

The Jute (Licensing and Control) Order, 1961

UNION OF INDIA

India

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Rule THE-JUTE-LICENSING-AND-CONTROL-ORDER-1961 of 1961

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1. Short title, extent and commencement.

(1)This Order may be called the Jute (Licensing and Control) Order, 1961.(2)It extends to the whole of India except the State of Jammu and Kashmir.(3)It shall come into force at once.

2. Definitions.

- In this Order, unless the context otherwise requires,-(a)"Jute Commissioner" means the Jute Commissioner appointed by the Central Government and includes any other officer appointed by the Central Government to exercise the powers of the Jute Commissioner under this Order;(b)"Jute textiles" means hessian and sacking cloth made from jute, bags made from hessian or sacking cloth, twine, yarn and any article made wholly or in part, from jute;(c)"Licensing Authority" means the Jute Commissioner and [also] [Substituted by SO. 794 (E), dated the 30th November, 1977.] the State Governments and includes any other officer appointed by the Central or the State Government to be the licensing authority;(d)"Raw jute" means the fibre of jute also known as pat, costa, nalita, bimli, or mesta;(e)"Year" means the year commencing on the 1st July and ending with the 30th June next following;(f)"Carrier" includes a railway administration or any other person engaged in the business of transporting property from one place to another by land, air and water.

3. Licensing of dealers in raw jute and jute textiles.

(1)The Jute Commissioner may, by notification in the official Gazette direct that, with effect from such date as he may specify in the notification, no person shall carry on business in raw jute or jute

textiles involving purchase, sale or storage for sale of raw jute or jute textiles, except under and in accordance with the terms and conditions of a licence issued under this Order:[Provided that the Jute Commissioner may be notification in the official Gazette, exempt any such person or class of such persons from the provisions of this sub-clause:Provided further that in granting such exemption under the preceding proviso the Jute Commissioner shall have regard to the following matters, namely,-(i)the volume of business in raw jute or jute textile carried on by such person or class of such person;(ii)the quantity of raw jute or jute textiles in the possession of such person or class of such persons;(iii)the period for which the stocks of raw jute or jute textiles are ordinarily held by such person or class of persons for the purpose of sale or storage;(iv)price situation and availability position of raw jute or jute textiles in the country; and(v)any other relevant factor.](2)Every such licence shall be issued by the licensing authority on application made to it in such form and manner as the Jute Commissioner prescribes.(3)A licence issued under this clause shall be valid for the year for which it is issued and may be renewed for one year at a time.(4)A fee of Rs. 10 shall be charged for every licence and Rs. 5 for its renewal.

4. Matters to be taken into consideration in granting licenses.

- In granting or refusing a licence under this Order, the licensing authority shall, among other matters, have regard to-(a)the stock of raw jute or jute textiles, as the case may be, available in the locality;(b)the business ordinarily carried on by the applicant;(c)any other matter which in the opinion of the licensing authority is relevant for the purpose.

5. Conditions of licence.

- Every licence issued under Clause 3 shall be subject to the following conditions, namely,-(a)the licensee shall maintain true and correct accounts in such form and submit to the licensing authority such return and at such intervals as the Jute Commissioner may prescribe;(b)the licensee shall issue to every customer a receipt or invoice in such form and containing such particular as the Jute Commissioner may prescribe;(c)the licensee shall give all reasonable facilities to the licensing authority or any officer duly empowered by such authority to enter in the business premises and inspect the stock and accounts;(d)the licensee shall comply with any direction lawfully issued to him under this Order in his business.

6. Duplicate licence.

- Where a licence is lost or destroyed, the licensing authority may, on application made to it in this behalf, issue a duplicate licence on payment of a fee of Rs. 5.

7. Suspension or cancellation of licence.

- The licensing authority may suspend or cancel a licence issued under this Order if-(a)the licence has been granted through mistake or obtained by fraud or misrepresentation;(b)the licensee has committed a breach of any of the conditions of the licence or any provision of this Order; provided

that before suspending or cancelling the licence, the licensee shall be give a reasonable opportunity to make his representation.

7A. [Appeal against order of licensing authority. [Inserted by SO. 79 (E), dated the 8th February, 1978.]

- Any person aggrieved by an order refusing to grant a licence or an order suspending or cancelling a licence may, within a period of thirty days from the date of communication of such order, prefer an appeal,-(a)if the order is made by the licensing authority, other than the Jute Commissioner, to the Jute Commissioner; or(b)if the order is made by the Jute Commissioner, to the Central Government; for his or its decision thereon.]

8. Power to fix prices.

- [(1) The Jute Commissioner may, by notification in the official Gazette, fix the maximum or the minimum prices, or both, at which any variety of raw jute or jute textiles or any grade of such variety may be purchased or sold and different prices may be fixed for different areas or for different varieties of raw jute or jute textiles or grades thereof.(1-A) In fixing such price or price, the Jute Commissioner shall have regard to the quality of raw jute or jute textiles and the railway freight and other expenses necessary for the transport of raw jute or jute textiles from the producing centre to the area or areas in relation to which such price or prices is or are fixed.] [Substituted by S.O. 3423, dated the 4th December, 1963.](2)No person shall sell or offer to sell or purchase or purchase or offer to purchase any raw jute or jute textiles at a price exceeding the maximum price fixed therefor under sub-clause (1).

8A. [Power to control production of jute textiles. [Inserted by S.O. 3893, dated the 30th October, 1968.]

