

THE U. P. SUGARCANE CESS ACT, 1956¹

(U. P. Act No. XXII of 1956)

Amended by

U.P. Act No. II of 1960

**[Authoritative English text of the Uttar Pradesh Ganna Upkar
Adhiniyam, 1956.]**

**[As passed by the Uttar Pradesh Legislature, received the
assent of the President on June 21, 1956 under Article 201 of the
Constitution of India and was published in the *Uttar Pradesh
Gazette, Extraordinary*, dated June 23, 1956.]**

AN

ACT

***to amend and consolidate the law relating to imposition
of cess on sugarcane intended for use, consumption in or sale to
a factory.***

**WHEREAS it is expedient to amend and consolidate the
law relating to imposition of cess on sugarcane intended for use
and consumption in or sale to a ²[factory and a Gur, Rab or
Khandsari Sugar Manufacturing Unit].**

**It is hereby enacted as follows in the Seventh Year of the
Republic of India.**

**Short title,
extent and
commencement**

1. (1) This Act may be called the U. P. Sugarcane Cess Act,
1956.

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

(3) This section shall come into force at once, and the
provisions of sections 2, 3 and 5 to 8 shall be deemed to have come
into force on and from the 26th day of January, 1950.

Definition

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

(a) “Appointed Date” means the date on which this Act is first
published in the official *Gazette*.

³ [(b) 'Cane', 'Cane Commissioner', 'Factory', 'Gur, Rab or
Khandsari Sugar Manufacturing Unit', 'Occupier of a factory or a Gur,
Rab or Khandsari Sugar Manufacturing Unit', 'State Government' and
'Sugar Commissioner' shall have the meanings assigned to them in
the Uttar Pradesh Sugarcane (Regulation of Supply and Purchase)
Act, 1953;

1. For Statement of Objects and Reasons please see Uttar Pradesh *Gazette (Extraordinary)*, dated April 24, 1956.

2. [Subs. by sec. 2 of U.P. Act No. 2 of 1960.](#)

3. [Subs. by sec. 3\(1\) of U.P. Act No. 2 of 1960.](#)

(c) "Owner of a factory" will include occupier of ¹[a factory or a Gur, Rab or Khandsari Sugar Manufacturing Unit] and the person, for whatever name called who has ultimate control over the affairs of the factory.

Imposition of cess

3. ²[(1) The State Government may, by notification in the official Gazette impose a cess not exceeding twenty-five naye paise per maund on the entry of cane into the premises of a factory or of a Gur, Rab or Khandsari Sugar Manufacturing Unit for use, consumption or sale therein :

Provided that different rates of cess may be imposed by the State Government for a factory and a Gur, Rab or Khandsari Sugar Manufacturing Unit :

Provided further that the State Government may by notification in the official Gazette remit in whole or in part such cess in respect of cane used or to be used in a factory or in a Gur, Rab or Khandsari Sugar Manufacturing Unit for a limited purpose specified in the notification.

Explanation—If the State Government, in the case of any factory or any Gur, Rab or Khandsari Sugar Manufacturing Unit, situate outside Uttar Pradesh, so declare, any place in Uttar Pradesh set apart for the purchase of a cane intended or required for use, consumption or sale in such factory or in such Gur, Rab or Khandsari Sugar Manufacturing Unit shall be deemed to be the premises of the factory or of the Gur, Rab or Khandsari Sugar Manufacturing Unit, as the case may be.]

(2) The cess imposed under sub-section (1) shall be payable by the owner of the factory ³[Gur, Rab or Khandsari Sugar Manufacturing Unit] and shall be paid on such date and at such place as may be prescribed.

(3) Any arrear of cess not paid on the date prescribed under sub-section (2) shall carry interest at 6 per cent per annum from such date to date of payment.

(4) The State Government may, for the purpose of assessment and collection of the cess appoint officers and authorities and may also prescribe the manner in which the cess shall be assessed and collected.

(5) Where any person is in default in making the payment of the cess, the officer or authority empowered to collect the cess may direct that in addition to the amount of the arrears and interest a sum not exceeding 10 per cent thereof shall by way of penalty be recovered from the person liable to pay the cess.

