

THE UTTAR PRADESH SHEERA NIYANTRAN ADHINIYAM,
1964¹

(U. P. Act No. XXIV of 1964)

Amended by

U. P. Act No. 15 of 1974
U. P. Act No. 05 of 1986
U. P. Act No. 10 of 1995
U. P. Act No. 04 of 1998
U. P. Act No. 17 of 2000
U. P. Act No. 10 of 2009
U. P. Act No. 33 of 2018
U. P. Act No. 37 of 2018
U. P. Act No. 44 of 2018
U.P. Act No. 13 of 2021
U.P. Act No. 35 of 2021
U.P. Act No. 01 of 2023
U.P. Act No. 18 of 2023

[Passed in Hindi by the Uttar Pradesh Legislative Council on February 12, 1964 and by the Uttar Pradesh Legislative Assembly on August 4, 1964.]

Received the assent of the President on October 17, 1964 under Article 201 of the Constitution of India and was published in the *Uttar Pradesh Gazette Extraordinary*, dated November 9, 1964.]

AN

ACT

²[to provide in public interest for the control of storage, gradation and price of malasses produced by sugar factories in Uttar Pradesh and the regulation of supply and distribution thereof.]

³[* * * *]

IT IS HEREBY enacted in the Fifteenth Year of the Republic of India as follows :—

CHAPTER I

Preliminary

Short title
and extent

1. (1) This Act may be called the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964.

(2) It extends to the whole of Uttar Pradesh.

Definitions

2. In this Act unless there is anything repugnant in the subject or context—

⁴[(a) “B-Heavy molasses” means the molasses obtained as a result of curing of B-massequite and having purity comparable with the average purity as obtained during the same period of previous three sugar seasons with the similar process in a vacuum pan sugar factory.]

⁴[(a-1) “Brix” means the density of solution expressed on brix densitometric scale and taken in represent the percentage of dissolved solid matter in it.]

1. For Statement of Objects and Reasons see U. P. Gazette Extraordinary, dated February 4, 1964.

2. [Subs. by sec. 2 of U. P. Act no. XV of 1974.](#)

3. *Omit.* by sec. 3 of *ibid.*

4. [Ins. and renumbered by sec. 2\(a\) of U.P. Act No. 1 of 2023.](#)

**U. P. Act no.
IV of 1910**

**U. P. Act no.
IV of**

(a-2) “Controller” means the Controller of Molasses appointed under section 4 ;

(b) “distillery” means the premises licensed under the provisions of the United Provinces Excise Act, 1910 for the manufacture of power, potable or industrial alcohol ;

(c) “excise officer” shall have the meaning assigned to it in the United Provinces Excise Act, 1910 ;

¹[(d) “Molasses” means the heavy, dark coloured, viscous liquid produced as a by-product during the manufacture of sugar or khandsari sugar from the juice of sugarcane or sugar syrup when the liquid as such or in any form of admixture contains sugar and it also includes the by-product obtained during the manufacture of sugar through reverse process from rab or jaggery.]

²[(dd) “molasses year” means the period beginning on the first day of November and ending on the thirty first day of October in the year next following ;]

³[(d-1) * * *]

⁴[(e) “Occupier” means the person who has ultimate control over the affairs of the sugar factory or Khandsari Sugar Manufacturing Unit and includes a managing agent of the factory or Khandsari Sugar Manufacturing Unit.]

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

(g) “State” means the State of Uttar Pradesh ; and

(h) “sugar factory” or “factory” means any premises including the precincts thereof, 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 means of vacuum pan is being carried on or is ordinarily carried on with the aid of power.

⁵[(h-1) “Khandsari Sugar Manufacturing Unit” means a unit engaged or ordinarily engaged in the manufacture or production of or khandsari sugar in a reserved area, and which is capable of handling sugarcane juice produced with the aid of a horizontal crusher driven by any mechanical power.]

⁶[(i) “Supply” means to provide Molasses by an occupier of a sugar factory or khandsari sugar manufacturing unit to its own unit or to any other unit such as distillery or any Molasses based industry.]

⁷[(j) * * *]

⁸[(k) “Sugarcane juice” means primary juice, secondary juice, mixed juice and clear juice as obtained by sulphitation or defecation process in a vacuum pan sugar factory.

