

The U.P. Controlled Cotton Cloth and Yarn Dealers' Licensing Order, 1957

UTTAR PRADESH

India

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Rule

THE-U-P-CONTROLLED-COTTON-CLOTH-AND-YARN-DEALERS-LICE of 1957

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The U.P. Controlled Cotton Cloth and Yarn Dealers' Licensing Order, 1957Published vide
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1.

(i)This Order may be called "the Uttar Pradesh Controlled Cotton Cloth and Yarn Dealers' Licensing Order, 1957".(ii)It extends to the whole of Uttar Pradesh and shall come into force on and from the 1st October, 1957.

2.

In this Order, unless there is anything repugnant in the subject or context,-(a)["Bank" means,-
[Inserted by Notification No. 7991/XVIII-10-740 (S)-76, dated 21.11.1978, published in U.P. Gazette, dated 17.2.1979.](i)a banking company as defined in the Banking Regulation Act, 1949;(i)ready made clothing other than Dhoties and Saries,(ii)hosiery,(iii)leather cloth and inferior or imitation leather cloth used for book-binding,(iv)tracing paper,(v)clothing manufactured partly from cotton and partly from wool and containing 40 per cent or less of cotton by weight,(vi)strips of cotton cloth seventy-two inches or less in length and nine inches or less in width at any point,(vii)pieces of cotton cloth measuring forty-three inches or less along any side and six and a quarter square feet or less in area,(viii)handloom cloth,(xi)cloth woven by a manufacturer not manufacturing any yarn,(x)durries and kalins,(xi)canvas, hospital lint, gauze and bandage cloth,(xii)mosquito netting, towels, handkerchiefs, tapestries and furnishings,(xiii)sugar filter cloth, dusters, and

counterpanes,(xiv)imported cotton cloth,(xv)powerloom processed cloth,(xvi)cloth purchased by the Government directly from a manufacturer,(xvii)cloth manufactured with a view to export thereof out of India;(ii)the State Bank of India constituted under the State Bank of India Act, 1955;(iii)a subsidiary bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959;(iv)a corresponding new bank constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;(v)any banking institution notified by the Central Government under Section 51 of the Banking Regulation Act, 1949;(vi)the Agricultural Refinance Corporation constituted under the Agricultural Refinance Corporation Act, 1963;(vii)the U.P. State Agro-Industrial Corporation Limited, a company incorporated under the Companies Act, 1956;(viii)the Agricultural Finance Corporation Limited, a company incorporated under the Companies Act, 1954;(ix)a financial Bank or Central Bank (as defined in the Uttar Pradesh Co-operative Societies Act, 1965) not being a land development bank;(x)any other financial institution notified by the State Government in the Gazette, as a bank for the purposes of this order.](aa)[[Renumbered by Notification No. 7991/XVIII-10-740 (S)-76, dated 21.11.1978, published in U.P. Gazette, dated 17.2.1979.] "controlled cotton cloth" means any type of cloth manufactured either wholly from cotton or partly from cotton and partly from any other material and containing not less than 13 per cent of cotton, but does not include,-(b)"cotton yarn" means any type of yam manufactured either wholly either from cotton or partly from cotton and partly from any other material and containing not less than 10 per cent of cotton by weight, but does not include-(i)ropes, tapes and binding,(ii)sewing thread,(iii)cotton waste,(iv)handspun yarn,(v)yarn purchased by Government directly from a manufacturer,(vi)yarn manufactured with a view to export out of India;(c)"dealer" means a person carrying on whether as principal or agent and whether separately or in conjunction with some other business, the controlled cotton cloth or cotton yarn; [and includes a hawker i.e., a dealer who goes about from place to place or from house to house with controlled cloth either on his person or on a vehicle which he offers or exposes for sale] [Added by Notification No. 3153-BS/XVIII-B-96-T-58, dated November 15, 1958, published in the U.P. Gazette, Part I-A, dated November 15, 1958 and again Substituted by Notification No.799/XVIII-10-740 (S)-76, dated 21.11 1978.].(d)"District Magistrate" means the District Magistrate of the district;(e)"Form" means a form appended to the order;(f)[* * *] [Clause (f) deleted by Notification No. 3153-BS/XVIII-B-96-T-58, dated 15.11.1958.](g)"Licence" means a licence granted under the provisions of this order;(h)"Licensing Authority" means the appropriate Licensing Authority designated in clause 6;(i)"Manufacturer" means a person engaged in the production of controlled cotton cloth or yarn or in any process ancillary to such production, e.g., dyeing, bleaching, embroidering, printing and finishing, and "manufacture" shall be construed accordingly;(j)"Textile Controller" means the Provincial Textile Controller appointed by the State Government and includes a Deputy or an Assistant Textile Controller;(k)"Producer" means a person engaged in the production of cloth or yarn or both by power as defined in Section 2(g) of the Factories Act, 1948, and the expression "produce" and its grammatical variants shall be construed accordingly.

