

(Corrected upto 15.6.1999)

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SECTION 3, SUB SECTION (I)

GOVERNMENT OF INDIA
MINISTRY OF FOOD, AGRICULTURE, COMMUNITY
DEVELOPMENT AND COOPERATION
(DEPARTMENT OF FOOD)

ORDER

New Delhi, the 10th June, 1966.
20th Jyaishta, 1888.

G.S.R. 912/Ess.Com./Sugar.- 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 \$ (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) 'Bulk consumer' means a Halwai, Sweetmeat seller or a confectioner.
 - @(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, conforming to the Standards prescribed by the Indian Standards Institution;
 - (aaa)** 'importer' means a person engaged in the business of buying sugar from any country other than India, and selling the same in India.
 - (b) 'producer' means a person carrying on the business of manufacturing sugar;
 - (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.

\$ Deleted vide GSR 621/Ess.Com./Sugar, dated 8.4.1970.

* Substituted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967.

@ Substituted vide GSR 1915/Ess.Com./Sugar, dated 6.8.1969.

% Added vide GSR 387(E)/Ess.Com./Sugar, dated 22.8.1972.

** Inserted vide GSR 436(E)/Ess.Com./Sugar, dated 14.6.1999.

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 the accordance with the conditions specified in a licence issued in this behalf, whether on payment of a fee or otherwise.

*4. Power to restrict sale, etc. of sugar by producers or importers :- The Central Government may direct that no producer or importer shall sell or agree to sell or otherwise dispose of, or deliver or agree to deliver any kind of sugar or remove any kind of sugar from the bonded godowns of the factory in which it is produced or from the warehouses of the importers except under and in accordance with a direction issued in writing by the Central Government.

Provided that this clause shall not affect the pledging of such sugar by any producer or importer in favour of any scheduled bank as defined in clause (c) 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 of Undertakings) Act, 1970 (5 of 1970) and no such bank shall sell the sugar pledged to it except under and in accordance with a direction issued in writing by the Central Government.

5. Powers to issue directions to producers and dealers.

The Central Government @ [or the Chief Director] may, from time to time, by general or special order, issue to any producer ** (or importer) or recognised dealer, or any class of producers ** (or importers) or recognised dealers such directions regarding the production, maintenance of stocks, storage, sale, grading, marking, weighment, disposal, delivery and distribution of \$ (any kind of) sugar as it @ [or he] may deem fit.

%5A. Sugar attached by Government officers, etc. not to be sold without directions - Where any stock of sugar with any producer ** (or importer) or recognised dealer is attached or seized.

@ Omitted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967.

\$ Inserted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967.

% Inserted vide GSR 1380/Ess.Com./Sugar, dated 17.9.1971.

* Substituted vide GSR 436(E)/Ess.Com./Sugar, dated 14.6.1999.

** Inserted vide GSR 436(E)/Ess. Com./Sugar, dated 14.6.1999.

- (b) 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
- (c) in pursuance of any proceedings in a 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

Power to regulate movement of sugar. The Central Government @ [or the Chief Director] 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 any @ [specified type or grade] \$(kind) of sugar, except under -

- (a) a general or special permit issued in this behalf;
- (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 bonafide traveller.

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 3 of the Essential Commodities Act, 1955, or clause 5 of this order.

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- ② Omitted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967.
? Inserted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967.
* Added vide GSR 1915/Ess.Com./Sugar, dated 6.8.1969.

(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, \$ [or sell it to bulk consumers for use in the manufacturing of their products]

8. @ [Omitted]

*9. Utilisation of sugar taken delivery of in pursuance of an Order under Section 3(2) (i) of Act.-

Where any person, class of persons or organisation takes delivery of sugar from any producer in pursuance of a direction made under clause (i) of sub-section (2) of section 3 of the Act, such person, class of persons or organisation, as the case may be, shall-

(i) Utilise the sugar so taken delivery of for the purpose for which such delivery was taken and for no other purpose.

(ii) Submit to the Chief Director within fifteen days of the utilisation of the sugar so taken delivery of a certificate to the effect that the sugar has been utilised for the purpose for which it was taken delivery of.

10. Power to call for information, etc.- The Central Government @ [or the Chief Director] or any person authorised in this behalf by the Central Government may, with a view to securing compliance with this Order, or to satisfy itself (it) (or himself) that any order or direction issued under

@ Omitted vide GSR 1747/Ess.Com./Sugar dated 16.11.1967

* Substituted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967

\$ Added vide GSR 387 (E)/Ess. Com./Sugar, dated 22.8.1972

11. In Order is complied with:-

(a) require any producer * (or importer) or recognised dealer to furnish within such period as may be specified, such information, returns or reports and in such forms as may be required; and

(b) prescribe the manner in which accounts of any sales, purchases or other transactions of sugar should be kept.