1. [Subs. by sec. 3 \(2\) of U.P. Act No. 2 of 1960.](#)

2. [Subs. by sec. 4\(1\) of U.P. Act No. 2 of 1960.](#)

3. [Subs. by sec. 4 \(2\) of U.P. Act No. 2 of 1960.](#)

(6) The officer or authority empowered to collect the cess may forward to the Collector a certificate under his signature specifying the amount of arrears including interest due from any person, and on receipt of such certificate the Collector shall proceed to recover the amount specified from such person as if it were an arrear of land revenue.

(7) Any sum imposed by way of penalty under sub-section (5) shall be recoverable in the manner provided in sub-section (6) for the recovery of the arrears of cess.

**Grant of
licences for
manufacturing
gur or rab**

¹**3-A.** (1) No Gur, Rab or Khandsari Sugar Manufacturing Unit, other than a unit, which has obtained a licence under the Uttar Pradesh Khandsari Sugar Manufacturers Licensing Order, 1959, shall without obtaining a licence from the Sugar Commissioner, carry on or undertake any process connected with the manufacture or production of gur or rab.

(2) An application for a licence under sub-section (1) shall be made to the Sugar Commissioner in such form and accompanied with a treasury chalan for such fee as may be prescribed.

(3) An application for the grant or renewal of a licence under sub-section (2) shall be disposed of by the Sugar Commissioner as expeditiously as may be possible and shall not be rejected except in a case, where the Sugar Commissioner is of the opinion that it is necessary or expedient so to do in the public interest with a view to ensure adequate supplies of cane to a factory for keeping it fully engaged in the whole of the crushing season.

(4) Any person aggrieved by the order of the Sugar Commissioner under sub-section (3) may, within thirty days from the date of the said order, prefer an appeal to the State Government whose decision thereon shall be final.

(5) In case of rejection of an application for grant or renewal of a licence, the applicant shall be entitled to a refund of the licence fee paid after the expiry of the period of limitation prescribed for filing an appeal against that order or on the rejection of the appeal.

(6) In case the applicant, of his own accord, returns the licence within 15 days of its receipt and satisfies the licensing authority that he has done nothing under it, he shall be entitled to a refund of the licence fee.

**Renewal of
licences**

3-B. (1) A licence granted under section 3-A shall be valid for the period of twelve months commencing from October 1, each year, but may on application made, not less than thirty days before the expiry of the said period be renewed from time to time for a period not exceeding twelve months reckoning from. October 1, subject to payment of such fees as may be prescribed.

(2) A licence granted or renewed under this Act may, on payment of such late fee as may be prescribed, be also renewed in cases where the application for renewal has been made beyond the period fixed therefor under sub-section (1).

1. [*Ins. by sec. 5 of U.P. Act No. 2 of 1960.*](#)

Conditions for suspension or cancellation of a licence

3-C. (1) The Sugar Commissioner may, in case of contravention of any of the provisions of this Act or of the rules made there-under or of any of the conditions of the licence, suspend or cancel a licence granted or renewed under this Act, or refuse renewal of the same.

(2) Any person aggrieved with the order of the Sugar Commissioner under sub-section (1) may, within such period as may be prescribed, prefer an appeal to the State Government whose decision thereon shall be final.

(3) The cancellation or suspension of a licence under sub-section (1) shall not entitle the licensee to any compensation or to the refund of any fee paid in respect of such licence.

3-D. (1) The Sugar Commissioner may, for the purposes of this Act-

(a) require the owner of a Gur, Rab or Khandsari Sugar Manufacturing Unit to maintain, furnish or produce such records, data or information as may be prescribed; and

(b) enter and search any premises of a Gur, Rab, Khandsari Sugar Manufacturing Unit, or seize and take into custody any of the implements connected with the manufacture or production of sugarcane juice, gur or rab of a Unit or the products thereof if any contravention of the Act or of the rules made thereunder, or of the conditions of a licence, is believed or apprehended.

(2) The Sugar Commissioner may delegate all or any of the powers, conferred on him under sub-section (1) on any officer subordinate to him.]¹

Powers of the Sugar Commissioner

Penalties

4. If any person defaults in the payment of cess imposed under sub-section (1) of ² [section 3 or commits breach or any of the provisions of this Act], or, contravenes any provision of any rule made under this Act, he shall without prejudice to his liability thereof under sub-section (5) of section 3 be liable to imprisonment up to six months or to a fine not exceeding rupees five thousand or both and in the case of continuing contravention to a further fine not exceeding rupees one thousand for each day during which the contravention continues.