1. [Subs. by sec. 2\(b\) of U. P. Act no. 1 of 2023.](#)
2. [Ins. by sec. 2 of U. P. Act no. 04 of 1998.](#)
3. [Omitted by sec. 2\(c\) of U. P. Act no. 1 of 2023.](#)
4. [Subs. by sec. 2\(d\) of U. P. Act no. 1 of 2023.](#)
5. [Ins. by sec. 2\(e\) of U.P. Act No. 01 of 2023.](#)
6. [Ins. by sec. 2\(f\) of U. P. Act no. 1 of 2023.](#)
7. [Omitted by sec. 2 \(g\) of U.P. Act no. 1 of 2023.](#)
8. [Ins. by sec. 2\(h\) of U.P. Act no. 1 of 2023.](#)

(l) “Sugar syrup’ means concentrated juice of sugarcane having total dissolved solid content not less than 50 as indicated by brix. Below 50 brix, it may be treated as thick juice or juice depending upon the concentration as indicated by brix percentage in a vacuum pan sugar factory.]

CHAPTER II

Advisory and Administrative Machinery

Constitution of Advisory Committee

3. ¹[(1) The State Government may, by notification in the Gazette constitute an Advisory Committee to advice on matters relating to the control of storage, preservation, gradation, price, supply and disposal of molasses.]

(2) The Committee shall consist of such number of persons and shall be constituted on such terms and conditions as may be prescribed.

Appointment of Controller of Molasses

4. The State Government may, by notification in the Gazette, appoint a person to be the Controller of Molasses for the purposes of exercising the powers and performing the duties of Controller of Molasses under this Act or the rules made thereunder.

CHAPTER III

Preservation, Distribution and Prices

Preservation of molasses.

5. Every occupier of a sugar factory ²[or a khandsari sugar manufacturing unit] shall provide —

(a) converted accommodation within the premises of the factory ²[or a khandsari sugar manufacturing unit] for the safe preservation of molasses produced in the factory ²[or a khandsari sugar manufacturing unit] ;

(b) adequate safeguards against leakage, seepage, overflow or any other accident likely to damage the quality of molasses stored in the factory ² [or a khandsari sugar manufacturing unit] ;

(c) adequate arrangements to prevent the mixing up of water with molasses or of old deteriorated molasses with fresh molasses ; and

(d) adequate facilities for handling of molasses, including taking out of samples and pumping and loading of molasses into tank wagons, tank lorries and other containers.

Preservation against adulteration

6. (1) No occupier of a sugar factory ³[or a khandsari sugar manufacturing unit] shall adulterate or allow to be adulterated any molasses produced or held in stock by him.

1. [Subs. by sec. 4 of U. P. Act no. XV of 1974.](#)

2. [Ins. by sec. 3 of U.P. Act No. 1 of 2023.](#)

3. [Ins. by sec. 4 of U.P. Act No. 1 of 2023.](#)

(2) The presence of any molasses having less than forty per cent sugar contents (expressed as total reducing sugar, determined by the Lane and Egnon's volumetric method), in any storage tank of a sugar factory ¹[or a khandsari sugar manufacturing unit] shall be sufficient to raise a presumption that the occupier of the factory has adulterated the molasses or allowed it to be adulterated.

Removal of adulterated molasses

7. ²[(1) The Controller may, with a view to ensuring proper storage, preservation, gradation, supply or disposal of unadulterated molasses, require the occupier of a sugar factory ³[or a khandsari sugar manufacturing unit] to remove any adulterated molasses from the premises of the factory within a reasonable period to be specified by him and the occupier shall within the time allowed comply with the requirement.]

(2) For the purposes of this section the molasses referred to in sub-section (2) of section 6 shall be deemed to be adulterated.

Application for molasses

7-A. ⁴[(1) Any person, who requires molasses for his distillery or for any other purpose of industrial development or for export to any other country, may apply in the prescribed manner to the Controller specifying the purpose for which it is required.]

(2) On receipt of an application under sub-section (1) and after making such inquiries in the matter as he may think fit, the Controller may make an order under section 8.

(3) In disposing of an application under sub-section (1), the Controller shall consider—

- (a) the general availability of molasses ;
 - (b) various requirements of molasses ;
 - (c) the better utilization to which molasses may be put in the public interest ;
 - (d) the extent to which the requirements of the applicant are genuine ;
 - (e) reasonable likelihood or otherwise of the molasses that may be obtained by the applicant being diverted to purposes other than those specified in the application ;
- and where the application is rejected in whole or in part, he shall record reasons therefor.]⁵

State and supply of molasses

8. ⁶[(1) The Controller may, with the prior approval of the State Government, by order require the occupier of any sugar factory or a khandsari sugar manufacturing unit to sell or supply in the prescribed manner such quantity of molasses to such person, as may be specified in the order, and the occupier shall, notwithstanding any contract, comply with the other.]

