



महाराष्ट्र शासन राजपत्र

असाधारण भाग आठ

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असाधारण क्रमांक ७९

प्राधिकृत प्रकाशन

महाराष्ट्र विधानमंडळाचे अधिनियम व राज्यपालांनी प्रख्यापित केलेले अध्यादेश व केलेले विनियम आणि विधी व न्याय विभागाकडून आलेली विधेयके (इंग्रजी अनुवाद).

In pursuance of clause (3) of Article 348 of the Constitution of India, the following translation in English of the Maharashtra Regulation of Sugarcane Price (Supplied to Factories) Bill, 2013 (L. A. Bill No. XLII of 2013), introduced in the Maharashtra Legislative Assembly on the 16th December 2013, is hereby published under the authority of the Governor.

By order and in the name of the
Governor of Maharashtra,

H. B. PATEL,
Principal Secretary to Government,
Law and Judiciary Department.

L. A. BILL No. XLII OF 2013.

A BILL

*to regulate the Price of Sugarcane supplied to sugar factories in the
State of Maharashtra.*

WHEREAS it is expedient to regulate the Price of Sugarcane supplied to sugar factories in the State of Maharashtra and to provide for matters connected therewith or incidental thereto; it is hereby enacted in the Sixty-fourth Year of the Republic of India, as follows :—

1. (1) This Act may be called the Maharashtra Regulation of Sugarcane Price (Supplied to Factories) Act, 2013.

Short title
and
commencement.

(2) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) "Board" means the Sugarcane Control Board constituted under section 3;

(b) "Chief Secretary" means the Chief Secretary to the Government of Maharashtra;

(c) "Commissioner for Sugar" means the Commissioner for Sugar, Maharashtra State;

(d) "factory" means a sugar factory where any manufacturing process connected with the production of sugar is being carried or is ordinarily carried on with the aid of electricity and wherein twenty or more workers are working or were working on any day of the preceding twelve months;

(e) "Government" or "State Government" means the Government of Maharashtra;

(f) "Occupier of factory" means the person who has control over the affairs of a factory and where the said affairs are entrusted to a director, partner or administrator, such director, partner or administrator, as the case may be;

(g) "prescribed" means prescribed by rules made under this Act;

(h) "Secretary" means the Secretary to the Government;

(i) "State" means the State of Maharashtra;

(j) "Sugarcane" means Sugarcane intended for use in a sugar factory or *khandsari* sugar manufacturing unit;

(k) "Sugarcane grower" means a person including a tenant who cultivates sugarcane either by himself or through members of his family or through hired labourers;

(l) "Sugar season" means the year commencing on the first day of October and ending by thirtieth day of September next year.

Sugarcane
Control
Board.

3. (1) The State Government shall, as soon as may be, after the commencement of this Act, constitute a Sugarcane Control Board (hereinafter referred to as "the Board"), to perform such duties and functions assigned to it under this Act.

(2) The Board shall exercise jurisdiction throughout the State of Maharashtra.

(3) The Board shall consist of the following members, namely:—

- | | | |
|---|----|---|
| (a) Chief Secretary | .. | Chairman ; |
| (b) Secretary, Finance | .. | Member ; |
| (c) Secretary, Co-operation | .. | Member ; |
| (d) Secretary, Agriculture | .. | Member ; |
| (e) Five representatives of the factories in the State to be nominated by the Government, out of which three shall be representatives of the Co-operative Sugar Factories and two from other Sugar Factories in the State | .. | Members; |
| (f) Five representatives of the farmers to be nominated by the Government | .. | Members; |
| (g) Commissioner for Sugar | .. | <i>Ex-officio</i>
Member
Secretary. |

(4) The non-official members of the Board shall receive such allowances as may be prescribed.

(5) Subject to the pleasure of the State Government, a non-official member shall hold office for a period of three years from the date of nomination. A member nominated once to the Board is not eligible for re-nomination for a second time.

(6) A non-official member may resign his office at any time, by writing in his own hand, addressed to the Government but he shall continue in his office until his resignation is accepted.

