

## 8.

# **The Maharashtra Sugar Factories (Reservation of Areas And Regulation of Crushing And Sugarcane Supply) Order, 1984.**

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## 8.

**The Maharashtra Sugar Factories (Reservation of Areas And Regulation of Crushing And Sugarcane Supply) Order, 1984.**

(G. O., A. & CD., No. CSK. 1084 (48)/13-C, dated'12th September 1984,  
Published in Gazette on 27-9-1984(M. G. Pt. IV-A, Bottom p. 1)

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Whereas the Government of Maharashtra had in the year 1980, appointed a Committee of Experts for making recommendations for formation of zones for drawal of sugarcane by the sugar Factories in the State ;

And whereas the State Government has received the recommendations of the said Expert Committee ;

And whereas the Government of India has granted Letters of Intent for establishment of new sugar factories and has stipulated therein that the conversion of me Letters of Intent into Industrial Licences shall, *inter alia*, depend on the State Government notifying the zones for drawal of sugarcane by the new factories;

And whereas it is apprehended that in the event of non-availability of sugarcane; to meet the requirements of the sugar factories in the State, the economic viability of large number of sugar factories is likely to be adversely affected, resulting in serious financial crisis and socio-economic problems, among others, such as-

- (i) The factories may incur heavy losses ;
- (ii) The factories may not pay the minimum statutory prices for the sugarcane;
- (iii) The sugarcane grower may suffer serious economic consequences;
- (iv) The employees of the factories may not get their salaries and wages;
- (v) The factories may not discharge their liabilities towards various financial institutions and other creditors ;
- (vi) The factories may not discharge their tax liabilities towards Government;
- (vii) The Seasonal employment of large section of population in rural areas-may be adversely affected;

- (viii) A large section of population and institutions directly or indirectly dependent on the factories will suffer from serious economic consequences ;

And Whereas the Government of Maharashtra is of the opinion that for avoiding the aforesaid apprehended financial crisis and socio-economic problems and also for fulfilling the condition stipulated by the Government of India for converting letters of Intent of new sugar factories, it has become expedient, in the public interest, to make an Order for the purposes mentioned herein below, namely :—

- (a) reserving areas for drawal of sugarcane for each factory in the State having regard to the crushing capacity of each of the factories, the availability of sugarcane in the reserved areas and the need for production of sugar enabling each of the factories to purchase the quantity of sugarcane required by it ;
- (b) manufacturing sugar from sugarcane only in accordance with the conditions specified in the licences issued in that behalf;
- (c) prohibiting or restricting or otherwise regulating the export of sugarcane from any reserved area except under and in accordance with a permit issued in that behalf, and
- (d) empowering the Director of Sugar, Pune, to call for information for securing compliance with the provisions of Order or to satisfy himself that the Order is complied with ;

Now, therefore, in exercise of the powers conferred by paragraphs (a), (c) and (f) of sub-clause (l) of clause 6 and sub-clause (a) of clause 9 of the Sugarcane (Control) Order 1966, read with the notification of the Government of India Ministry of Food, Agriculture, Community-Development and Co-operation (Department of Food) No, GSR-1127/BSS. COM/Sugarcane, dated the 16th July 1966, and of all other powers enabling it in this behalf, the Government of Maharashtra makes the following Order, namely :-

# **1. Short title, extent, commencement and duration.**

- (a) This Order may be called the Maharashtra Sugar Factories (Reservation of Areas and Regulation of Crushing and Sugarcane Supply) Order, 1984.
- (b) It extends to the areas specified in the Schedule.
- (c) It shall come into force from the date of its publication in the *Official Gazette*.

## 2. Definitions.

In this Order, unless the context otherwise requires,-

<sup>1</sup>[(1-a) **"Allotment order"** means an order for allotment of cane from the area outside the reserved area issued by the Commissioner of Sugar;]

(a) **"Cane"** means sugarcane of all varieties used or intended to be used in sugar factories ;

(b) **"Cane Grower"** means a person, who cultivates land for growing cane either as owner or as a tenant including a body corporate such as a company registered under the Companies Act, 1955 (1 of 1956), a society registered under the Maharashtra Co-operative Societies Act, 1960 (Man. XXIV of 1961), any body corporate, set up under any law for the time being in force, including an organisation owned or controlled by the Government of any State or Government of India;

<sup>1</sup>[(bb) **"Commissioner"** means an officer appointed by the Government to be the commissioner of Sugar for the State of Maharashtra;]

(c) **"Crushing Season"** means the period so determined by the <sup>2</sup>[Commissioner of Sugar];

(d) **"Director"** means the officer appointed by the State Government to be the Director of Sugar for the State of Maharashtra ;

(e) **"Export"** means to take or cause to be taken by any means whatsoever sugarcane from any reserved area to any place outside that reserved area ;

(f) **"Form"** means a form appended to this Order ;

(g) **"Government"**, means the Government of Maharashtra ;

(h) **"Licence"** means Licence for crushing of sugarcane by sugar factory granted under this order;

(i) **"Licensing Authority"** means the <sup>2</sup>[Commissioner of Sugar] Maharashtra State, Pune ;

(j) **"Occupier"** in relation to a sugar factory means the person, including a company, firm, co-operative society or other

association of individuals, who, or the authority, which owns or has the ultimate control over the affairs of such factory or unit ;

- (k) **“Permit Officer”** means <sup>3</sup>[the Commissioner of Sugar or] any officer authorised by the <sup>2</sup>[Commissioner of Sugar] to issue export permit under this order to export sugarcane from the reserved area ;
- (l) **“Reserved Area”** means the area reserved for a factory as specified in the schedule pertaining to that factory ;
- (m) **“Schedule”** means a schedule appended to this order and shall include foot-notes appearing thereunder, which shall also form part of the Schedule ;
- (n) **“Sugar”** means any form of sugar which is produced by vaccum pan process from sugarcane and includes sugar in process;
- (o) Words and expressions used but not defined in this Order shall have the meanings respectively assigned to them in the Essential Commodities Act, 1955, and the Sugarcane (Control) Order, 1966.

