

PART-III
THE BOMBAY MOLASSES (CONTROL) ACT, 1956
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PART-III**BOMBAY ACT NO. XXXVIII OF 1956-I****[THE BOMBAY MOLASSES (CONTROL) ACT, 1956]**

This Act received the assent of President on the 21st June 1956; the assent was first published in the *Maharashtra Government Gazette*, Part IV, on the 28th June 1956).

Adapted and modified by the Bombay Adaption of Laws (State and Concurrent Subject) Order, 1956.

Amended by Bom. 64 of 1958.

Amended by Mah. 1 of 1973.

Amended by Mah 5 of 1981 (22nd January 1981)§.

An Act to provide for the regulation and control of the supply of molasses for the purpose of development of certain industries by securing their equitable distribution and availability at fair prices and for certain other matters.

WHEREAS, it is expedient to provide for the regulation and control of the supply of molasses for the purpose of development of certain industries by securing their equitable distribution and availability at fair prices and for certain other matters hereinafter appearing; It is hereby enacted in the Seventh Year of the Republic of India as follows :

1. Short title extent and commencement : (1) This Act may be called the Bombay Molasses (Control Act, 1956.

²[(2) It extends to the whole of the State of Bombay.)

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

2. Definitions :

(a) “Collector” means the Collector of land revenue’

³[(b) “Commissioner” mean the Commissioner of Prohibition and Excise appointed under the Bombay Prohibition Act, 1949;)*

(c) “Inspector” means an Inspector appointed under section 5;

(d) “Molasses” means the heavy, dark coloured viscous liquid produced in the final stage of manufacture of sugar by vaccum or open pan, from sugarcane or gur when the liquid as such or in any from or admixture contain sugar;

(e) “Occupier of a sugar factory” means the person who has ultimate control over the affairs of a sugar factory;

(f) “prescribed” means prescribed by rules or orders under this Act;

(g) “sugar factory” means any premises, including precincts there of, whereon twenty or more workers are working, or were working on any day of the preceding twelve months and in any part of which a manufacturing process connected with the production of sugar by mean of vaccum pans or in open pans is being carried on, or is ordinarily carried on with the aid of power.

3. Molasses Board, its constitution and procedure : (1) For the Purpose of advising the state Government on matters relating to molasses, the State Government may constitute a Molasses Board,

(2) The Molasses Board constituted under sub-section 1) shall consist of such members, not less than six with such qualifications as may be prescribed. The member or members so appointed shall hold office during the pleasure of the State Government.

(3) Three members shall form a quorum for the disposal of the business of the Board.

(4) Any vacancy of the member of the Board shall be filled in as early as practicable: Provided that during any such vacancy the continuing members may act, as if no vacancy has occurred.

(5) The procedure regarding the work of the Board shall be such as may be prescribed.

4. Functions of Molasses Board : The Molasses Board shall .

(a) advise the State Government on matters concerning the grading and marketing of molasses, the prices at which molasses are to be sold and generally on their allocation for distilleries and other purposes, and

(b) perform such other functions as may be prescribed.

5. Inspectors and their powers and function : 1) The State Government may, by notification in the *Official Gazette*, appoint such persons as it thinks fit, having the prescribed qualifications to be Inspectors for the purposes of this Act within such local limits as it may assign to them, respectively :

Provided that no person who has any financial interests in the transport, sale supply or distribution of molasses shall be appointed as a Inspector under this sub-section.

(2) Every such Inspector shall, subject to the control of the State Government and 4(the Commissioner,) have power to inspect at all reasonable times the stocks of molasses held by any person or sugar factory, take samples from such molasses for analysis or testing or examine licences, permits, records, books accounts returns, documents or statements in the possession or custody of any person or sugar factory relating to transactions in molasses.

(3) Every such Inspector shall, exercise such other Powers and perform such functions as may be conferred or imposed on him by or under this Act.

6. Powers to control, supply, distribution etc. of molasses : (1) If the State Government is of the opinion that it is necessary or expedient so to do for maintaining supplies of molasses for the purpose of development of any industry by securing their equitable distribution and availability at fair prices, it may ,by order provide for regulating the supply and distribution of or trade and commerce in molasses .

(2) Without prejudice to the generally of the powers conferred by sub-section (1) an order made thereunder may provide.