Institution of proceedings

5. (1) No prosecution shall be instituted under this Act except upon complaint made by or under authority from the Cane Commissioner or the District Magistrate.

(2) On the application of a person accused of an offence under this Act, the Cane Commissioner or with the previous concurrence of the Cane Commissioner the District Magistrate may at any stage compound such offence by levying a composition fee not exceeding rupees five thousand.

(3) No court inferior to that of a Magistrate of the second class shall try any offence against this Act or any rule made thereunder.

1. [Ins. by sec. 5 of U.P. Act No. 2 of 1960.](#)

2. [Subs. by sec. 6 of U.P. Act No. 2 of 1960.](#)

**Special
powers of
Magistrate**

6. Notwithstanding anything contained in section 32 of the Code of Criminal Procedure, 1898, it shall be lawful for a Magistrate of the First Class specially empowered by the State Government in this behalf and trying any case under this Act or any rule made thereunder to pass a sentence of fine not exceeding five thousand rupees on any person convicted for any offence under this Act.

**Protection of
action taken
under the Act**

7. (1) No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of any Order or rule made under this Act.

(2) No suit or other legal proceeding shall lie against the State Government for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of any rule made under this Act.

**Determina-
tion of
occupier for
the purpose of
this Act**

8. (1) Where the owner of a factory ¹[or a Gur, Rab or Khandsari Sugar Manufacturing Unit] is a firm or other association of individuals, any one or more of the partners or members thereof would be the owner for the purpose of the Act and may be prosecuted and punished as such for any offence under the Act.

(2) Where the owner of a ¹[or a Gur, Rab or Khandsari Sugar Manufacturing Unit] is a public company any one or more of the directors thereof, or, in the case of a private company any one or more of the shareholders thereof may be prosecuted and punished under this Act for any offence for which the owner of the ¹[or a Gur, Rab or Khandsari Sugar Manufacturing Unit] is punishable.

9. (1) Section 20 of the Sugarcane (Regulation of Supply and Purchase) Act, 1953, is hereby repealed.

(2) Without prejudice to the general application of section 24 of the U. P. General Clauses Act, 1904, every notification imposing cess issued and every assessment made (including the amount of cess collected) under or in pursuance of any such notification, shall be deemed a notification issued, assessment made and cess collected under this Act as if sections 2, 3 and 5 to 8 had been in force at all material dates.

(3) Subject as provided in clause (1) of Article 20 of the Constitution every notification issued, cess imposed and act or thing done or omitted between the 26th day of January, 1950 and the Appointed Date in exercise or the purported exercise of a power under section 29 of the U. P. Sugar Factories Control Act, 1938, or of section 20 of the U. P. Sugarcane (Regulation of Supply and Purchase) Act, 1953, which would have been validly and properly issued, imposed, done or omitted if the said sections had been as section 3 of this Act, shall in law be deemed to be and to have been validly and properly imposed and done, any judgment, decree or order of any court notwithstanding.

1. [Subs. by sec. 7 of U.P. Act No. 2 of 1960.](#)

Rules

10. (1) The State Government may make rules for carrying out the provisions of the Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

(a) the manner and the form in which certificate may be forwarded to the Collector under sub-section (5) of section 3 ;

(b) collecting any information or statistics for the purposes of this Act ;

(c) the form and the manner in which nay return shall be prepared and furnished ;

¹[(c-1) the form of an application for a licence, and the terms and conditions of a licence under this Act and the fee or the late fee to be charged for the grant of a licence.]

(d) the matters which are to be and may be prescribed.

(3) The power to make rules under sub-sections (1) and (2) shall include the power to make rules with retrospective application so however that the rules so made shall not have effect prior to twenty-sixth day of January, 1950.

(4) All rules made under this Act shall be laid before the State Legislature, as soon as may be, after they are made and shall be subject to such omissions, alterations and additions as the Legislature may make in the session they are so laid ;

Provided that any rule having retrospective application shall not come into force until fourteen days after its copy has been laid on the table of the Legislative Assembly.

1. [Subs. by sec. 8 of U.P. Act No. 2 of 1960.](#)