1. Inserted by Notification No. CSL. 1791/CR-18/25-C dated 23.11.1993.
2. Substituted for the words “Director of Sugar”, *ibid*.
3. Inserted by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.

### 3. Reservation of areas.

- (1) <sup>1</sup>[Subject to the provisions of clause 6 and having regard to] the crushing capacity of sugar factories and, the yield of sugarcane in the reserved areas, and the need for production of sugar, the area as specified in <sup>2</sup>[Part I] of the schedules is hereby reserved for the factory mentioned in that schedule, with a view to enabling it to purchase the quantity of sugarcane required by it.

<sup>2</sup>[(1A) The area specified in each of the schedules and reserved for the factory mentioned in that Schedule in accordance with sub-clause (1) of this clause shall be reviewed by the State Government after every three years.]

- (2) Subject to the provisions of clauses 4 and 5 of this order, no sugar factory shall purchase cane or accept supplies of cane from growers, except from the area reserved for that factory :

<sup>3</sup>[Provided that in case of a Co-operative Sugar Factory, the cane grower who are not members of the co-operative society, shall be free supply their cane to any factory of their choice :

Provided further that a member of a Co-operative Sugar Factory shall be bound to supply sugar cane to that Co-operative Sugar Factory in the ratio of shares held by him and area under sugar cane as per the bye-laws of the Co-operative Sugar Factory and he will be free to supply excess cane, if any, to any factory of his choice by entering into agreement or contract to that effect:

Provided also that the non-member cane growers in case of a Co-operative Sugar Factory and cane growers in case of other Sugar Factories shall be free to supply their cane to any factory of their choice by entering into agreement or contract to that effect. Same provision will apply to excess sugar cane or the member of Co-operative Sugar Factories:

Provided also that if any cane grower fails to enter into such agreement for supply of his sugar cane, responsibility to disposal of sugar cane shall be entirely his own. There shall be no responsibility on any sugar factory, Co-operative or otherwise or on the State Government for crushing of any such cane.]

1. Substituted for the words "Having regard to" by Notification No. CSK - 1787/114319/CR-144/13-C dated 14-01-1988.
2. Inserted by Notification No. CSK - 1087/54523/(35)/13-C, dated 24-02-1987.
3. Provisos inserted by Notification No. Misc.1195/CR-286/25-C dated 30.4.1997.

#### **4. Grant of Licence for crushing cane.**

- (1) No sugar factory shall manufacture sugar from sugarcane, except under and in accordance with the terms and conditions specified in the Licence issued in this behalf by the Licensing Authority. <sup>5</sup>[In the event of manufacturing sugar from sugarcane without obtaining the Licence, a penalty of Rs. 1000 (Rupees one thousand only) per day shall be charged.]

- (2) A Separate licence shall be necessary for each crushing season.
- (3) Every application for a licence for crushing cane under sub clause (1) above to be made to the Licensing Authority by the 30th September of each year, in form 'A'. <sup>5</sup>[In case of the failure to make application within time limit, a penalty of Rs. 100 (Rupees one hundred only) per day till the date of receipts of application shall be charged.]

<sup>1</sup>[(3A) No application for a licence for crushing cane received after the 30th September of each year shall be granted by the licensing authority unless the licensing authority is satisfied that there was sufficient reason for not submitting the application for a licence before the 30th September].

<sup>3</sup>[(4) Every factory applying for licence for crushing cane shall pay to the Licensing Authority as a security for performance of the terms and conditions of the licence and pay to him application fee on the basis of its crushing capacity, as indicated below :—

| S No. | Crushing Capacity                                        | Security fees amount |             |
|-------|----------------------------------------------------------|----------------------|-------------|
|       |                                                          | Per Crushing         | Season      |
| 1.    | 2.                                                       | 3.                   | 4.          |
| 1.    | Upto 1250 Tonnes capacity per day.                       | Rs. 2,00,000         | Rs. 10,000  |
| 2.    | More than 1250 Tonnes upto 2500 tonnes capacity per day. | Rs. 4,00,000         | Rs. 15,000  |
| 3.    | More than 2500 Tonnes upto 3500 tonnes capacity per day. | Rs. 5,00,000         | Rs. 20,000  |
| 4.    | More than 3500 Tonnes upto 4500 tonnes capacity per day. | Rs. 7,50,000         | Rs. 25,000  |
| 5.    | More than 4500 Tonnes capacity per day.                  | Rs. 10,00,000        | Rs. 30,000] |

- (5) The Licensing Authority shall grant the licence applied for in Form B or for reasons to be communicated in writing, refuse to grant it, provided that, no Licence shall be refused unless the applicant has been given an opportunity to show cause against such refusal.
- (6) A Licence granted under sub clause (5) above shall be subject to such conditions as the Licensing Authority may impose at the time of its grant in respect of all or any of the following matters, namely :-
- (i) A minimum quantity of sugarcane that shall be crushed during the crushing season ;
  - (ii) The maximum quantity of sugarcane that can be crushed during the crushing season ;
  - (iii) The period during which the Licence shall remain valid ;
  - (iv) The date of starting of crushing by the factory as also the date of closure by the factory ;
  - (v) The areas from which the factory shall draw cane for crushing ;
  - (vi) Any other matter which the Licensing Authority may deem fit.

<sup>2</sup>[(6A) The Licensing Authority shall, while issuing the licence referred to in sub-clause (1) of this clause, allow a sugar factory to manufacture sugar from the sugarcane to be purchased by it from non-members which is grown in the area reserved for it, which is overlapping or common with other factories, if such factory has entered into contracts for purchase of cane from such growers and such sugarcane does not exceed the requirements of the factory based on its licensed crushing capacity during any crushing season.