1. [Ins. by sec. 4 of U.P. Act No. 1 of 2023.](#)
2. [Subs. by sec. 5 of U. P. Act no. XV of 1974.](#)
3. [Ins. by sec. 5 of U.P. Act No. 1 of 2023.](#)
4. [Subs. by sec. 2 of U. P. Act no. 44 of 2018.](#)
5. [Ins. by sec. 6 of U. P. Act no. XV of 1974.](#)
6. [Subs. by sec. 6 \(a\) of U.P. Act no. 1 of 2023.](#)

(1-a) ¹[* * * *]

(2) The order under sub-section (1) —

²[(a) shall require supply to be made only to a person who requires it for his distillery or for any purpose of industrial development or for export to any other country.]

³[(aa) may require to person referred to in clause (a) to utilize the molasses supplied to him under an order made under this section for the purpose specified in the application made by him under sub-section (1) of section 7-A and to observe all such restrictions and conditions as may be prescribed.]

(b) may be for the entire quantity of molasses in stock or to be produced during the year or for any portion thereof, but the proportion of molasses to be supplied from each sugar factory ⁴[or a khandsari sugar manufacturing unit] to its estimated total produce of molasses during the year shall be same throughout the State save where, in the opinion of the Controller, a variation is necessitated by any of the following factors ;

(i) the requirements of distilleries within the area in which molasses may be transported from the sugar factory ⁴[or a khandsari sugar manufacturing unit] at a reasonable cost ;

(ii) the requirement for other purposes of industrial development within such area ; and

(iii) the availability of transport facilities in the area.

(3) The Controller may make such modification in the order under sub-section (1) as may be necessary to correct any error or omission or to meet a subsequent change in any of the factors mentioned in clause (b) of sub-section (2).

⁵[(4) The State Government may, from time to time, in such manner as may be prescribed and at such rates as may be determined by the Stae Government by notification in the *Gazette*, impose regulatory fee on the sale or supply of any type of molasses from any sugar factor or khandsari sugar manufacturing unit either to its own unit or to any other unit such as distillery or any molasses based industry, in order to regulate the storage, preservation, distribution, supply, sale, transport, tracking and surveillance of such molasses, and such regulatory fee shall be recovered from the Occupier of the sugar factory or khandsari sugar manufacturing unit.

Explanation—For the purpose of this Act, all sugar factories as well as khandsari sugar manufacturing units, irrespective of captive consumption of malasses of captive units, shall be equally subjected in regulation.]

1. [Omit. by sec. 2 of U. P. Act no. 17 of 2000.](#)

2. [Subs. by sec. 3 of U. P. Act no. 44 of 2018.](#)

3. [Ins. by sec. 7 of U.P. Act no. 15 of 1974.](#)

4. [Ins. by sec. 6\(b\) of U.P. Act no. 1 of 2023.](#)

5. [Ins. by sec. 6\(c\) of U. P. Act no. 1 of 2023.](#)

¹[(5) * * *]

Validation

²**[8.A.** Notwithstanding any judgment, decree or order of any court to the contrary, anything done or purporting to be done and any action taken or purporting to have been taken under any provision of the Uttar Pradesh Sheera Niyantran (Sanshodhan) Adhiniyam, 2023 (U.P. Act No. 1 of 2023) from the 24th day of December, 2021 shall be valid and shall be deemed always to have been valid as if the provisions of this Act were in force at all material times.]

9. (1) Any person aggrieved by an order under sub-section (1) or sub-section (3) of section 8 may, within thirty days of the date on which the order is communicated to him, appeal to the State Government in the prescribed manner and the State Government may pass thereon such order as it deems fit.

(2) An order of the State Government under sub-section (1) shall be final.

10. ³[x x x]

Funds for regulation of adequate storage facilities

⁴**[10-A.** Every occupier of a sugar factory ⁵[or a khandsari sugar manufacturing unit] shall from the sale prices for different grades of Molasses specified below, place in a separate fund the amount as the State Government may notify in that behalf for being utilised for provisions and maintenances of adequate storage facilities in accordance with general or special order issued from time to time by the Controller :

Grade of Molasses	Percentage of total sugar contents of Molasses (expressed as reducing sugar)
I	50 percent and above
II	44 percent to 49.99 percent
III	40 percent to 43.99 percent]

CHAPTER IV

Offences and Penalties

Contravention of provisions

11. (1) Whoever contravenes any provision of this Act or the rules or orders made or the directions issued thereunder or wilfully makes any false statement or submits any false return regarding any matter in respect of which he is required under this Act or the said rules, orders or directions to give information shall, on conviction, be punishable with imprisonment of either description which may extend to one year or with fine which may extend to ⁶[one lakh rupees] or with both and, in the case of a continuing contravention, with an additional fine which may extend to ⁶[five thousand rupees] for every day during which the contravention continues after conviction for the first such contravention.