3.

Every power which is under this order exercisable by the Textile Controller or the District Magistrate shall be exercisable also by the State Government or by any other person authorised in

this behalf by the State Government.

4.

Subject to the provisions of clause 20 no person other than a dealer shall obtain or attempt to obtain or store for sale or distribute controlled cotton cloth or yarn and save as hereinafter provided, no dealer shall obtain or attempt to obtain or store for sale or distribution or sell or distribute or attempt to sell or distribute to any person controlled cotton cloth or cotton yarn except under and in accordance with the conditions of a licence in the appropriate form granted under this order: Provided that no licence shall be necessary for the possession and storage for sale of cotton yarn not exceeding 10 lbs. in weight.

4A. [No dealer shall transfer to any person except a bank, and no person other than a bank shall receive from a dealer, by way of pledge or otherwise, save in accordance with the provisions of clause 4, or store any controlled cotton cloth or cotton yarn, without giving prior intimation in writing to the District Magistrate in regard to the name of the transferors or as the case may be, the name of the pawn or other bailer, the quantity or weight of the controlled cotton cloth or cotton yarn to be so transferred, pawned or otherwise bailed, and in case such cloth or yarn is to be removed from the place of its storage on its transfer, the place or places of its storage after such removal] [Inserted by Notification No. 7991/XVIII-10-740 (S) 74, dated 21.11.1978.].

5.

All applications for licences under his order shall be made to the licensing authority in the appropriate form prescribed in Schedule I, annexed to the order within the period that may be prescribed from time to time by the licensing authority for making such applications and shall be accompanied by the treasury challan for appropriate fee prescribed in Schedule II.[* * *] [Deleted vide Notification No. 3155-BT/XVIII-B-96 T-58, dated November 15, 1958.]

6.

The Textile Controller shall be the licensing authority in respect of all licences [in Forms D-1 and D-2 as prescribed in Schedule II of this Order and District Magistrate shall be the licensing authority in respect of licences in Forms B, B-1, C and E as prescribed in that Schedule.] [The reference to licences in Forms B, B-1, C, D-1 and D-2 shall be deemed to mean licences for importer, wholesaler, retailer, selling agent and Commission agent vide clause 5, Notification No. 3155-BT/XVIII-B-96 T-58, dated November 15, 1958.]

7.

Notwithstanding anything contained in clause 6 the District Magistrate shall not issue a licence in Form "B" to any dealer without the previous sanction of the Textile Controller.

8.

[* * *] [Deleted vide Notification No. 3155-BT/XVIII-B-96 T-58, dated November 15, 1958.]

9.

Notwithstanding anything contained in this order, the Licensing Authority may grant a licence to a person provided he-(i)has a verified premises of business,(ii)is not a minor without a proper guardian,(iii)[* * *] [Deleted vide Notification No. 3155-BT/XVIII-B-96 T-58, dated November 15, 1958.](iv)[* * *] [Deleted vide Notification No. 3155-BT/XVIII-B-96 T-58, dated November 15, 1958.][Provided further that in the case of a retailer who carries on the business of sale of controlled cloth or yarn as hawker or on some vehicle the condition of having a verified premises of business shall not be applicable.] [Inserted by Notification No. 7991/XVIII-10-740 (S)-76, dated 21.11.1978.]