**Explanation-** For the purpose of this sub-clause, "a non-member" means a person who is not a member of the Co-operative Sugar Factory or who was admitted as such member before the date of commencement of this

Order despite restrictions regarding enrolment of members laid down in the Schedules.]

- (7) (a) Where the Licensing Authority is satisfied in respect of any licence granted under sub-clause (5) above that there has been a breach of any of the conditions, subject to which the Licence was given or that the Licence has been obtained by Fraud or misrepresentation of material particulars, it may suspend or cancel the licence <sup>5</sup>[or impose penalty of forfeiture in full or part of Security Deposit deposited under sub-clause (4)] for the reasons to be recorded in writing provided that the licensee shall be given an opportunity to show cause against the proposed suspension or cancellation of the Licence.
- (b) As soon as the order suspending or cancelling the licence is made, a copy thereof shall be served on the factory holding the licence.
- (c) Where a licence is suspended or cancelled under para; (a) of sub-clause (7) the licence or any other person shall not be entitled to any compensation from the Government or any officer of the Government on the ground of any loss or damage arising from such suspension or cancellation or to the refund of any fee paid to the Government in respect of such licence.
- (d) If a licence granted under this order is defaced, lost or destroyed the Licensing Authority may issue duplicate licence thereof on an application accompanied by a satisfactory proof of payment into the Treasury of Rs. 100.

<sup>4</sup>[(8) The amount of security deposit shall be refundable by the Licensing Authority : -

- (a) as soon as the application for licence is refused; or
- (b) if the licence is issued, after crushing season is over and on satisfaction that the terms and conditions of licence are complied by the factory.

- (9) If the licence is cancelled under sub-clause (7) for the contravention of terms and conditions of the licence, the Licensing Authority may, after giving the factory concerned an opportunity if being heard, by order in writing forfeit the whole or any part of the security amount deposited by the factory.]

1. Inserted by Notification No. CSK – 1787/114319/CR-144/13-C dated 14-01-1988.
2. Inserted by Notification No. CSK – 1087/54523/(35)/13-C, dated 24-02-1987.
3. Substituted by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.
4. Inserted by Notification No. SSK. 1792/CR-274/25-C dated 30.10.1992.
5. Portion inserted by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.

## 5. Regulation of Supply of Sugarcane.

- (1) <sup>1</sup>[On application of a cane grower or a sugar factory, a permit officer] may allow a sugar factory to purchase cane or to accept supplies of cane from cane growers from areas other than the area reserved for it under clause 3 <sup>2</sup>[and specified in Part II of the schedules] if he is satisfied that any of the following circumstances exist namely :-
- (a) In the event of production of cane in the area reserved for the factory being not adequate for enabling it to reach optimum level of crushing ;
  - (b) In the event of surplus production of cane in the areas reserved for other factories which those factories are not able to crush during the crushing season.
  - (c) In the event of stoppage of nearby sugar factory due to mechanical break down, labour unrest, lock-out or any other reason.
  - (d) In the event of cane grower or cane growers from the area reserved for a particular factory declining to supply cane to the said factory on account of any of the following reasons, if found justified by the Permit Officer :-
    - (i) Non-payment or late payment of cane price by the sugar factory ; or

- (ii) Non-fulfilment of any of the obligations by the sugar factory arising out of agreement between the cane grower or cane growers and the sugar factory; or
- (iii) Discrimination by the sugar factory in harvesting of cane and thereby causing loss to the cane grower or the cane growers ;

Provided that before passing any order under this sub clause, for any of the above reasons, the Permit Officer shall give the parties concerned a reasonable opportunity of being heard in person or through the authorised representative.

<sup>3</sup>[(2) The Licensing Authority shall issue allotment Order in Form-D.]

1. Substituted for "A permit Officer" by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.
2. Inserted by Notification No. CSK - 1787/114319/CR-144/13-C dated 14-01-1988.
3. Inserted by Notification No. CSL. 1791/CR-18/25-C dated 23.11.1993.

#### **6. Application for Export Permit, fees and security deposit.**

- (a) (i) Any factory desiring to produce sugar from sugarcane by obtaining an export Permit may make an application for that purpose to the Permit Officer in Form A-I:

<sup>1</sup>[Provided that an application filed by a cane grower shall be accompanied by an application in Form -A-1 from the factory agreeing to receive his cane.]

- (ii) Every factory applying for Export Permit shall pay to the Permit Officer an application fee of <sup>2</sup>[rupees five thousands] and deposit with him rupees ten thousand along with such application as security for the performance of the terms and conditions of the- Export Permit.

<sup>3</sup>[(iii) An application for Export Permit shall be decided by the Permit Officer within a period of fifteen days from the date on which it is presented to him.]

1. Proviso inserted by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.

2. Substituted for the words "rupees one thousand" by Notification No. SSK. 1790/CR-41/25-C, dated 10.10.1991.
3. Inserted by Notification No. CSK - 1087/54523/(35)/13-C, dated 24-02-1987.

## 7. Issue of Export Permit.

- <sup>1</sup>[(1) The Permit Officer shall issue and Export Permit to the applicant factory in Form B-I <sup>2</sup>[after receiving the allotment order from the Licensing Authority].
- (2) The Export Permit issued under clause 7 will come in force after an interval of three clear working days excluding the day on which the copy of the Export Permit is served on the affected party.]

1. Cl. 7 renumbered as sub-clause (1) of that clause and Cl. (2) added by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.
2. Portion inserted by Notification No. CSL. 1791/CR-18/25-C dated 25.11.1993.

## 8. Power to refuse Export Permit.

The Permit, after giving the applicant an opportunity of being heard and for reasons to be recorded in writing refuse to issue Export Permit.  
<sup>+</sup>[The order of refusing the Export permit shall be a speaking order.]

