

THE PUNJAB COTTON CONTROL RULES, 1966
(XX OF 1966)

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THE PUNJAB COTTON CONTROL RULES, 1966

[5th October 1966]

No.154(37)SOA VI/64.- In exercise of the powers conferred by Section 30 of the Punjab Cotton Control Ordinance, 1966 (Punjab Ordinance XX of 1966) and in suppression of the Sindh Cotton Ginning and Pressing Factories Rules 1934, the Punjab Cotton Control Rules, 1949, the Bahawalpur Cotton Control Rules, 1949, and all other rules on the subject ¹in force in any part or area of Punjab, the Governor of Punjab is pleased to make the following rules, namely:-

1. Short title and commencement.- (1) These rules may be called the Punjab Cotton Control Rules, 1966.

(2) They shall come into force at once.

2. Definitions.- In these rules, unless the context otherwise requires, the following expressions shall have the meanings hereby respectively assigned to them, that is to say:—

- (a) “Agent” means the person acting on behalf of the occupier or occupiers or the manager or managers of a company or a cotton dealer;
- (b) “Company” means a company registered under the Companies Act, 1913 (VII of 1913), which deals in cotton or cotton seed wholly or partially and whose purchases of the either of these commodities in any one month are five hundred maunds or more;
- (c) “Cotton Grower” or “grower” means a person who cultivates cotton either himself, or by members of his family, or by hired labour or by tenants;
- (d) “District” means a revenue district and includes the areas under the charge of ²a District Officer Agriculture (Extension);
- (e) ³*Omitted.*
- (f) “Form” means a form appended to these rules;
- (ff) “Grade” means a grade as defined in the Cotton Standardization Ordinance, 2002 (XIV of 2002);
- (g) “Manager” means a person who is in charge of a company or of a factory;
- (h) “Ordinance” means the Punjab Cotton Control Ordinance, 1966 (Punjab Ordinance, XX of 1966);
- (i) “Purchasing centre” means any place at which cotton or cotton seed is purchased, delivered or weighed, and includes such portion of a factory where any of these operations take place;
- (j) ²*Omitted; and*

¹ Printed in the Notification as “enforce”

² Substituted vide Govt. of the Punjab Notification No. E & A (AGRI)6-119/2000 dated 27.10.2001.

³ Omitted vide Govt. of the Punjab Notification No. E & A (AGRI)6-119/2000 dated 27.10.2001.

(k) "Section" means a section of the Ordinance.

3. Punjab Cotton Control Board.- (1) The Board shall consist of twenty-four members.

(2) The following Officers shall be ⁴*ex-officio members of the Board:-*

(a) Secretary to the Government of ⁵Punjab, Agriculture Department.

(b) Managing Director Punjab Seed Corporation.

(c) Director General of Agriculture (Ext. & AR), Punjab.

(d) Additional Secretary Agriculture (Task Force).

(e) Director Industries and Mineral Development Punjab.

(f) Registrar Co-operative Societies Punjab.

(g) Director General (Excise & Taxation) Punjab.

(3) ⁶Twelve members shall be nominated by Government, either by name or by designation, three of them being the representatives of Cotton Ginners, three being the representatives of Textile Mill Owners and the remaining six being the representatives of Cotton Growers.

(4) The Secretary to the Government of the ⁷Punjab, Agriculture Department, the Additional Secretary Agriculture (Task Force) and the Director General of Agriculture (Ext. & AR) Punjab shall be *ex-officio* Chairman, Vice-Chairman and Secretary, respectively, of the Board.

(5) The Board shall, in addition to the powers conferred and the duties imposed on it by the Ordinance, advise Government on matters connected with the growing of cotton, cotton industries and cotton textiles in Punjab and on such other matters as may be referred to it by Government and shall supervise and direct the working of the Advisory Committees and act as a liaison between Government and the Advisory Committees.

(6) The meetings of the Board shall be held on such dates and at such times and places as the Chairman may fix.

(7) Notice, in writing, of every meeting shall be dispatched to all members not less than fifteen days before the date fixed for the meeting except in urgent cases when a meeting may be held at three days' notice.

(8) The official members of the Board who attend a meeting of the Board or perform other duties connected with the Board under the orders of Chairman shall receive traveling allowance from Government as is admissible for other Government duty. The non-official members of the Board shall receive the same traveling allowance from Government as is admissible to Government servants of Grade I, as defined in rules 2.13 of the Punjab Traveling Allowance Rules, when they perform any duty connected with the Board under the orders of the Chairman.

⁴ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI)6-119/2000 dated 27.10.2001.

⁵ Inserted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 07.06.2007

⁶ Substituted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

⁷ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

(9) The Traveling Allowance bills of all the members shall be countersigned by the Chairman.

(10) The term of appointment of the non-official members of the Board shall be three years, from the 1st of September previous to nomination.

(11) Notwithstanding anything contained in sub-rule (10), Government may by notification remove any non-official member at any time without assigning any reasons thereto.

(12) When the place of a non-official member of the Board falls vacant by death, removal or resignation, Government shall nominate a new member to fill the vacancy so occurring subject to the provisions of sub-rule (3) and such new member shall hold office for the un-expired period of the term of office of the member in whose place he has been nominated.

4. Procedure of the Meetings of the Board.- (1) The meetings of the Board shall be presided over by the Chairman and in his absence by the Vice-Chairman and in the absence of both a member elected for the purpose by the members present at the meeting.

(2) ⁸Nine members inclusive of the Chairman shall form a quorum.

(3) If at any meeting there is no quorum, the Chairman shall adjourn the meeting to some other day not earlier than three days from the date of adjournment. Intimation regarding adjournment and the next date fixed for the meeting shall be sent to all members immediately. No quorum shall be necessary for such an adjourned meeting.