12. Power of inspection, entry search,

sampling, seizure etc.,

13. The Chief Director or any officer authorised by the Central Government in this behalf may-

(a) direct any producer * (or importer) or recognised dealer to maintain such records as may specify;

(b) direct any producer * (or importer) or recognised dealer to furnish such information as he may require;

(c) inspect or authorise any person to inspect any books or any documents or stocks of sugar belonging to or under the control of a producer * (or an importer) or a recognised dealer;

(d) enter and search or authorise any person to enter and search-

(i) any place where sugar is manufactured including the machinery installed therein;

(ii) any place in which there is reason to believe that sugar is stored in contravention of this Order;

(e) draw or authorise any person to draw, in accordance with the procedure laid down in clause 12, samples for examination-

@ Omitted vide GSR 1747/Ess.Com./Sugar dated 16.11.1967

* inserted vide GSR 436(E)/Ess.Com./Sugar dated 14.6.1999

- (i) from any stock of sugar belonging to, or under the control of, a producer or recognised dealer;
 - (ii) from any consignment of sugar in the course of its delivery or despatch by a producer.
- (f) Stop and search or authorise any person to stop and search-
- (i) any person transporting sugar; or
 - (ii) any vehicle, vessel or other conveyance used or capable of being used for the transport of sugar, in contravention of this Order;
- (g) Seize or authorise the seizure of any 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, along with the packages, coverings or receptacles in which sugar is found or the animals, vehicles, vessels, or other conveyances used in carrying such sugar and thereafter take or authorise the taking of all measures necessary for securing the production of such packages, coverings, receptacles, animals, vehicles, vessels or other conveyances in a court and for their safe custody pending such production.

* (2) The provisions of sections 102 and 103 of the code of Criminal Procedure, 1898 (5 of 1898) relating to search and seizure shall, so far as may be, apply to searches and seizures under this clause.

* Inserted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967.

Procedure for drawing samples: (1) Subject to the provisions of sub-clause (e) of clause (1) the person drawing the samples shall follow the procedure as here under:-

- @(a) The samples shall be drawn in the presence of a Producer or recognised dealer, as the case may be or a representative of the producer or recognised dealer;
- @(b) A separate sample shall be drawn from each lot consisting of sugar bags declared by the producer or recognised dealer to have the same grade of sugar;
- @(c) The sample drawn shall be divided into three portions and each portion shall be put in a separate container which shall be sealed both by the person drawing the sample and the producer or recognised dealer, as the case may be, or his representative with their respective seals and shall also be signed by both;
- @(d) Two such portions shall be forwarded to the Directorate of Sugar and Vanaspati and the third shall be left with the producer or recognised dealer, as the case may be, or his representative.

(2) Out of the two sealed portions of the sugar sample received in the Directorate of sugar and Vanaspati under sub-Clause (1), one sealed portion shall be examined by the Grading Committee to determine its quality with reference to the Indian Sugar Standard Grades in force for the year in which the sugar was manufactured. If the grade of the said portion of the sugar sample is found by the Grading Committee to be lower than the grade declared by the producer or recognised dealer, as the case may be, the Directorate of Sugar and Vanaspati shall forward the other sealed portion of the sugar sample, as received, to the National Sugar Institute, Kanpur for determining its grade and the grade determined by the said Institute shall not be called in question.

Inserted vide GSR 1266/Ess.Com./Sugar, dated 7.9.1971.

@ Sub-clause enumbered vide GSR 100/Ess.Com./Sugar, dated 27.12.1971

§ Substituted vide GSR 1193/Ess.Com./Sugar, dated 1.8.1966.

*(3) For the purposes of sub-clause (2), 'Grading Committee' means the Committee consisting of five Group 'A' Officers of the Directorate of Sugar & Vanaspati, appointed by the Chief Director, to grade samples of sugar. A majority of the members of the Committee so appointed shall be required to constitute a quorum for meetings of the Committee.

@13. Certificate regarding samples drawn, etc.