- + Portion inserted by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.

## 9. Return of Security Deposit.

The amount of security deposit shall be returnable by the Permit Officer :-

- (a) as,soon as the application to issue Export Permit is refused; or
- (b) if Export Permit is issued, on surrender of such Export Permit, after the crushing season of the factory is over and on satisfaction that the terms and conditions of Export Permit are complied with by the factory.

## 10. Revocation of Permit.

- (1) The Permit Officer may, after giving the factory holding a Permit an opportunity of being heard, at any time, revoke the Permit issued under clause 7 for any of the following reasons, namely :-

- (a) that the Permit has been obtained by the Permit holder by fraud or mis-representation of material particulars.
  - (b) that any of the provisions of this order or any term or condition of Permit has been contravened by the Permit holders.
- (2) As soon as the order revoking the Permit is made, a copy thereof shall be served on the permit holder.
  - (3) On receipt of the copy of such revocation order, the permit holder shall, surrender the permit to the Permit Officer forthwith.

#### **11. Forfeiture of Security Deposit.**

If the Export Permit is revoked under, clause 10, or the- Permit Officer is satisfied that the factory holding the Permit has contravened any of the terms and conditions of the Export Permit, he may after giving the factory concerned a reasonable opportunity to make representation, by order in writing forfeit the whole or any part of the security amount deposited, by the factory and send a copy of the said order to the permit holder :

Provided that, where revocation of the Permit is duly ordered by the Permit Officer the order of revocation shall also be accompanied by an order forfeiting the deposit.

#### **12. Appeal.**

- (1) Any person aggrieved by any order of the Licensing Authority including any order refusing to issue or revoking the Licence under the provisions of this Order may, within thirty days from the date of such order, appeal to the State Government against such Order, whose decision shall be final.
- (2) Any person aggrieved by any order of the Permit Officer, including any order refusing to issue or revoking the permit or forfeiting the security deposit under the provisions of this Order, may within thirty days from the date of such order appeal to the <sup>3</sup>[Commissioner of Sugar], whose decision shall be final:

<sup>1</sup>[Provided that if any such order is passed by the Commissioner of Sugar, the appeal shall lie with the State Government.]

<sup>2</sup>[(2A) The appeal referred to in sub-clause (2) shall be disposed of by the <sup>3</sup>[Commissioner of Sugar] within a period of ten days.]

(3) No order shall be made under this clause unless the aggrieved person has been given a reasonable opportunity of stating its or his case.

(4) Pending the disposal of the appeal the State Government or the <sup>3</sup>[Commissioner of Sugar] as the case may be, may direct that the impugned order shall not take effect until the appeal is disposed of.

<sup>2</sup>[(5) If the appeal referred to in sub-clause (2) is referred within a period of three working days from the date of issue of Export Permit, the <sup>3</sup>[Commissioner of Sugar] shall direct that the order appealed against shall not take effect until the appeal is disposed of.

1. Inserted by Notification No. SSK. 1794/CR-166 (Part-2)/25-C dated 11.10.1996.
2. Inserted by Notification No. CSK – 1087/54523/(35)/13-C, dated 24-02-1987.
3. Substituted for the words “Director of Sugar” by Notification No. CSL. 1791/CR-18/25-C dated 23.11.1993.

<sup>+</sup>[12A. Revision.

- (1) The State Government or the Director of Sugar, may *suo motu* at any time or on an application by an aggrieved person made within 30 days from the date of any order against which an appeal does not lie under clause 12 of this order or an order against which an appeal lies but has not been filed under the said clause 12, call for and examine the record of any proceedings of any matter, where any decision has been taken or order has been passed by any subordinate officer for the purpose of satisfying itself or himself, as the case may be, as to the legality or propriety of any such decision or order and as to the regularity or such proceedings. If, in any such case or proceedings, it appears to the State Government or the Director of Sugar that any decision or order so called for revision should be modified, annulled or reversed, the State Government or the Director of

Sugar as the case may be, may, after giving the person affected thereby an opportunity of being heard, pass such order thereon as it or he may deem just and proper.

- (2) The power of revision under this clause shall be exercised by the State Government, if the decision has been taken or order is passed by the Director of Sugar and by the Director of Sugar, if it is taken or passed by any other subordinate officer,
- (3) The Revisional authority may entertain any application made after the period of 30 days, if the applicant satisfies it that he had sufficient cause for not making the application within such period.
- (4) The State Government may, by general or special order, direct that the powers conferred on it by this clause shall, in such circumstances and under such conditions, if any, as may be specified in the order, be exercised also by an officer of the rank of Secretary to Government. ]

+ Inserted by Notification No. CSK- 1087/1019/(57)/13-C, dated 15-12-1987.

**13. Power of the <sup>1</sup>[Commissioner of Sugar] in respect of entry, search, seizure, etc.**

- (1) The <sup>2</sup>[Commissioner of Sugar] or any officer authorised by him, in this behalf, with a view to securing compliance of the provisions of this Order, with such assistance as he may think fit-
  - (a) require the grower, occupier or any other person in charge of any place or premises, in which he has reasons to believe that any contravention of the provisions of this Order or the conditions of any licence or permit issued thereunder has been, is being or is about to be committed, to produce any books, accounts or other document showing transaction relating to such contravention and to give any information in his possession in respect of any process connected with the manufacture of the sugar.
  - (b) require a licensee or permit holder to maintain, furnish or produce such record, data or information as may be necessary from time to time.