(7) The Government may remove a non-official member from his office if he incurs any one of the disqualification specified below, namely :—

(a) becomes an un-discharged insolvent; or

(b) is convicted and sentenced to imprisonment for an offence which in the opinion of the Government involves moral turpitude; or

(c) becomes of unsound mind, and stands so declared by a competent court; or

(d) refuses to act or becomes incapable of acting as the member.

(8) Notice of the meeting of the board, quorum and procedure regarding transactions of the business of the Board shall be such as may be prescribed.

(9) The Board shall meet at least thrice in a year commencing before starting of the crushing season, after closure of the crushing season and at the end of the Sugar season. The Member-Secretary of the Board may, subject to the control of the Chairman, convene a meeting as often as may be necessary and shall also do so when require by one-third of the members.

(10) The Board shall while inquiring into the matters in discharge of its functions under this Act, have all the powers of a civil court while trying a civil suit under the Civil Procedure Code, 1908, and in particular, in respect of the following matters, namely :—

(a) summoning and enforcing the attendance of any person from the State and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits;

(d) requisitioning any public record or copy thereof from any Court or office;

(e) issuing commissions for the examinations of documents and witnesses;

(f) any other matter which may be prescribed.

(11) No act or proceeding of the Board shall be rendered invalid for the mere fact that there was one or more unfilled vacancy in the Board at the time of such act or proceedings were made.

4. The Board shall discharge the following functions, namely :—

Functions
of Board.

(a) to decide Sugarcane price payable to the farmers, which shall be in addition to the Fair and Remunerative Price (hereinafter referred to as "FRP") decided by the Central Government under the provisions of the Sugarcane (Control) Order, 1966, on revenue sharing basis :

Provided that, while fixing Sugarcane price, if it is decided to fix the Sugarcane price on the basis of the value of sugar including the value of the by-products such as bagasse, molasses and press mud, the Sugarcane price shall be arrived at as a sum equal to seventy per cent. of the ex-mill value of sugar alongwith such by-products :

Provided further that, if it is decided to fix the Sugarcane price only on the basis of the value of sugar, ignoring the value of the aforesaid three by-products, the Sugarcane price shall be arrived at as a sum equal to seventy-five per cent. of the ex-mill value of sugar ;

(b) to offer advice on any matter which may be referred to it by the Government, especially in respect of the regulation of the purchase and supply of Sugarcane;

(c) to bring to the notice of the Commissioner for Sugar cases of breach of any of the provisions of the Act, and of the rules made thereunder, and to make suggestions for the prevention of the same ;

(d) to recommend ways and means of maintaining healthy relations between occupier of the factory and Sugarcane growers.

Payment to
Sugarcane
growers.

5. (1) As soon as the Sugarcane is supplied to the occupier of a factory, the factory shall be liable to pay, within fourteen days of the receipt thereof, the minimum price as per FRP applicable at the relevant time.

(2) Payment shall be made on the basis of the recorded weight of the Sugarcane at the factory.

(3) The actual payment for Sugarcane fixed by the Board shall be paid in two steps. The first would be payment of FRP. Balance payment of Sugarcane dues will be paid subsequent to publication of half yearly ex-mill prices and values, determined by the Board in accordance with the provisions of clause (a) of section 4.

(4) Every payment made by the factory, under the provisions of this Act shall be paid to the farmer through his bank account only.

Offences
and
penalties.

6. (1) Contravention of the provisions of this Act and the rules made thereunder shall be an offence.

(2) Every such person shall on conviction be punished with fine which may extend to twenty-five thousand rupees.

Cognizance
of offences.

7. No court shall take cognizance of any offence punishable under section 6, except on a complaint made by an officer authorized by the Commissioner for Sugar and no court inferior to that of a Judicial Magistrate of the First Class, shall try any such offence.

Compounding
of offences.

8. (1) The Commissioner for Sugar may, either before or after the institution of proceedings, for any offence punishable under section 6, after affording the person concerned an opportunity of being heard, accept from such person by way of composition of an offence a sum of rupees fifty thousand or a sum double the amount of due and payable under the provisions of section 5, whichever is more.