(a) For controlling the price at which and the manner in which molasses may be bought or sold generally or for any industrial purpose :

- (b) For regulating by licences, permits or otherwise the storage, supply, transport distribution, disposal acquisition, possession, use or consumption of molasses,
- (c) For requiring any person or occupier of a sugar factory to sell molasses, held in stock by him or produced or to be produced in his factory, to the State Government to the exclusion, complete or partial, of other or to such person or class of persons and in such circumstances and upon such terms as may be specified in the order .
- (d) For the taking of samples and grading and testing of molasses :
- (e) for regulating or prohibiting any class of commercial or financial transactions relating to molasses, which in the opinion of the State Government are, or , if unregulated, are likely to be, detrimental to the public interest ;
- (f) For collecting any information or statistics with a view regulating or prohibiting any of the aforesaid matter,
- (g) For requiring occupiers of sugar factories and person engaged in the production, supply or distribution of , or trade and committee in molasses, to maintain and produce for inspection such books, accounts and records relating to their business and to furnish such information relating there to, as may be specified in the order, and
- (h) for any incidental and supplementary matters, including in particulars the grant or issue of licences, permits or other documents, their terms and conditions and the charging of fees therefor.
- (3) Where, in pursuance of any order made with reference to clause (c) of sub-section (2), any person sells molasses, there shall be paid to him the price therefor.
- (a) where the price can consistently with the controlled price calculated with reference to the controlled price, if any, fixed under this section: and
- (b) where no such agreement can be reached, the price calculated with reference to the controlling price, if any, fixed under this sections; and.
- (c) where neither clause (a) nor clause (b) applies, the price calculated at the market rate prevailing in the locality at the date of sale.
- (4) An order made under this section shall,
- (a) in the case of an order of a general nature of affecting a class of persons, be notified in the *Official gazette* :
- (b) in the case of an order affecting an individual corporation or firm be served in the manner provided for the service of a summons in rule 2 order XXIX or rule 3 of Order XXX, as the case may be in the First Schedule of the Code of Civil Procedure 1908; and
- (c) in the case of an order directed to a specified individual, be served on such individual –
- (i) by personally delivering or tendering to in the order, or
- (ii) by post, or
- (iii) where the individual cannot be found, by leaving an authentic cop of the order with some adult male member of his family or by affixing such copy to some conspicuous part of the premises in which he is known to have last resided or carried on business or worked for gain.

(5) Where a question arises whether a person was duly informed of an order made in pursuance of this section, compliance with the requirements of sub-section (4) shall be conclusive proof that he was so informed; but failure to comply with the said requirements shall not preclude proof by other means that he was so informed or affect the validity of the order.

(6) Any order made under this section shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or any instrument having effect by virtue of any enactment other than this Act.

(7) Where an order purports to have been made and signed by an authority in exercise of any power conferred by this section, a court shall within the meaning of Indian Evidence Act, 1872, presume that such order was so made by that authority.

7. Offence, penalty and forfeiture : (1) Whoever contravenes any provisions of this Act or any order made thereunder or any term or condition of any licence or permit granted or issued under an order made under this Act, shall on conviction, be punished with imprisonment of either description which may extend to one year or with fine.

(2) Any court trying such contravention may direct that any stock of molasses, in respect of which the court is satisfied that the contravention has taken place, shall, along with any box, receptacle, package or covering containing such stock of molasses, be forfeited to the State Government.

8. Offences by companies : (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 against 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 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 attributed 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 against and punished accordingly.

Explanation—For the purposes of this section—

(a) ‘company’ means a body corporate, and includes a firm or other association of individuals; and

(b) ‘director’ in relation to a firm means a partner in the firm.

9. Cognizance of offences : (a) No court shall take cognizance of any offence punishable under this Act, except with the previous sanction of ⁵[the Commissioner].

(b) No court inferior to that of a ⁶[Metropolitan Magistrate] or a Magistrate of the first Class shall try any offence punishable under this Act.

(c) Notwithstanding anything contained in ⁷[the Code of Criminal Procedure, 1973], an offence punishable under this Act shall be cognizable and bailable.

⁸[10. Compounding of offences :1) The State Government may, either before or after institution of any proceedings for any offence punishable under this Act, sanction the acceptance from any person charged with such offence, by way of composition of the offence, such sum of money as it may determine and may direct the release of any property which has been seized as liable to forfeiture under this Act on payment of the value thereof as estimate by it or by such officer as it may authorised in this behalf.

(2) On the payment by such person of such sum of money, or such value, or both, as the case may be, such person, if in custody, shall be set at liberty and the property seized may be released. If any proceedings shall have been instituted against such person in any Criminal Court, the composition shall be deemed to amount to an acquittal and in no case shall any further proceedings be taken against such person or property with reference to the same facts.]

11. Officers empowered to investigate offences : An Inspector and a police officer not below the rank of an officer in charge of a police station shall, within the limits of the area in which such officer exercise jurisdiction, have power to investigate any offence punishable under this Act.

12. Powers of entry, search, seizure and arrest : (1) ⁹[The Commissioner], Collector or any officer empowered under section 11 to investigate an offence under this Act may.