- (c) enter, inspect or break open and search any place, premises or vehicles and seize any article in respect of which he has reason to believe that any contravention of the provisions of this order or of the conditions of any licence or permit issued thereunder has been, is being or is about to be committed.
  - (d) inspect any book or document and any stock of sugarcane belonging to under the control of any person in respect of which he has reason to believe that a contravention on any provisions of this order has taken place or is likely to take place and may take such book or document into his possession for examination or scrutiny;
  - (e) search, seize, remove and take into custody stocks of sugarcane or sugar used or manufactured and any implement used in connection with the manufacture of sugar or sugarcane intended for conversion into sugar in respect of which breach of any provisions of this order or conditions of the licence or permit has been committed or is apprehended and thereafter takes or authorises the taking of all measures necessary for securing the production of the said stocks so seized in a court and for their safe custody pending such production;;
  - (f) take or cause to be taken extract from or copies of documents or record which is produced before him;
  - (g) put a seal on such vital or running part of any implement, used or likely to be used in any process connected with manufacture or production of sugar without obtaining a licence under clause 4(1) of this order or where necessary, a permit under clause 6 of this order, or after the licence given under clause 4(1) of this order was suspended or cancelled under clause 4(7) (a) thereof, as may prevent its use of incapacitate the same without removal of the seal.
- (2) Every officer shall, as soon as he has sealed the implement as aforesaid, prepare on the spot a statement in Form-C in quadruplicate. The first copy whereof shall be sent to the State Government, the second to the Licensing Authority and the third shall be handed over to the manufacturer, after obtaining

his signature on the last copy. The copies shall be sent to the authorities concerned on the day of sealing itself.

(3) The provisions of sections 100, 102 and 103 of the Code of Criminal Procedure, 1973 (2 of 1974), relating to search and seizure shall as far as may be, apply to searches and seizures under this clause.

1. Substituted for the words "Director of Sugar" by Notification No. CSL. 1791/CR-18/25-C dated 23.11.1993.
2. Substituted for the word "Director", *ibid*.

**<sup>+</sup>[14. Penalty.**

Any person who contravenes any of the provisions of this Order or of the terms and conditions of a licence, permission or permit granted under this Order shall be punishable under section 7 of the Essential Commodities Act, 1955.]

+ Inserted by Notification No. CSK - 1787/114319/CR-144/13-C dated 14-01-1988.

**<sup>+</sup>[15. Membership to the Maharashtra State Farming Corporation.**

In addition to the Sugar Factories mentioned in the Schedules 1 to 138 for their farms the Maharashtra State Farming Corporation (which is a Government undertaking) may apply to any other Co-operative Sugar factories for membership and become shareholder of one or more such factories.]

+ Inserted by Notification No. CSL. 1791/CR-18/25-C dated 23.11.1993.

**<sup>+</sup>[16. Delegation of certain powers of the Commissioner.**

The Commissioner may authorize the Director to exercise powers conferred on him order under sub-clause (5) of clause 4 and sub-clause (2) of clause 5 of this Order.]

+ Inserted by Notification No. CSL. 1791/CR-18/25-C dated 16.4.1994.

-----  
**{NB: - Schedule 1 To 138 not printed.}**  
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R.W.  
 SEC. 7  
 ECA

**FORM A***[See clause 4(3)]***Application form for grant of Crushing Licence**

1. Name and address of the applicant and relation ship to the undertaking.
2. Name and location of the Industrial undertaking.
3. Name and address of the Chairman/Board of Director/ Managing Director/Manager/Chief Engineer/Chief Chemist/ Chief Agricultural Officer of the Undertaking (in proforma in Appendix I).
- 3-A. Please enclose latest printed Annual Report of the Company/Karkhana.
4. No. and date of the licence issued by the Central Government under the Industrial (Development and Regulation) Act, 1951 with copies thereof.
5. Licensed crushing capacity in TCD
6. Installed crushing capacity in TCD
7. Copies of letter of competent authority and under applicable laws permitting operation of Installed capacities to be attached.
8. Detailed information of preceding crushing season—
  - (a) Date of start
  - (b) Date of closure
  - (c) Gross working days
  - (d) Net working days
  - (e) Quantity of cane crushed in M.T. (Details to be furnished as in Appendix II).
  - (f) Sugar recovery percentage obtained
9. Information about cane-price m arrears for preceding seasons (In proforma in Appendix III).
10. Information about the Purchase-Tax in arrears of preceding seasons (In proforma in Appendix IV).

11. Area in Hectares under sugarcane and quantity in M. T. propose to be crushed during the season (details to be furnished as in Appendix II)
12. Average yield per hectare.
13. Estimated sugar production in bags during the season.
14. Approximate date of starting the crushing season.
15. Monthly programme of crushing of cane
16. Probable date of closure of the Karkhana

+ [I enclose herewith the Demand Draft No. .... dated ..... drawn on the ..... for the amount of Rs. 1, 00, 000 towards the security deposit for due performance of the terms and conditions of the licence and Demand Draft No. .... dated ..... drawn on the ..... for the amount of Rs. .... towards Application Fee.]

I declare that the above information is true and factually correct and I agree to abide by the terms and conditions that may be incorporated in the licence and the provisions of Maharashtra Sugar Factories (Reservation of areas and Regulation of crushing and sugarcane supply) Order, 1984. I also understand that the licence if issued, will be subject to the fulfilment of the terms and conditions incorporated therein and the provisions of the Order aforesaid and that any breach of infringement of the same shall be punishable under the Essential Commodities Act, 1955, besides suspension or cancellation of the licence under the aforesaid order.

Signature of the Applicant with  
designation and Stamp—

+ Portion substituted by Notification No. SSK. 1792/CR-274/25-C dated 30.10.1992.