1. [Omitted by sec. 3\(ii\) of U.P. Act no. 35 of 2021.](#)
2. [Ins. by sec. 2 of U.P. Act no. 18 of 2023.](#)
3. [Omitted by sec. 3 of U.P. Act no. 17 of 2000.](#)
4. [Subs. by sec. 5 of U.P. Act no. 4 of 1998.](#)
5. [Ins. by sec. 7 of U.P. Act no. 1 of 2023.](#)
6. [Subs. by sec. 2 of U. P. Act no. 33 of 2018.](#)

¹[(2) Any Court trying an offence punishable under sub-section (1) may direct that any molasses and every animal, cart, vessel, container or conveyance used in carrying such receptacle or package containing such molasses in respect of which the court is satisfied that such offence has been committed shall be forfeited to the State Government.]

Offences by companies

12. (1) If the person committing an offence under this Act is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence 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 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.

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 that the commission of the offence is attributable to any neglect on the part of, any director, manager, managing agent, secretary or any other officer of the company, such director, manager, managing agent, 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 anybody corporate and includes a firm or other association of individuals, and

(b) “director” in relation to a firm is partner in the firm.

Cognizance offences

13. (1) No court shall take cognizance of an offence punishable under this Act except on a report in writing of the facts constituting such offence made by an excise officer of or above the rank of Excise Inspector.

(2) No court inferior to that of a Magistrate of the first class shall try any offence punishable under this Act.

Act V of 1898

(3) An offence punishable under this Act shall be cognizable and bailable within the meaning of the Code of Criminal Procedure, 1898.

Power to enter, search and seize

14. (1) A police officer not below the rank of Sub-Inspector or an excise officer of or above the rank of Sub-Inspector (Excise) may —

(a) enter and search at any time 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 ;

1. [Subs. by sec. 2 of U. P. Act no. 33 of 2018.](#)

(b) seize such molasses or any box, packet, receptacle, package or coverage containing such molasses and any books, accounts, documents or statements relating to transactions in such molasses ; and

¹ [(bb) seize every animal cart, vessel container or other conveyance used in carrying such receptacle or package.]

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

Act V of 1898

(2) All searches made under this section shall be in accordance with the provisions of the Code of Criminal Procedure, 1898.

(3) A police officer not below the rank of Sub-Inspector or an excise officer of or above the rank of Excise Inspector may investigate any offence punishable under this Act and committed within the limits of the area in which such officer exercises jurisdiction.

Act V of 1898

(4) Any such officer may exercise the same powers in respect of such investigation as an officer in charge of a police station may exercise in relation to a cognizable offence under the provisions of Chapter XIV of the Code of Criminal Procedure, 1898.

Report about seizure.

15. ²[(1) A report about any molasses or articles seized under section 14 shall as soon as may be after such seizure, be submitted to the Magistrate having jurisdiction, who may after making such inquiry, if any, as he considers necessary and after taking samples of the molasses give such directions for its disposal in accordance with the orders of the Controller as he may think fit.]

(2) Where no prosecution is instituted within six months of such seizure, the Magistrate may order the release of such molasses or articles in favour of the persons from whom they were seized.

Power to compound offences

16. The Controller may accept, from any person who is reasonably suspected of having committed an offence punishable under this Act, a sum of money not exceeding ³[two lakh fifty thousand rupees] by way of composition for the offence which may have been committed and in all the cases in which any property has been seized as liable to forfeiture under this Act, may release the same on payment of value thereof as estimated by him. On payment of such sum of money or value or both, as the case may be, to the Controller, the accused, if in custody, shall be discharged and the property seized shall be released and no further proceeding shall be taken against such person or property.

CHAPTER V

Miscellaneous

Maintenance of accounts and furnishing of returns, etc.