(2) On payment of such sum as may be determined by the Commissioner for Sugar under sub-section (1), no further proceedings shall be taken against the accused person in respect of the same offence and any proceedings, if already taken, shall stand abated.

Offences by
companies.

9. (1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to the company for the conduct of the business of the company, as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded and punished accordingly :

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded and punished accordingly.

Explanation.—For the purposes of this section,—

(a) “company” means a body corporate, and includes a firm, association of persons or body of individuals whether incorporated or not ;
and

(b) “Director” in relation to a firm, means a partner in the firm and in relation to any association of persons or body of individuals, means any member controlling the affairs thereof .

45 of 1860. **10.** The Commissioner for Sugar and every officer appointed under this Act shall be deemed to be public servant within the meaning of section 21 of the Indian Penal Code, 1860. Commissioner for Sugar to be public servant.

11. No suit, prosecution or other legal proceedings shall lie against Government or any officer or official for anything which is done or purported to have been done in good faith in pursuance of any provisions of this Act or any rule or order made thereunder. Protection of action taken in good faith.

12. (1) The Government may, by notification in the *Official Gazette*, make rules for carrying into effect the provisions of this Act. Power to make rules.

(2) In particular and without prejudice to the generality of the forgoing provisions, such rules may provide for,—

(a) the allowances payable to the non-official members of the Board ;

(b) the procedure to be adopted by the Board in discharging its functions under this Act ;

(c) the form in which any notice required shall be given ;

(d) any other matter which is to be or may be prescribed under this Act.

(3) Except when the rules are made for the first time, all rules made under this Act shall be subject to the condition of previous publication.

(4) Every rule made under this Act shall be laid, as soon as may be, after it is made, before each House of the State Legislature, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, and notify such decision to that effect in the *Official Gazette*, the rule shall, from the date of publication of such decision in the *Official Gazette*, have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.

STATEMENT OF OBJECTS AND REASONS

The Central Government has, from time to time, in pursuance of the provisions of the Sugarcane (Control) Order, 1966 issued under the Essential Commodities Act, 1955 (10 of 1955), fixed the Fair and Remunerative Price (FRP) as the minimum price payable to the farmers for supply of Sugarcane to the factory. However, it is noticed that, the farmers are not satisfied with the FRP which they may get as a minimum price and are agitating for higher price.

2. Dr. C. Rangarajan Committee appointed by the Central Government has, in its report, *inter alia*, recommended that, the farmers shall be paid the price of the sugarcane supplied on the basis of the income of the sugar factory. The Committee has suggested the revenue sharing formula for the Sugarcane price.

3. It is, therefore, felt expedient and necessary to provide by law the mechanism for ensuring the price payable for supply of Sugarcane and for that purpose to constitute a Board under the Chairmanship of the Chief Secretary. This will ensure greater certainty, much needed stability and rationality in the sugar sector.

4. The Bill seeks to achieve the above objectives.

Nagpur,

Dated the 13th December 2013.

HARSHAVARDHAN PATIL,

Minister for Co-operation.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The Bill involves the following proposals for delegation of legislative power, namely :—

Clause 1(2).—This clause empowers the State Government to appoint, by notification in the *Official Gazette*, the date on which the Act shall come into force ;

Clause 3(4).—This clause empowers the State Government to prescribe by rules, the allowances that may be payable to the non-official members of the Board ;

Clause 3(8).—This clause empowers the State Government to prescribe by rules, the notice of the meeting of the board, quorum and procedure regarding transactions of the business of the Board ;

Clause 3(10) (f).—This clause empowers the State Government to prescribe by rules, the powers which the Board may exercise, while inquiring into the matters in discharge of its functions under this Act ;

Clause 12.—This clause empowers the State Government to make rules for carrying into effect the provisions of the Act.

2. The above-mentioned proposals for delegation of legislative power is of a normal character.

FINANCIAL MEMORANDUM

Clause 3(4) of the Bill provides that the non-official Members of the Board shall be paid such allowances as may be prescribed. It is not possible to ascertain the amount required to be paid to the non-official members as allowances at this stage. However, the necessary allowances as may be determined in accordance with the rules made under the provisions of this Act will have to be met out from the Consolidated Fund of the State.