10.

The Licensing Authority may, if it is satisfied that it is inexpedient having regard to the supplies of cloth or yarn, as the case may be, and the interest of general public refuse to grant a licence in which case the fee deposited by the applicant shall be refunded on an application bearing court-fee stamp of Re. I being made the applicant within one year of such refusal.

11.

If a licence granted under this order is defaced, lost or destroyed, the licensing authority may issue a duplicate on an application bearing a court-fee stamp of Re. 1.

12.

A licence granted under this order shall, unless as previously cancelled or suspended, be valid for such period not exceeding [three years] [Deleted vide Notification No. 3155-BT/XVIII-B-96 T-58, dated November 15, 1958.] from the date of issue in any case, may be specified by the Licensing Authority but may on application made not less than one month before the expiry of the said period be renewed for such further period as may be specified by the Licensing Authority not exceeding [three years] [Inserted by Notification No. 7991/XVIII-10-740 (S)-76, dated 21.11.1978.] at a time on payment of the fees prescribed in respect of such licence in Schedule II:Provided that the Licensing Authority may for reasons to be recorded in writing refuse to renew a licence in which case the renewal fee deposited by the applicant shall be refunded on an application bearing court-fee stamp of Re. I being made by the applicant within one year of such refusal.

13.

Notwithstanding anything contained in clause 12, a licence granted under this order may be renewed on an application made after the period specified in the said clause for such application, subject to payment of such late fee over and above the fee prescribed thereof in Schedule II as the State Government or the Licensing Authority may by any general or special order direct a dealer or a class of dealers to pay.

14.

A Licensing Authority or the Textile Controller may, without prejudice to any other action that he may take, cancel or suspend licence of a licensee who contravenes any of the conditions of the licence or any order or direction issued by the Licensing Authority, the State Government, the Government of India or the Textile Commissioner to Government of India, to control, regulate or prohibit production, supply, transport, disposal and distribution and prices, trade and commerce in cotton textiles or who is found to hold the licence in contravention of his order or to have supplied incorrect information in his application for the grant or renewal of the licence. Note. - The Licensing Authority or the Textile Controller is empowered to suspend the licence for reasons specified in the clause.

15.

Notwithstanding anything contained in the order or clause 14 above, the Textile Controller or the Licensing Authority may, without previous notice and for reasons to be recorded in writing, cancel or suspend or refuse renewal of licence issued in Form "B", was first issued to him unless the licence in the form is also cancelled or suspended for reasons to be recorded in writing by the Licensing Authority.

16.

The cancellation or suspension of a licence shall not entitle the licensee to any compensation of the refund of any fee paid in respect of such licence provided that where a licence in Form "B" under this Order is cancelled for reasons other than those contained in clause 14, the licensee shall be entitled on application made to the licensing authority within one year of such cancellation and bearing court-fee stamp of Re.1, to the refund of a proportionate amount of the licence fee for the period for which the licence would have remained valid but for such cancellation.

17.

A Licensing Authority may direct any dealer who does not hold a licence under this order to dispose of any stock of controlled cotton cloth or yam which he may hold by sale to such person or class of persons and by such date as he may direct and such dealer shall comply with such directions.

18.

A licensing authority may cancel the licence of a dealer who has not without adequate reasons been carrying on business continuously for a period of three months at any time after the issue of the licence. Note. - Provision is made for cancellation of licence of a dealer not carrying on the business continuously for three months without any reason.

19.

A licensing authority or any officer empowered in writing whether generally or specifically by the Textile Controller or the licensing authority in this behalf may, with a view to secure compliance with this order, - (a) require any person to give any information in his possession in respect of any business carried on as a dealer by himself or through any other person, and any person so required shall give such information; (b) inspect or cause to be inspected any books or documents, and any stock of controlled cotton cloth yarn belonging to or under the control of any person may take such books or documents into his possession; (c) enter and search, authorise any person to enter and search, any premises, place or vehicle and seize or authorise any person to any article in respect of which the authority or officer has reason to believe that a contravention of this order has been committed.

20.