17. Every occupier of a sugar factory ⁴[or a khandsari sugar manufacturing unit] and every person to whom ⁵[molasses is ⁴[sold] or supplied] by such occupier shall be bound—

(a) to maintain such registers, records, accounts, instruments and reagents as may be prescribed ;

1. [Ins. by sec. 4 of U. P. Act no. 10 of 2009.](#)
2. [Subs. by sec. 9 of U. P. Act no. XV of 1974.](#)
3. [Subs. by sec. 3 of U. P. Act no. 33 of 2018.](#)
4. [Ins. by sec. 8 of U.P. Act no. 1 of 2023.](#)
5. [Subs. by sec. 5 of U. P. Act no. 10 of 2009.](#)

(b) to furnish all such information and returns relating to the production and disposal of molasses in such manner, to such persons and by such dates as may, by order, be prescribed by the Collector ;

(c) to produce, on demand by an excise officer not below the rank of a Sub-Inspector (Excise), registers, records, documents, instruments and chemical reagents which he is required to maintain under the provisions of this Act or the rules or orders made thereunder.

Accommodation to inspectors posted to factories ¹[or khandsari sugar manufacturing units]

18. Every occupier of a sugar factory ¹[or a khandsari sugar manufacturing unit] shall be bound to provide within the precincts of the sugar factory residential accommodation, on payment of such rent and on such terms as may be prescribed, to an excise officer posted to the sugar factory ¹[or a khandsari sugar manufacturing unit] by the Controller to ensure the compliance of the provisions of this Act, and the rules and orders made and the direction issued thereunder.

Delegation of powers

19. The Controller may, by notification in the Gazette, direct that any power exercisable by him under this Act, except section 8 thereof, or the rules made thereunder shall in such circumstances and under such conditions, if any, as may be specified in the notification, be exercisable also by an officer subordinate to him.

Protection of action taken in good faith

20. No suit or other legal proceeding shall lie against the State Government or any officer in respect of anything which is in good faith done or intended to be done in pursuance of this Act or any rules or orders made thereunder.

Service of orders

21. (1) An order made under the provisions of this Act shall—
 (a) in the case of an order of general nature or affecting a class of persons be notified in the *Gazette* ; and
 (b) in the case of an order directed to a specified individual be served on such individual—
 (i) by post under postal certificate or by delivering or tendering it to that individual ; or
 (ii) if it cannot be so delivered or tendered, by affixing it on the outer door or some other conspicuous part of the premises in which that individual lives and by preparing a return thereof witnessed by two persons living in that locality.

Power to make rules

22. ²[(1) The State Government may, by notification in the *Gazette* make rules to carry out the purposes of this Act.]
 (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for —
 (a) the composition of the Advisory Committee, the manner in which its members shall be chosen, the term of office of its members, the allowances, if any, payable to them, the manner in which the Advisory Committee shall tender its advice and the procedure for the conduct of its business ;

1. [Ins. by sec. 9 of U.P. Act no. 1 of 2023.](#)

2. [Subs. by sec. 3 of U.P. Act no. 18 of 2023.](#)

(b) the procedure relating to the removal of members of the Advisory Committee ;

(c) conditions relating to preservation and storage of molasses by sugar factories ¹[or khandsari sugar manufacturing units] ;

(d) specification and test in respect of grading and, sampling of molasses including verification of its quantity and quality ;

(e) manner of sale and supply of molasses ;

²[(ee) the manner in which the ¹[regulatory fees] payable under sub-section (4) of section 8 shall be realized ;]

(f) the form and manner of appeal to the State Government and the procedure to be followed in its disposal ;

(g) the procedure for compounding of offences ;

(h) registers, records, accounts, instruments and reagents to be maintained by the occupiers of sugar factories ¹[or a khandsari sugar manufacturing unit] ;

(i) the rent and the terms on which residential accommodation within the precincts of a sugar factory ¹[or a khandsari sugar manufacturing unit] shall be provided to the excise officer ;

(j) collection of information or statistics in respect of production, distribution and use of molasses ;

(k) disposal of molasses and articles forfeited under this Act ;
and

(l) any other matter which is to be or may be prescribed.

(3) All rules made under this Act shall, as soon as may be after they are made, be laid before each House of the State Legislature while it is in session, for a total period of not less than fourteen days extending in its one session or more than one successive sessions and shall, unless some later date is appointed, take effect from the date of their publication in the Gazette, subject to such modifications or annulments as the two Houses of the Legislature may agree to make ; so, however that any such modification or annulment shall be without prejudice to the validity of anything previously done thereunder.

**Repeal of U. P.
Act no. XXIII of
1947**

23. The United Provinces Molasses (Control) Act, 1947 is hereby repealed.

³[X X X X X]

1. [Ins. by sec. 10 of U.P. Act No. 1 of 2023.](#)
2. [Ins. by sec. 3 of U. P. Act no. 5 of 1986.](#)
3. [Schedule omitted by sec. 6 of U. P. Act no. 4 of 1998.](#)