A certificate to the effect that each of the samples drawn is representative of the lot from which it was drawn, shall be furnished along with the particulars of the samples, in the form set out in the Schedule hereto annexed, to the person drawing such samples by the producer or recognised dealer, as the case may be, or his representative and such certificate shall be countersigned by the person drawing the samples and an endorsement to the effect that the procedure prescribed under clause 12 has been followed, shall be made thereunder by the person drawing the samples and such endorsement shall be countersigned by the producer or recognised dealer, as the case may be, or his representative.

14. Compliance of Order.

Every producer ** (or importer) or recognised dealer or other person to whom any order or direction is issued under any powers conferred by or under this Order, shall comply with such order or direction.

15. Delegation of Powers.

The Central Government may, by notification in the Official Gazette, direct that all or any powers conferred upon it by this Order shall, subject to such restrictions, exceptions and conditions if any, as may be specified in the direction, be exercisable also by-

- (a) any officer or authority of the Central Government.
- (b) A State Government or any officer or authority of a State Government.

* Inserted vide GSR 596/Ess.Com./Sugar, dated 30.8.1977.

@ Substituted vide GSR 1193/Ess.Com./Sugar, dated 1.8.1966.

** Inserted vide GSR 436(E)/Ess.Com./Sugar dated 14.6.1999.

16. Omitted

17. Repeal and saving.

(1) The Sugar (Control) Order, 1955 and any Order made by the Central Government or a State Government or any authority regulating or prohibiting the production, supply and distribution of sugar and trade or commerce therein are hereby repealed except as respects things done or omitted to be done under any such order before the commencement of this Order.

(2) Notwithstanding such repeal, an order made by any authority, which is in force immediately before the commencement of this Order and which is consistent with this Order, shall continue in force and all appointments made, prices fixed, licences and permits granted, and directions issued under any such order and in force immediately before such commencement shall likewise continue in force and be deemed to be made, fixed, granted or issued in pursuance of this Order.

@ THE SCHEDULE.

(ATTACHED)

(No.1-9/66-SPY)

S.J.-K.L.Pasricha
Joint Secretary

* Omitted vide GSR 1747/Ess.Com./Sugar, dated 16.11.1967.

@ The Schedule was inserted vide GSR 1193/Ess.Com./Sugar, dated the 1st August, 1966.

\$ THE SCHEDULE
(See clause 13)

(1) Certificate:

This is to certify that Shri.....(here enter designation), Directorate of Sugar and Vanaspati, Ministry of Food, Agriculture, Community Development and Cooperation, Government of India has drawn in my presence, a sample in triplicate from the consignment of sugar under despatch as per particulars given below. The sample is truly representative of the lot from which it is drawn and each of the three portions has been properly packed and sealed with my seal and the official seal of the Inspecting Officer and has also been signed by me and the drawing officer. Of the three portions of the sample, one has been retained by us.

Counter signature of the officer
drawing the sample.

Signature of the producer/recognised dealer /
accredited representative.

Designation.

Designation.

(2) The sample has been drawn in accordance with the procedure prescribed under clause 12 of the Sugar (Control) Order, 1966.

Counter signature of the producer/
recognised dealer/accredited representative.

Signature of the officer drawing the sample.

Designation.

Designation.

Date.

Date.

Forwarded to the Directorate of Sugar & Vanaspati, Ministry of Food, Agriculture, Community Development & Cooperation, New Delhi along with the two samples of sugar referred to above out of the triplicate samples drawn from consignment under despatch.

Signature of the officer
drawing sample.

II. The particulars of sugar sample drawn from consignment
under despatch from M/S.....

(1)	(2)	(3)	(4)	(5)	(6)
Drawing Order number	Date of drawing sample	Wagon/Truck No. in which sugar loaded and from which sample drawn	Number of bags loaded	Factory's Godowns and lot from which sugar loaded	Relevant excise gate pass No. and Date

(7)	(8)	(9)	(10)	(11)	(12)
Name and address of the consignee to whom sugar booked	Designation Station	Season of production of sugar	Grade marked/ declared by the factory	Government Release Order No. and date against which sugar despatched	Remarks

III. Impression of the seals used for sealing the sample:

(a) Producer/Recognised dealer or his representative.

(b) Official seal of the officer taking the sample.

To
The Chief Director,
Dtc. of Sugar & Vanaspati,
Ministry of Food, Agriculture, Community Development & Cooperation,
(Department of Food), Jannagar House, New Delhi-11.

NOTE: 1. All the bags in a single consignment declared to contain sugar of one grade shall constitute a lot. If a consignment is declared to consist of different grades, the bags of each grade shall constitute separate lot.

2. One form should be used to cover the sugar bags loaded in one wagon, truck etc.