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**Appendix I***Accompaniment to the Application for grant of crushing Licence*

(Please vide Sr. No. 3 of the Application Form)

| Serial No. | Name in full | Designation/<br>post held | Address | Residential Address | Phone No. |
|------------|--------------|---------------------------|---------|---------------------|-----------|
| 1          | 2            | 3                         | 4       | 5                   | 6         |
|            |              |                           |         |                     |           |

**Appendix II***Accompaniment to the Application for grant of crushing licence*

(Please vide Sr. No.8 and 11 of Application Form)

Part (i) Information in respect of area under cane in the Reserved Area:

| Taluka | Name of village | Name of<br>Agriculturist | Survey No. |
|--------|-----------------|--------------------------|------------|
| 1      | 2               | 3                        | 4          |
|        |                 |                          |            |

| Area in Hectares                               |                 |               |       | Tonnage (M.T.)                                 |                 |               |       |
|------------------------------------------------|-----------------|---------------|-------|------------------------------------------------|-----------------|---------------|-------|
| Members' cane as on 30 <sup>th</sup> June 1981 | Contracted cane | Other, if any | Total | Members' cane as on 30 <sup>th</sup> June 1981 | Contracted cane | Other, if any | Total |
| 5                                              | 6               | 7             | 8     | 9                                              | 10              | 11            | 12    |
|                                                |                 |               |       |                                                |                 |               |       |

**Appendix II (Part ii)**

Information in respect of cane from outside the Reserved Area

| Taluka | Name of village | Distance from the Karkhana | Name of agriculturist | Survey No. | Area under cane available for harvesting (in Hectares) | Quantity (in M.T.) |
|--------|-----------------|----------------------------|-----------------------|------------|--------------------------------------------------------|--------------------|
| 1      | 2               | 3                          | 4                     | 5          | 6                                                      | 7                  |
|        |                 |                            |                       |            |                                                        |                    |

**Appendix III***Accompaniment to the Application for grant of crushing license*

(Please vide Sr. No.9 of the Application Form)

| Season | Cane crushed | Rate of cane price/ Advance paid/ fixed | Amount of cane price payable |
|--------|--------------|-----------------------------------------|------------------------------|
| 1      | 2            | 3                                       | 4                            |
|        |              |                                         |                              |

| Amount paid | Amount in arrears | Reason for the same, if any | Remarks (give details in regard to the arrears of cane price of State Farming Corporation/ Members/ Non-members separately). |
|-------------|-------------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 5           | 6                 | 7                           | 8                                                                                                                            |
|             |                   |                             |                                                                                                                              |

(8) Name and detailed address of the Banker/Bankers which has provided working capital loan.

(C) Sugar in bags in stock on the date of application.

(D) Its value according to the market rate.

(E) Amount of working capital loan of the Bank outstanding as on the date of application.

**Appendix II (Part ii)**

Information in respect of cane from outside the Reserved Area

| Taluka | Name of village | Distance from the Karkhana | Name of agriculturist | Survey No. | Area under cane available for harvesting (in Hectares) | Quantity (in M.T.) |
|--------|-----------------|----------------------------|-----------------------|------------|--------------------------------------------------------|--------------------|
| 1      | 2               | 3                          | 4                     | 5          | 6                                                      | 7                  |
|        |                 |                            |                       |            |                                                        |                    |

**Appendix III***Accompaniment to the Application for grant of crushing license*

(Please vide Sr. No.9 of the Application Form)

| Season | Cane crushed | Rate of cane price/ Advance paid/ fixed | Amount of cane price payable |
|--------|--------------|-----------------------------------------|------------------------------|
| 1      | 2            | 3                                       | 4                            |
|        |              |                                         |                              |

| Amount paid | Amount in arrears | Reason for the same, if any | Remarks (give details in regard to the arrears of cane price of State Farming Corporation/ Members/ Non-members separately). |
|-------------|-------------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 5           | 6                 | 7                           | 8                                                                                                                            |
|             |                   |                             |                                                                                                                              |

(8) Name and detailed address of the Banker/Bankers which has provided working capital loan.

(C) Sugar in bags in stock on the date of application.

(D) Its value according to the market rate.

(E) Amount of working capital loan of the Bank outstanding as on the date of application.

### Appendix IV

*Accompaniment to the Application for grant of crushing licence*

(Please vide Sr. No. 10 of Application Form)

Information of arrears of purchase-tax, interest thereon and penalty (give yearwise figures) for the preceding seasons.

- (a) Purchase Tax
- (b) Interest
- (c) Penalty
- (d) Concession, if any, available (Quote number and date of Government Resolution giving concession)

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### Form A-I

(See clause 6(a) (i))

### Application by sugar factory for grant of Export permit for export of Sugarcane from the Scheduled Area

To

The Permit Officer,

We, M/s. .... hereby apply for Export Permit for export of sugarcane as per the details mentioned below and for that purpose hereby furnish all the relevant information as follows :-

- (1) Name and address of the Applicant
- (2) Name and location of the sugar factory
- (3) Name and address of the chairman/Board of Directors/Administrator/ Board of Administrator/ Custodian/Chief Engineer/Chief Chemist and Chief Agricultural Officer of the sugar factory in the following form :-

| Sr. No. | Name in full | Designation of the post held | Postal Address | Residential address | Phone Nos. |
|---------|--------------|------------------------------|----------------|---------------------|------------|
| 1       |              |                              |                |                     |            |

|   |  |  |  |  |  |
|---|--|--|--|--|--|
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |
| 4 |  |  |  |  |  |
| 5 |  |  |  |  |  |

- (4) Licensed capacity of the factory in tonnes.
- (5) Installed capacity of the factory in tonnes.
- (6) Average crushing rate for 22 hours achieved during immediately preceding five crushing seasons.
- (7) Details of quantity of sugarcane to be crushed during ensuing crushing season.
- (8) Full details of quantity of sugarcane to be exported in the following proforma :-

|    | Name of the district/taluka from where sugarcane is to be exported | Name of villages/in the district/taluka from where sugarcane is to be exported | Quantity of cane to be exported from each village | Distance of the factory from each of the village from where cane is to be exported |
|----|--------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------|
|    | 1                                                                  | 2                                                                              | 3                                                 | 4                                                                                  |
| 1. |                                                                    |                                                                                |                                                   |                                                                                    |
| 2. |                                                                    |                                                                                |                                                   |                                                                                    |
| 3. |                                                                    |                                                                                |                                                   |                                                                                    |
| 4. |                                                                    |                                                                                |                                                   |                                                                                    |

2. We enclose herewith the Demand Draft No. .... dated ..... drawn on the ..... drawn on the ..... for an amount of Rs. 1,000 towards the Application Fee and Demand Draft No. .... dated ..... drawn on the ..... for an amount of Rs. 10,000

towards the security deposit for due performance of the terms and conditions of the Export Permit.