The State Government may exempt any person or class of persons from the operation of all or any of the provisions of this order and may at any time suspend or cancel such exemption.

21.

Any appeal shall lie to the State Government within thirty days of the final orders passed under clauses 10, 12, 14, 15 and 18 of the order. The orders passed in appeal under this clause shall be final and exclusive.

22.

If any person contravenes any of the provisions of this order he shall be punished under Section 7 of the Essential Commodities Act, 1955 (Act No. X of 1955).

I

Form of application for a dealer's licence under the Uttar Pradesh Controlled Cotton Cloth Yarn Dealer's Licensing Order, 1957 (1) Name and father's name of the applicant. (2) If the application is made on behalf of a firm, an incorporated company or co-operative society, state the trading name. (3) Names and addresses of all partners, directors and agents, members of the managing body or administrative officials, as the case may be. (4) Exact address of the office, if it is different from the

shop or place of business (in the case of hawker, the area in which the business is to be carried on i.e., district, tahsil, town, etc.....)(5)[Class of licence applied for.....Improper (Cloth)-(Licence to buy controlled cotton cloth from manufacturers in mill packed bales and sell in mill-packed bales or split bales).Improper (Yarn)-(Licence to buy cotton yarn from manufacturers, in mill-packed bales and sell in mill-packed bales or bundles).Wholesaler(Cloth)-(Licence to sell controlled cotton cloth in mill-packed bales or split bales).Retailer (Cloth)-(Licence to sell controlled cotton cloth-retail)Retailer (Yarn)-(Licence to sell cotton yarn-retail).Selling Agent (Cloth)-(Licence for a selling agent of a manufacturer).Selling Agent (Yarn)-(Licence for a selling agent of a manufacturer).Commission Agent (Cloth)-(Licence for a commission agent).Commission Agent (Yarn)-(Licence for a commission agent).] [Item 5 substituted vide Notification No. 3155-BT/XVIII-B-96-T-58, dated November 15, 1958.](6)Exact address of the shop or place where business is to be conducted.(7)Exact address of place or places where cloth is to be stored.(8)[Approximate value/amount in bales (of 1,500 yards each) of cloth/ yarn sold by the applicant in each of the preceding five years as in the proforma below:

Yarns	Retail on own account	Wholesale on own account	Sale on behalf of principals	Total
1	2	3	4	5

[Substituted vide Notification No. 3155-BT/XVIII-B-96-T-58, dated November 15, 1958.](9)If the applicant is a quota-holder of mill (clause 18-A of the Cotton Cloth and Yarn Control Order, 1943), the quantity of cloth received by the applicant as part of his quota during the previous 12 months and the name or names of the mills from whom the quota was received

.....(10)Whether the applicant has previously applied, for a licence and, if so, with what result.....(11)Whether the applicant is principal or partner of any firm or company holding a licence to deal in controlled cotton cloth or yarn.....I/We have read the provisions of Uttar Pradesh Controlled Cotton Cloth and Yarn Dealer's Licensing Order, 1957, and understand that the licence issued to me/us will be subject to the provisions of that Order, and that any breach of the condition 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 above information is correct and complete.....Signature of applicant(s)[Schedule II]

[Substituted by Notification No. 3155-BT/XVIII-B-96-T-58, dated November 15, 1958 and again Substituted by Notification No. 7991/XVIII-10-750 (S)-76, dated 21.11.1979.]Licence fees

(1) Licences issued by the District Supply Officer:	(Fee per year)Rs.
(a) Importer (cloth)	.. 1,000.00
(b) Importer (yarn)	.. 500.00
(c) Wholesaler (cloth)	.. 1,000.00
(d) Retailer (cloth)	.. 50.00
(e) Retailer (yarn)	.. 50.00
(2) Licences issued by the Provincial Textile Controller:	
(a) Selling Agent (cloth)	.. 1,000.00
(b) Selling Agent (yarn)	.. 500.00
(c) Commission Agent (cloth)	.. 100.00

(d) Commission Agent (yarn)
Form 'A'

.. 50.00

1. Name of Licensee.

2. Nature of Licensee.

3. If the licensee is a firm, an incorporated company or a co-operative society, names and addresses of all partners, directors, agents, members of the managing body or administrative officials, as the case may be.

