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THE COTTON CLOTH ACT, 1918

"ACT. No. XXIII of 1918

[26th September, 1918]

An Act to take powers to provide for the cheap supply of cotton cloth to the poorer classes of the community.

WHEREAS it is expedient to take powers for the purpose of encouraging or maintaining the supply, at reasonable rates, to the poorer classes of the community, of cotton cloth manufactured in this country ; It is hereby enacted as follows :—

1. Short title. This Act may be called the Cotton Cloth Act, 1918.

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

(a) "Controller" means a Controller appointed under this Act ;

(b) "cotton cloth" means cotton cloth manufactured in this country ; and

(c) "standard cloth" means any kind of cotton cloth which a Controller may, from time to time, declare to be standard cloth.

3. Power to appoint Controllers. The [Provincial Government] may, by notification? in the 'official Gazette], appoint one or more persons as \*[it] may think fit to be Controllers for the purposes of this Act, and shall specify in any such notification the area in which any Controller so appointed shall exercise his powers.

4. Powers of controller. (1) Whenever it appears to a Controller that such a course is necessary or expedient for the purpose of encouraging or maintaining the supply of standard cloth, at reasonable rates to the poorer classes of the community, he may (subject to this Act and the rules made thereunder and to the control of the \*[Provincial Government]) make general or special orders regulating or giving directions within the area in which he is empowered, with respect to the manufacture, transport, distribution and sale or purchase of, or other dealings in, cotton cloth.

(2) Without prejudice to the generality of the foregoing power, orders may be made by a Controller—

(a) declaring and defining the classes of standard cloth ;

(b) prescribing distinctive indications which shall be woven into, impressed or otherwise displayed upon, different classes of standard cloth ;

<sup>1</sup>For Statement of Objects and Reasons, see Gazette of India, 1918, Pt. V. p. 58; for Report of Select Committee on Cotton Cloth Act, 1918, see ibid., 1918, Pt. VI, pp. 754, 953, 1000 and 1147.

\*Subs. by A O., 1937, for "G. G. inC".

>For a notification issued by the G. G. in C. under this section, see Gazette of India, 1918, Pt. I, p. 1558.

<sup>4</sup>Subs. by A. O., 1937, for "Gazette of India".

Subs. ibid., for "he".

(o) requiring any person, who ordinarily manufactures cotton cloth, to manufacture, or provide for the manufacture of, standard cloth in such quantity, of such quality and by such date as the Controller may direct ; and

(d) fixing the prices to be paid to the manufacturer for standard cloth or for any particular class of standard cloth, and providing for the payment thereof on delivery:

Provided that in fixing prices the Controller shall have regard to the cost of production and to the allowance of a reasonable profit, without necessarily taking into consideration the market-price, and if the Controller is satisfied that the manufacturer has incurred actual loss arising out of forward contracts entered into before the commencement of this Act, and that such loss is immediately attributable to an order under this Act, he may take such loss into account:

Provided further that the Controller may fix different prices in the case of different localities or, if special reasons exist, in respect of different manufacturers in the same locality.

5. Appointment of Advisory Committees. Where a Controller is appointed in exercise of the power conferred by section 3, the '[Provincial Government]' shall appoint a Committee consisting of such number of persons having knowledge of the cotton or cotton cloth trade as 7[it] thinks fit to assist the Controller with their advice in the performance of his duties. Before a Controller issues any order declaring and defining the classes of standard cloth or fixing the prices to be paid to the manufacturer, he shall consult the Committee, and he may consult the Committee on any other matter connected with his duties:

Provided that, if the opinion of the majority of members of the Committee who are present at any meeting is adverse to the issue of any order, the Controller shall, if he does not accept the Committee's advice, refer the matter for the decision of the 1[Provincial Government].

6. Manufacture and delivery of standard cloth. Where, by an order made in the exercise of powers conferred by section 4, the Controller has directed a manufacturer to manufacture, or provide for the manufacture of, standard cloth and has fixed the price therefor, the manufacturer shall deliver the same at such time and place and in such manner as the Controller may specify from time to time, and the Controller shall pay or cause to be paid to the manufacturer the said price, together with the freight, if any, actually paid by the manufacturer.

7. Delegation of powers. Subject to the control of the '[Provincial Government]', a Controller may, from time to time by order in writing, delegate all or any of his powers subject to such conditions and restrictions as may be prescribed therein.

8. Penalty for disobedience of orders under section 4. If any person acts in contravention of, or without reasonable cause, fails to comply with, the provisions of any order made under section 4, or counterfeits upon any cloth a distinctive indication prescribed by the Controller, such person shall be punishable with imprisonment which may extend to six months, or with fine or with both.

'Subs, by A.O., 1937 for "G.G. in C.".

?Subs. ibid., for "he"

9. Power to fix prices of standard cloth.— (1) The [Provincial Government] shall, if standard cloth is sold in the Province, by order in writing which shall be notified in the [official Gazette], fix the price at which alone standard cloth or any class of standard cloth shall be sold to the public.

(2) Orders may be made fixing different prices for different localities or for different methods of sale.

(3) Every such order shall be published in such manner as the [Provincial Government] may consider to be best adapted for bringing the prices so fixed to the notice of the poorer classes.

10. Limitation of sale of standard cloth.— (1) No person shall sell or keep, offer or expose for sale to the public, standard cloth otherwise than at such price as may be fixed by the [Provincial Government] and in accordance with the terms and conditions of a licence issued in this behalf.

(2) If any person contravenes the provisions of sub-section (1), he shall be punishable with imprisonment which may extend to six months, or with fine or with both.

11. Grant of licences for sale of standard cloth. A licence for the sale of standard cloth shall be granted by such authority, in such form and subject to such conditions as the 1[Provincial Government] may prescribe by rules made under this Act.

12. Rule-making power .— (1) The [Provincial Government] may make rules-

(a) prescribing the powers and duties of the Controller,

(b) prescribing the manner in which the Controller's orders shall be published or served, as the case may be, and

(c) generally giving effect to the provisions of this Act.

(2) The [Provincial Government] shall, if standard cloth is sold in the Province, make rules prescribing the authority by which, the form in which and the conditions under which, any licence or class of licences for the sale of standard cloth shall be granted.

(3) Rules made under this Act shall be published in the \* \* \* \* [official Gazette], 4\* \* \* and on such publication shall have effect as if enacted in this Act.

13. Protection for acts done under Act. 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 under this Act.

14. Power of Act to be cumulative. All powers given by this Act shall be in addition to and not in derogation of any other powers conferred by or under any enactment, and all such powers may be exercised in the same manner and by the same authority as if this Act had not been made.

'Subs. by A. O., 1937, for "L. G".

The words "the Gazette of India or" rep. by A. O., 1937.

3Subs. ibid., for "local official Gazette"

'The words "as the case may be" rep., ibid.