3. The above information is true and factually correct. We therefore request that the Export Permit may be issued in our favour on the basis of the foregoing information.

Place :

Date :

Signature of the Applicant with  
designation and stamp.

-----

### Form B

(See clause 4 (5))

### Licence for Crushing Cane

In exercise of the powers vested in me by the Maharashtra Sugar Factories (Reservation of areas and Regulation of Crushing and Sugarcane Supply) Order, 1984 I, ..... Director of Sugar, M.S., Pune hereby grant this crushing licence to Messrs ..... holding industrial licence No. .... dated ..... under the Industries (Development and Regulation) Act, for the manufacture of sugar by crushing sugarcane on the following terms and conditions :-

- (1) This licence shall, unless cancelled, remain in force for ..... days from the date of start of crushing unless further extension beyond ..... days is granted. The date of commencement of crushing season should be communicated by telegram to the Licensing Authority.
- (2) Licensee shall not crush cane except that indicated in Appendix-A appended hereto. The licensee shall also not crush cane without obtaining Export Permit, if so required.
- (3) The licensee shall strictly abide by the following conditions :-
  - (i) The licence is not transferable

- (ii) The licensee shall not carry out any extension, additions or alterations in the capacity covered under this Licence without the prior permission of the Licensing Authority.
  - (iii) The licensee shall crush the entire quantity of sugarcane, allotted to him by the Licensing Authority, unless prevented by reasonable cause, the burden of proving of which shall be upon him, in which case, he shall report the fact to the Licensing Authority without any delay.
  - (iv) The crushing should not be started before . . . . . (date) and it should not continue beyond . . . . . (date).
  - (v) The Licensee shall not crush more than . . . . . quantity of cane per day and/or more than . . . . . quantity of cane per week.
  - (vi) The Licensee shall give all facilities at all reasonable times to the Licensing Authority or any Officer authorized by him to inspect his accounts in connection with crushing of cane. The Licensee shall also be bound to produce on demand without prior notice, records, which he is required to maintain for inspection and examination.
  - (vii) The licensee shall not pay advance against final cane price higher than that fixed by the Director of Sugar.
  - (viii) It shall be the responsibility of the Licensee to ensure that harvesting of cane is done strictly according to the harvesting programme based on maturity of crop and that the concerned cane growers are informed well in advance.
- <sup>+</sup>[(viii)(a) The factory is prohibited from bringing cane from outside the State without approval of the Commissioner of Sugar or any officer authorized by him. This will not apply to the cane brought by the factories registered as the Multi-state Co-operative Societies under the Multi-state Co-operative Societies Act, 1984 for the cane of their member from their area of operation as approved by-laws.]
- (b) In the event of any factory bringing cane from outside the State, without prior permission of the Commissioner of Sugar or any officer authorized by

him, such factory shall be liable for a fine of Rs. 2450 (Rupees two hundred and fifty only) per metric tonne of such cane brought for crushing.]

- (ix) The details such as name of the cultivator, name of the village, survey No. of the land harvested and the area and quantity of cane harvested during the season, shall be maintained by the Licensee at all times and this information shall be available for inspection by the Licensing Authority and/or by any other officer authorized by the Licensing Authority.
- (x) Licensee shall make the payment of cane price/advance within 14 days from the date of receipt of the cane as per clause No.3 (A) of the Sugarcane (Control) order 1966 and such payment shall be made after deducting the recovery of Co-operative Dues and also of the Nationalised Bank by Account Payee Cheque only. The deductions so made from the payment of cane price advance as per provisions of Section 48(A) of the Maharashtra Co-operative Societies Act, 1960 and as per agreement between the cane growers and the Nationalised Banks should be remitted immediately to the concerned Bank.
- (xi) It shall be binding upon the licensee to furnish all such information as may be called for by the Licensing Authority and all relevant record pertaining thereto shall be made available for inspection to the Licensing Authority and/or to any other officer authorized by the Licensing Authority.
- (xii) The License shall during the season before 10<sup>th</sup> of every month furnish information to the Licensing Authority about the cane crushed, payment of advance/price and quantity of cane still to be crushed in the following proforma in respect of cane crushed during the preceding month.

| Quantity of cane allotted                |          | Cane crushed till the end of last month<br>(Talukawise details should be given for all columns) | Cane crushed during the month | Total cane crushed till the end of the month |
|------------------------------------------|----------|-------------------------------------------------------------------------------------------------|-------------------------------|----------------------------------------------|
| Procurement area<br>(Talukawise details) | Quantity |                                                                                                 |                               |                                              |
| 1                                        | 2        | 3                                                                                               | 4                             | 5                                            |
|                                          |          |                                                                                                 |                               |                                              |

| Average recovery obtained till the end of the month | Cane till to be crushed | Average crushing rate per day | Rate of Advance cane price | Amount of cane price advance payable till 15 <sup>th</sup> of month |
|-----------------------------------------------------|-------------------------|-------------------------------|----------------------------|---------------------------------------------------------------------|
| 6                                                   | 7                       | 8                             | 9                          | 10                                                                  |
|                                                     |                         |                               |                            |                                                                     |

| of which amount actually paid till the end of the month | Amount still to be paid | Reasons for outstanding if any | Steps proposed to be taken for payment of outstanding amount | Remarks |
|---------------------------------------------------------|-------------------------|--------------------------------|--------------------------------------------------------------|---------|
| 11                                                      | 12                      | 13                             | 14                                                           | 15      |
|                                                         |                         |                                |                                                              |         |

(xiii) The licensee shall not purchase any sugarcane without actual and correct weighment and shall maintain proper record for the same.