- The Jute Commissioner may by order, direct any manufacturer, or class of manufacturers, or the manufacturers generally, to produce or not to produce such classes or specification of jute textiles as may be specified in the order and prescribe the maximum or minimum quantities of jute textiles which each such manufacturer, or class of manufacturers, or manufacturers of jute textiles which each such manufacturer, or class of manufacturers, or manufacturers generally, shall produce during such period as may be specified in the said Order:Provided that in making an order under this clause, the Jute Commissioner shall have regard to-(a)the capacity of manufacturer, or class of manufacturers, or the manufacturers generally, to manufacture jute textile;(b)the need to maintain the supplies with particular reference to the availability of raw jute, the requirements for domestic consumption and the need to safeguard export earnings; and(c)any other relevant factor;]

9. Power to regulate minimum purchase and minimum stock of raw jute.

- [(1) The Jute Commissioner, may, by order,-(i)specify the minimum quantity of raw jute or any specified variety of jute which a manufacturer may buy;(ii)direct that the said raw jute or any

specified variety of jute shall brought during any specified period only from the person or agency specified therein;(iii)specify the maximum quantity of raw jute which a jute manufacturer may have in his own possession during any specified period, for the purpose of manufacture of jute textiles.](2)In issuing an order under sub-clause (1), the Jute Commissioner shall have regard to-(a)the capacity of the manufacturer to manufacture jute textiles;(b)the maximum quantity of raw jute or the variety of jute to be specified under sub-clause (1) which the manufacturer has had in his possession during the period commencing from 1st July, 1957 and ending with 30th June, 1962;(c)the need to maintain and increase the supplies of Jute textiles;(d)the need to maintain stability in the price of raw jute;(e)any other factor which in the opinion of the Jute Commissioner, is relevant for the purpose.

**9A. [Power to regulate minimum purchase and minimum stock of raw jute.
[Inserted by S.O. 2833, dated the 10th September, 1962.]**

- [(1) The Jute Commissioner may, by order specify the minimum quality of raw jute or any specified variety of jute which a manufacturer shall-(i)actually purchase during any specified period; and(ii)have in his own possession during any specified period.](2)In issuing order under sub-clause (1), the Jute Commissioner have regard to-(a)the capacity of manufacturer to manufacture jute textiles;(b)[the maximum quantity of raw jute which the manufacturer had had in his possession during the period of two years immediately proceeding the commencement of the Jute (Licensing and Control) Amendment Order, 1977.] [Substituted by S.O. 794 (E), dated the 30th November, 1977.](c)the need to maintain and increase the supplies of jute textiles;(d)the need to maintain stability in prices of raw jute;(e)any other factor which in the opinion of the Jute Commissioner, is relevant for the purpose.]

10. Power to requisition stocks.

- [(1) The Jute Commissioner may, with a view to maintaining or increasing the supplies of raw jute textiles or securing their equitable distribution, by order, require any person holding stock of raw jute textiles-(a) to sell the whole or a specified part of the stock to the Government or to an officer of the Government or to such other person or class of persons [and on such terms and conditions] [Renumbered by S.O. 420 (E), dated the 1st July, 1978.] as may be specified in the Order;(b)not to sell or deliver the stock without the permission in writing of the Jute Commissioner; or(c)if he is not the owner of the stock, to disclose the name of the owner.](2)[In issuing an order under sub-clause (1), the Jute Commissioner shall have regard to-(i)the quantity of raw jute or jute textiles in the possession of various stockists or manufacturers;(ii)the quality, condition and grade composition of such stocks in case of raw jute and quality and construction in case of jute textiles;(iii)period and the purpose for which such stocks of raw jute or jute textiles are being held by various stockists or manufacturers with particular reference to the necessity of discouraging speculative hoarding in, and ensuring availability at fair prices of raw jute or jute textiles;(iv)genuine and firm contractual sale commitments, if any;(v)whether the stocks have been declare to the Jute Commissioner or not under any provision of this Order and in case the stock has been so declared, whether it has been correctly declare or not;(vi)whether the stockist is the real owner or he is holding the stock for and on behalf of parties;(vii)whether the stocks is being held in violation of any order of the Jute

Commissioner under this Order;(viii)any other factor which in the opinion of the Jute Commissioner, may be relevant for the purpose.]

10A. [[Added by S.O. 3915, dated the 14th December, 1965.]

Subject to the prior approval of the Central Government, the Jute Commissioner may, by general or special Order, prohibit the transport of raw Jute from any place within any area to any place outside that area by land, air or water except under such conditions, limitations and restrictions, as may be specified in such Order.] [Inserted by S.O. 420 (E), dated the 1st July, 1978.]

10B. [[Added by S.O. 3915, dated the 14th December, 1965.]

- Subject to the prior approval of the Central Government, the Jute Commissioner may, by order in writing, direct any carrier to close, to close the booking and transport of raw jute by land, air or water between such places and for such period as may be specified in the Order and such carrier shall comply with the order.] [Substituted by S.O. 1611, dated the 23rd May, 1966.]

11. Power of entry and inspection.

(1)The Jute Commissioner or any officer duly authorised by him in this behalf may, with a view to securing compliance with Order.-(a)require any person to give any information in his possession with respect to any business carried on by him or any other person;(b)inspect or cause to be inspected any books of account or other documents in the possession or under the control of any person;(c)enter and search any premises and seize any raw jute or jute textiles 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 authorise 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 [Sections 102 and 103 of the Code of Criminal Procedure, 1898] [See Section 100(1) to 100(3) and 100(4) to 100(8) of the Code of Criminal Procedure, 1973 (2 of 1974).], relating to search and seizure shall, so far as may be, apply to searches and seizures under this clause.

12. Penalty.

- Any person who contravenes any of the provisions of this Order or fails to carry out any direction or requisition made thereunder shall be punishable under Section 7 of the Essential Commodities Act, 1955.[Added by SO. 794 (E), dated the 30th November, 1977.]