 1st September to 30th September each year.
(b) For renewal of licence	(1) For each power crusher, bel or power driven centrifugal	Rs. 200 from 1st September to 30th September and Rs. 300 from 1st October to 31st October and Rs 350 from 1st November to 31st January following each year
	(2) For each hand driven centrifugal	Rs. 3 from 1st September to 30th September, Rs. 5 from 1st October to 31st October and Rs 7 from 1st November to 31st January following each year."

FORM-No. I  
[Under Clause 7 (j)(iii)]

Book No. Serial No. ....  
Session.....

1. Name of the Khandsari unit owner.....  
2. Parentage.....

- 3. Full address.....
  - 4. Composition of Khandsari unit .....  
(a) Number of power-crusher with size.....  
(b) Number of bels with type.....
  - 5. Date of start of the Khandsari unit.....
- Found Shri.....on (date).....manufacturing, Khandsari, Gur or Rab in the aforesaid Khandsari unit with a licence. The unit has therefore been sealed under Clause 7 (j) by the undersigned in the presence of the following witnesses :

Witness :

- 1. Signature..... Signature.....  
Full address..... Designation.....  
Date.....
- 2. Signature.....  
Full address.....

FORM No. II  
[Under Clause 7 (j)(iv)]

Season.....

Statement showing the units during the fortnight ending on in respect of Khandsari Inspector, Circle.....District

Sl. No.	Date of sealing of the unit	Name and address of the owner of the unit	Location of the unit	Details of power crusher/bel/centrifugal sealed	Name of the unit owner's against, servant in whose presence the unit was sealed	Name with full designation of the unit was sealing the unit	Remarks
1	2	3	4	5	6	7	8

No..... Date.....

Copy forwarded for information and necessary action to :

- 1. Sugar Commisssioner, U.P., Lucknow
- 2. Khandsari Officer concerned.

.....  
Khandsari Inspector  
Date.....  
.....  
Khandsari Inspector.

### THE SUGAR CONTROL ORDER, 1966<sup>1</sup>

Notification No. G.S.R., 912, dated 10-6-1966.—In exercise of the powers conferred by Section 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 Sugar (Control) Order, 1966.

(2) It extends to the whole of India<sup>2</sup> \* \* \*

<sup>3</sup>[(3) It shall come into force at once]

2. **Definitions.**—In this Order, unless the context otherwise requires,—

<sup>5</sup>[(a) "Bulk consumer" means a *halwai*, sweetmeat seller or a confectioner ;]

<sup>6</sup>[(aa) "Indian Sugar Standard Grades" means the grades represented by the standard sealed samples of sugar in bottles issued by the Director, National Sugar Institute, Kanpur, informing to the standards prescribed by the Indian Standards Institution;

<sup>8</sup>[(b) "producer" means a person carrying on the business of manufacturing sugar ;

<sup>9</sup>[(c) "recognised dealer" means a person carrying on the business of purchasing, selling or distributing sugar, and licensed under the Order relating to licensing of sugar dealers for the time being in force in a State or Union territory.]

3. **Power to regulate production of sugar.**—The Central Government may, by order published in the *Official Gazette*, direct that no sugar shall be manufactured from sugarcane except under and in accordance with the conditions specified in a licence issued in this behalf, whether on payment of a fee or otherwise.

<sup>10</sup>4. **Power to restrict sale, etc., of sugar by producers.**—The Central Government may direct that no producer shall sell or agree to sell or otherwise dispose of, or deliver any kind of sugar or remove any kind of sugar from the bonded godowns of the factory in which it is produced, except under and in accordance with a direction issued in writing by the Central Government ;]

<sup>11</sup>Provided that this clause shall not affect the pledging of such sugar by any producer in favour of any Scheduled Bank as defined in clause (e) of Section 2 of the Reserve Bank of India Act, 1934 (2 of 1934) or any corresponding new bank constituted under Section 3 of the Banking Companies (Acquisition and Transfer or Undertakings) Act, 1970 (5 of 1970) and no such bank shall sell the sugar pledged to it except under and

1. Published in the *Gazette of India*, Extraordinary, 1966, Pt. II, Section 3(i), p. 429.
2. Omitted by GSR 621, dated 8-4-1970.
3. Subs. by GSR 1747, dated 16-11-1967.
4. Ins. by GSR 387 (E), dated 22-8-1972.
5. Ins. by GSR 387 (E), dated 22-8-1972.
6. Ins. by GSR 1915, dated 6-8-1969.
7. Relettered by GSR 387 (E), dated 22-8-1972.
8. Relettered by GSR 1915, dated 6-8-1969.
9. Relettered by GSR 1915, dated 6-8-1969.
10. Subs. by GSR 1747, dated 16-11-1967.
11. Ins. by GSR 25 (E), dated 31-1-1974.

in accordance with a direction issued in writing by the Central Government.]

5. **Power to issue directions to producers and dealers.**—The Central Government <sup>1</sup>[\* \* \*] may, from time to time, by general or special order, issue to any producer or recognised dealer, or any class of producers or recognised dealers, such directions regarding the production, maintenance of stocks, storage, sale, grading packing, marking, weighing, disposal, delivery and distribution of <sup>2</sup>[any kind of sugar] as it <sup>3</sup>[\* \* \*] may deem fit.

<sup>4</sup>5-A. **Sugar attached by Government officers etc. not to be sold without direction.**—Where any stock of sugar with any producer or recognised dealer is attached or seized,—

(i) by any officer of the Central or a State Government in accordance with the provisions of any enactment for the time being in force, or

(ii) in pursuance of any proceedings in civil Court.

the sugar so attached or seized shall not be ordered to be sold unless the officer or Court is satisfied that directions have been issued by the Central Government under Clause 5 regarding the sale of such sugar.]

6. **Power to regulate movement of sugar.**—The Central Government <sup>5</sup>[\* \* \*] may, by general or special order, direct that no person shall transport or offer or accept for transport whether by road, rail or water all or <sup>6</sup>[any kind of sugar], except under—

(a) a general or special permit issued in this behalf; and

(b) a military credit note ;

Provided that nothing in this clause shall apply to the transport of sugar not exceeding one kilogram as part of the personal luggage of a *bona fide* traveller.

<sup>7</sup>7. **Power to regulate quality of sugar.**—(a) The Central Government may prescribe the quality of sugar in terms of Indian Sugar Standard Grades to which all or any kind of sugar should conform at the time of delivery in pursuance of the direction issued to a producer under clause (f) of sub-section (2) of Section 5 of the Essential Commodities Act, 1955, or Clause 5 of this Order.

(b) When the Central Government is of the opinion that any stock of sugar with any producer is below any of the Indian Sugar Standard Grades of sugar, it may direct the producer to reprocess the said stock with a view to conform to one or more of the Indian Sugar Standard Grades of sugar <sup>8</sup>[or to sell it only to bulk consumers for use in the manufacture of their products].

<sup>8</sup>9[\* \* \* \*].

1. Omitted by GSR 1747, dated 16-11-1967.
2. Subs. by GSR 1747, dated 16-11-1967.
3. Omitted by *ibid*.
4. Ins. by GSR 1380, dated 17-9-1971.
5. Omitted by GSR 1747, dated 16-11-1967.
6. Subs. by *ibid*.
7. Ins. by GSR 1915, dated 6-8-1971.
8. Ins. by GSR 387 (E), dated 22-8-1972.
9. Omitted by GSR 1747 dated 16-11-1967.