4. Exact address of the shop or place where the business is conducted.

5. Exact address of place or places of storage of cloth/yarn.

6. Date up to which the licence is valid.

7. The licence is granted to the conditions given below:

Signature of the Licensing AuthorityRenewal Endorsement

Date of renewal	Date of expiry	Signature of the licensing authority	Remarks
1	2	3	4

Conditions of Licence

1. The licensee shall not carry on business or store cloth/yarn [(except in the premises and in the case of a hawker, the area (i.e., district, tashil, town or village, etc.)) [Substituted by Notification No. 7991/XVIII-10-740 (S)-76, dated 21.11.1978.] specified in his licence), provided that in case of any change in premises he shall, within fifteen days of any such change, intimate his new address to the Licensing Authority and shall at the same time forward the licence to the Licensing Authority in order that the new address may be entered therein.

2. The licensee shall comply with any general or special direction issued by the Textile Controller of the Licensing Authority from time to time in regard to the sale, purchase, transport or storage of such cloth/yarn.

- 3. The licensee shall surrender his licence to the Licensing Authority for cancellation within three months after the date on which he closes his business and at the time of so surrendering the licence declare the stocks held by him.**
- 4. The licensee shall maintain such registers and submit such returns as may be required by the Licensing Authority.**
- 5. [The licensee shall not carry on business in or store cloth/yarn except in the name and style of the firm specified in his licence and in case of any change in the style and title of the firm on the partners thereof, the licensee shall within 15 days of such change intimate in writing and forward the licence to the Licensing Authority for the change/changes being incorporated therein.] [Added by Notification No. 4102-I/XVIII-B-52-T-64, dated 6th December, 1965.]**
- 6. [If the licensee contravenes any of the conditions of the licence or is found to have made any incorrect statement in his application for licence or in any return submitted by him or any accounts maintained by him, his licence may be cancelled and he shall also be punishable under Section 7 of the Essential Commodities Act, 1955.] [Renumbered by Notification No. 4102-I/XVIII-B-52-T-64, dated 6th December, 1965.]**

Note. - Forms B, B-I, C, D-1 and E deleted. Licence in Form "D-2" (Licence for a commission agent of controlled cotton cloth/yarn) (1) Name of the licensee (2) If the licensee is a firm, an incorporated company or a co-operative society, names and address of all partners, directors, agents, members of the managing body or administrative officials, as the case may be. (3) Exact address of the office, if it is different from the shop or place of business. (4) Exact address of the shop or place where the business is conducted. (5) Exact address of place or places of storage of cloth/yarn (6) Date up to which the licence is valid. The licence is granted subject to the conditions specified below: Signature of the Licensing Authority. Renewal Endorsement

Date of renewal	Date of expiry	Signature of the licensing authority	Remarks
1	2	3	4

Conditions of Licence (1) The licensee shall display his licence prominently at his place of business. (2) The licensee shall not carry on business or store cloth/yarn except in premises specified in his licence provided that the premises may be changed or additional premises used if on application to the Licensing Authority such authority has made the necessary amendment in the licence. (3) The licensee shall issue to every customer a correct receipt of invoice showing his name

and licence number, date of transaction, trade name and quantity of cloth/yarn, the price at which it was sold and the total amount charged and shall retain a duplicate copy of the same for inspection.(4)The licensee shall surrender his licence to the licensing authority for cancellation within three months after the date on which he closes his business and at the time of so surrendering the licence declare the stocks held by him.(5)The licensee shall maintain such registers and submit such returns as the licensing authority may direct.(6)The licensee shall not sell controlled cotton cloth/cotton yarn to persons other than licensees without the permission of the Textile Controller or the licensing authority.(7)If the licensee contravenes any of the conditions of his licence or is found to have made any incorrect statement in his application for a licence or in any return submitted by him or any accounts maintained by him, his licence may be cancelled and he shall also be punishable under Section 7 of the Essential Commodities Act, 1955.