(xiv) The license is liable to be suspended or cancelled by the Licensing Authority for breach of any of the conditions of the license as also the provisions of the Maharashtra Sugar Factories (Reservation of areas and regulation of crushing and sugarcane supply) Order, 1984 and directives given in this behalf by the Licensing Authority. The factory if covered by suspended licence, shall not be commissioned again till the suspension is withdrawn.

Place :

Date :

Signature of the Director of Sugar,  
Maharashtra State, Pune and  
Licensing Authority.

+ Inserted by Notification No. SSK – 1794/CR-166(Part-2)/25-C dated 11.10.1996

NB 1: [Condition No. (xvi) and Condition No. (xix) are amended by Order No. SSK-1794/CR-166 (Part 2)/25-C dated 11.10.1996 but conditions after Sr.No. (xiv) could not be added for want of information about their addition by amendment. Hence the said amendment could not be carried out. Readers to note.

NB 2: Similarly, Form B is amended by Notification dated 30.04.1997 and condition no. (xvi) is amended while condition no. (xvi-a) is added. But conditions after Sr.No. (xiv) could not be added for want of information about their addition by amendment. Hence the said amendment could not be carried out. Readers to note.

### Appendix A (Part-1)

(See Condition 2 of Crushing Licence)

#### Cane to be crushed from the Reserved Area

| Name of the Taluka and Village | Name of the Agriculturist | Survey No. | Area in Hectares                               |                 |              |       |
|--------------------------------|---------------------------|------------|------------------------------------------------|-----------------|--------------|-------|
|                                |                           |            | Members' cane as on 30 <sup>th</sup> June 1981 | Contracted cane | Other if any | Total |
| 1                              | 2                         | 3          | 4                                              | 5               | 6            | 7     |
|                                |                           |            |                                                |                 |              |       |

Tonnage (M.T.)

| Area in Hectares                               |                 |               |       |
|------------------------------------------------|-----------------|---------------|-------|
| Members' cane as on 30 <sup>th</sup> June 1981 | Contracted cane | Other, if any | Total |
| 8                                              | 9               | 10            | 11    |
|                                                |                 |               |       |

**Appendix A (Part-II)***Cane to be crushed from outside the Reserved Area*

| Name of the Taluka and Village | Distance from the Karkhana | Name of the Agriculturist | Survey No. | Area under cane available for harvesting (in Hectares) | Quantity (in M.T.) |
|--------------------------------|----------------------------|---------------------------|------------|--------------------------------------------------------|--------------------|
| 1                              | 2                          | 3                         | 4          | 5                                                      | 6                  |
|                                |                            |                           |            |                                                        |                    |

**Form B-I***(See clause 7)***Export Permit for Sugar Factory**

M/s. ....

are hereby permitted to export sugarcane as per the details given below for the purpose of producing sugar from the said sugarcane :-

|    | Name of the District/Taluka | Names of villages from where export of sugarcane is permitted. | Quantity of sugarcane to be exported from each village |
|----|-----------------------------|----------------------------------------------------------------|--------------------------------------------------------|
|    | 1                           | 2                                                              | 3                                                      |
| 1. |                             |                                                                |                                                        |
| 2. |                             |                                                                |                                                        |
| 3. |                             |                                                                |                                                        |
| 4. |                             |                                                                |                                                        |

2. This permit is valid upto .....

3. This Export Permit is granted subject to the following terms and conditions :-

- (i) M/s. . . . . shall furnish to the Permit Officer every fortnight details of quantity bought by it for producing sugar from each of the villages from where sugarcane is permitted to be exported according to this Permit. Such information shall be furnished till the export of sugarcane permitted under this Export Permit is completed.
- (ii) A copy of the information furnished to the Permit Officer under (i) above shall also be endorsed without fail to the Director of Sugar, Maharashtra State, Pune, as also to be the Bankers which have provided working capital finance to the sugar factory.
- (iii) This Export Permit is not transferable.
- (iv) This Export Permit shall be surrendered to the Permit Officer immediately after the export of sugarcane permitted under it is completed and/or the crushing season of the factory is over, whichever is earlier.
- <sup>+</sup>[(v) The Export Permit will come in force after interval of three clear working days excluding the day on which the copy of the export permit is served on the affected party.]

Place :

Date :

Permit Officer.

+ Inserted by Notification No. SSK - 1794/CR-166(Part-2)/25-C dated 11.10.1996

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**Form 'C'***[See clause 13 (a) (2)]*

Book No.

Serial No.

1. Name of the Sugar Factory
2. Full Address
3. Date of start of crushing season
4. It was found that the above mentioned sugar factory was manufacturing sugar "without a licence/from sugarcane brought from area, outside the area reserved for it, without obtaining a permit/after the licence was suspended/after the licence was cancelled/after the permit was revoked. The unit has, therefore, been sealed under clause 13(1) (g) of the Maharashtra Sugar Factories (Reservation of areas and Regulation of crushing and sugarcane supply) Order, 1984, by the undersigned in the presence of the following witnesses :-

Witness :

1. Signature :

Name in full :

Address :

2. Signature :

Name in Full :

Address :

Date :

Place :

Signature with designation

**\*Strike off the clause not applicable.**

By order and in the name of Governor of Maharashtra,

A. M. Nimbalkar,

Secretary to the Government.