(a) enter and search at all reasonable times, any premises in which he has reason to believe that any molasses in respect of which an offence punishable under this Act has been or is about to be committed is kept or concealed and seize such molasses and any box, receptacle, package or covering containing such molasses;

(b) seize in any open place or in transit any molasses in respect of which he had reason to believe that any offence punishable under this Act has been committed and also any box, receptacle, package or covering containing such molasses;

(c) seize in any books, account, documents or statements relating to transaction in the molasses so seized;

(d) detain, search and arrest any person whom he has reason to believe to be guilty of any offence punishable under this Act.

(2) The Provisions of ¹⁰[the Code of Criminal Procedure, 1973] shall, so far as may be, apply to any search or seizure under this section as they apply to any search or seizure made under section ¹¹[94] of the said Code.

13. Provisions of Criminal Procedure Code to apply to investigations, etc. : Save as otherwise expressly provided in this Act, all investigations, search, seizures, arrests and detentions in custody shall be made in accordance with ¹²[the Code Criminal Procedure, 1973].

14. Report of seizure of molasses to Magistrate : (1) A report about any molasses or article seized under section 12 shall, as soon as possible, be submitted to the Magistrate having jurisdiction, who may, after making such inquiry as he may consider necessary, give such direction for its temporary custody as he thinks fit.

(2) Where no prosecution is instituted, or the offence is compounded under section 10, the magistrate may subject to the provisions of section 10, direct the return of such molasses or articles to the persons from whom they were seized.

15. Delegation of powers : The state Government or ¹³[the Commissioner,] as the case may be, may by notification in the *Official Gazette*, direct that any power conferred or any duty imposed on it or him may, subject to such conditions as it or he may, specify, be exercisable also by any officer specified by it or him.

16. Exemption : The State Government may, by notification in the *Official Gazette*, exempt either wholly or partially any area or any person or any class of persons from all or any of provisions of this Act or any of the rules or orders made thereunder subject to such condition as may be specified in notification.

17. Power of State Government to call for and examine records of proceedings : The State Government may call for and examine the record of any proceeding before any officer exercising powers or discharging duties under this Act including those relating to the grant or refusal of a licence or permit under an order made under this Act for the purpose of satisfying itself as to the correctness, legality or propriety of any order passed in, and as to the regularity of, such proceedings and may either annul, reverse, modify or confirm such order or pass such other order as it may deem fit.

18. Officers and persons acting under the Act to be public servants : All Officers, Inspectors and persons empowered to exercise any powers or to perform any functions under this Act shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

19. Bar of proceedings : No suit or proceedings shall lie against the State Government or against any officer or against person empowered to exercise powers or to perform function under this act, for anything in good faith done or purporting to be done under this Act.

20. Power to make rules : (1) The State Government may, subject to the condition of previous publications, make rule to carry out the purpose of this Act.

(2) In Particular and without prejudice to the generality of the foregoing powers, such rules may.—

(a) prescribe the specification and tests in respect of the purity of molasses,

(b) prescribe the other functions of the Molasses Board the procedure for the conduct of its business and the performance of its functions.

1. For Statement of Objects and Reasons, see Bombay Government Gazette Extra ordinary, 1950 Part V, p. 84.
 2. Sub-section (2) was substituted of the original by Bom. 64 of 1958, s, 3(1).
 3. Clause (b) was substituted by Mah. 5 of 1981, s. 2.
 4. These words were substituted for the words “ the Director ” by Mah. 5 of 1981, s. 3.
 5. These words were substituted for the words “ the Director ” by Mah. 5 of 1981, s. 4(1).
 6. These words were substituted for the words “ a Presidency Magistrate ” *ibid*, s 4(2).
 7. These words and figures were substituted for the words and figures “ the Code 3 of Criminal Procedure, 1898 ”, *ibid*, s 4(3).
 8. Section 10 was substituted, *ibid*, s 4(3).
 9. The words were substituted for the words “ The Director ” by Mah. 5 of 1981, s. 6(1).
 10. These words and figures were substituted for the words and figures “ the code of Criminal Procedure, 1898 ”, *ibid* s. 6(2) (a).
 11. These figures were substituted for the figures “ 98 ” *ibid*, s. 6(2), (b).
 12. These words and figures were substituted for “ the code of Criminal Procedure, 1998 ”, *ibid*, s. 7.
 13. These words were substituted of the words “ The Director ” *ibid*, s. 8.
- † The Act was extended to that part of the State of Bombay to which immediately before the commencement of Bom. 64 of 1958, it did not extend (*vide* Bom. 64 of 1958, s. 2).
- § This indicates the date of commencement of Act.
- * Section 9 of Mah. 5 of 1981 reads as under.