

**ORDER**

S.O. Dated:- 2<sup>nd</sup> April, 1986.

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 Cotton Control Order, 1986.
2. It extends to the whole of India.
3. It shall come into force on the date of its publication in the official Gazette.

**Repeal & Saving:-**

2. The Cotton Control Order 1955 is hereby repealed:

Provided that any order made, notification issued, licence granted, right accrued, penalty incurred, or anything done or deemed to have been done under the said Order or any corresponding Order in force shall be deemed to have been made, issued, granted, accrued, incurred or done under the corresponding provisions of this Order.

1. In this order, unless the context otherwise requires:-

**Definitions:-**

a. "Contract" means a ready delivery contract;

b. "Cotton" means:-

1. ginned cotton; and
2. ginned and pressed cotton, and includes both Indian and foreign cotton, but excludes all the wastes comprising either 100% cotton or a mixture of cotton and non-cotton fibres thrown out during various processes in the spinning of cotton;

Cotton, ginning, factory" means any place where cotton is ginned or where cotton fibre is separated from cotton seed by any process whatever, involving the use of steam, water or other mechanical power or of electrical power;

- a. "Cotton pressing factory" means any place where loose cotton is pressed into bales by the use of steam, water or other mechanical power or of electrical power;
- b. "Cotton gaining and pressing factory" means any place where both cotton ginning and cotton pressing processes as defined in sub-clauses (c) and (d) are carried out;
- c. "manufacturer" means a manufacturer of yarn;
- d. "person" includes:-
  - i. a Hindu undivided family,
  - ii. a company,
  - iii. a firm,
  - iv. an association of persons or a body of individuals whether incorporated or not;  
and
  - v. every artificial juridical person, not falling within any of the proceeding items.
- a. "power" means electrical energy or any other form of energy which is mechanically transmitted and is not generated by human or animal agency;

- b. "ready delivery contract" means a contract which provides for the delivery of goods and the payment or a price therefore either immediately or within seven days after the date of contract, the period under such contract not being capable of extension by the mutual consent of the parties thereto or otherwise;
- c. an article shall be deemed to be in the possession of a person when it is held on behalf of that person by another person or when held by that person on behalf of another person;
- d. the expressions "yarn" and "Textile Commissioner" shall have the same meaning as they have in the Textiles (Control) Order, 1986.

#### **CONTROL ON STOCKS:-**

4. (1) The Textile Commissioner may specify the maximum quantity of cotton, which a manufacturer may have in his possession at any time;

Provided that where a manufacturer has already entered into any contract for the purchase of cotton in excess of the maximum quantity specified, he shall either cancel such contracts or sell and deliver the excess quantity to a person nominated by the Textile Commissioner on such conditions as may be specified.

1. In exercising the powers under sub-clause (1), the Textile Commissioner shall have regard to the following matters, namely:-
  - a. the consumption of cotton by the manufacturer for manufacturing yarn;
  - b. the capacity of the manufacturer to manufacture yarn; and
  - c. the need for promoting export of cotton textiles.

#### **PACKING:-**

5. Every owner of lessees of a cotton ginning factory or cotton pressing factory or cotton ginning and pressing factory shall pack cotton only in standard bales containing 170 kgs. of cotton with a tolerance of 5 kgs on either side;

Provided that the Textile Commissioner may, if he is satisfied about the inability of any such owner or lessees to comply with the above direction, permit such owner or lessees to pack cotton in bales containing such quantity as may be specified by him.

**POWER TO CALL FOR INFORMATION AND POWER TO INSPECT SEARCH & SEIZE.**

6. (1) The Textile Commissioner may with a view to securing compliance with this order-
- a. require any manufacturer to give any information with respect to quantities and varieties of cotton held in his possession.
  - b. Inspect or cause to be inspected any book or other document belonging to the manufacturer;
  - c. Enter and search or authorise any person to enter and search any premises and seize or authorised any person to seize any article in respect of which he has reason to believe that a contravention of this order has been committed and any other article in the premises which he has reason to believe has been or is intended to be used in connection with such contravention.
1. Every person who is required to give any information under sub-clause (1) shall comply with such requisition.

**DELEGATION OF POWERS:-**

7. The Textile Commissioner, with the previous sanction of the Central Government, may by general or special order in writing, authorise any officer to exercise on his behalf all or any of his functions and powers under this order.

**APPEAL:-**

1. Any person aggrieved by an order of the Textile Commissioner made under this order, may prefer an appeal to the Central Government within thirty days of the date of communication to him of such order and the decision of the Central Government thereon shall be final;

Provided that the Central Government may entertain an appeal after

the expiry of said period of thirty days if the appellant satisfies the Central Government that he has sufficient cause for not preferring the appeal within the specified time.

Sd/-

(C.D.Cheema)

Joint Secretary to the Govt. of India.

**ORDER**

Ordered that the Cotton Control Order, 1986 may be published in the Gazette of India for general information.

Ordered also that the copies of the Cotton Control Order, 1986 may be communicated to all concerned.

Sd/-

(C.D.Cheema)

Joint Secretary to the Govt. of India.