(4) Notices of resolutions or motions or amendments intended to be moved at a meeting, other than the first meeting, shall be sent to the Secretary at least nine days before the date fixed for such meeting.

(5) The Secretary shall dispatch to each member the agenda of the meeting at least seven days before the date fixed for the meeting.

(6) No business, other than that contained in the agenda shall be transacted at a meeting, except with the consent of the Chairman.

(7) No motion or resolution or amendment shall be discussed at a meeting unless it is seconded.

(8) Every question shall be decided by a majority of votes of the members present; in case of the votes being equally divided, the Chairman shall have a casting vote.

(9) The Chairman shall be sole judge of any point of order and may, if necessary, dissolve the meeting or adjourn it to any other day.

(10) In any case not provided for by these rules, the procedure shall be in accordance with the ruling of the Chairman.

5. Advisory Committee.- (1) When an Advisory Committee is established for any area, Government shall by notification, fix the number of its members and shall also appoint the Chairman and the Secretary thereof by name or designation;

⁸ Substituted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

Provided that the number of the non-official members from amongst the growers on the one hand and from amongst those connected with cotton ginning, cotton pressing, cotton seed crushing, cotton spinning and cotton textiles on the other hand shall be equal.

(2) The functions of an Advisory Committee shall be:—

- (a) to consider and recommend ways and means of maintaining good relations between the cotton growers and the occupiers of the factories.
- (b) to consider and to recommend schemes for the development of cotton (particularly the use of manures and fertilizers and the sowing of seeds of the quality, variety or standard prescribed), fixing of standards of cotton, marketing of cotton, regulation of the supplies of cotton to the factories and of the prices, etc; and
- (c) to offer advice on any other matter which may be referred to it by the Board or Government.

(3) The Secretary shall convene meetings of the Advisory Committee on such dates and at such times and places as the Chairman may fix and shall do so when required by not less than half the total number of the members of the Advisory Committee.

(4) The Secretary shall circulate the agenda, keep the minutes of the meetings, carry on correspondence on behalf of the Advisory Committee and perform such other functions as may be necessary for proper discharge of his duties.

(5) The Secretary shall forward a copy of the proceedings of all meetings of the Advisory Committee to the Secretary of the Board and the ⁹District Officer Agriculture (Extension) of the District within ten days of each meeting.

(6) The terms of appointment of the members of the Advisory Committee shall be one year commencing from the 1st September.

(7) Notwithstanding anything contained in sub-rule (6), Government may, by notification, remove any member at any time.

(8) When the place of a member becomes vacant by death, removal or resignation, Government shall nominate a new member to fill the vacancy so occurring, subject the provision of sub-rule (1) and such new member shall hold office for the unexpired term of office of the member in whose place he has been nominated.

6. Procedure at the meetings of the Advisory Committee.— (1) The meetings of the Advisory Committee shall be presided over by the Chairman and in his absence by any member nominated by the Chairman and, in the absence of any such nomination by the member elected for the purpose by the members present at the meeting.

(2) Notices in writing, of meeting shall be circulated to all members not less than two weeks before the meeting.

⁹ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

(3) Notices of resolutions or motions or amendments proposed to be moved at a meeting shall be made available to the Secretary at least seven days before the meeting.

(4) The agenda shall be circulated at least three days before the date fixed for the meeting and no business other than that contained in the agenda shall be transacted at that meeting except with the consent of the Chairman.

(5) At all meetings of the Committee; one third of the total number of members, inclusive of the Chairman, shall form a quorum.

(6) If at any meeting there is no quorum, the Chairman shall adjourn the meeting to any subsequent date not earlier than three days from the date of adjournment. Intimation regarding adjournment and the next date fixed for the meeting shall be sent to the members immediately. No quorum shall be necessary for such an adjourned meeting.

(7) No resolution or motion or amendment shall be discussed at a meeting unless it is seconded.

(8) A resolution motion or amendment may be withdrawn, with the permission of the Chairman by the member who has given notice of such resolution, motion or amendment.

(9) Every question shall be decided by a majority of the members present. In the case of votes being equally divided the Chairman shall have a casting vote.

(10) The Chairman shall be the sole judge of any point of order and may, if necessary, call any member to order or dissolve the meeting or adjourn it to any other day.

(11) In any case not provided for by these rules, the procedure shall be in accordance with the ruling of the Chairman.

7. Inspectors.- (1) The following ¹⁰officers shall be *ex-officio* Inspectors within the areas mentioned against each:-

- (a) The Secretary to the Government of Punjab, Agriculture Department.
 - (b) The Director General of Agriculture (Ext. & AR) Punjab (Province of Punjab).
 - (c) The District Coordination Officer.
 - (d) The District Officer Agriculture (Extension).
 - (e) The Deputy District Officer Agriculture (Extension).
 - (f) Agricultural Officer (Extension).
 - (g) Cotton Inspector.
- (within their respective jurisdiction.)

(2) Every Inspector may within the local limits of his jurisdiction and with such assistance as he thinks necessary:-

¹⁰ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

- (i) enter any factory or other place which he has reasons to believe is used as purchasing centre or for the maintenance of any records, registers or other documents pertaining thereto;
- (ii) examine weigh bridge or scales or weights used, kept or possessed for the weighment and purchase of cotton or cotton seeds;
- (iii) cause carts ¹¹or motor vehicles or trolleys carrying cotton or cotton seed to be weighed or re-weighed in his presence likewise, causes cotton or cotton seed being carried in motor trucks or trailers or trolleys or rail wagons to be weighed or re-weighed in his presence;
- (iv) examine the prescribed registers and check such other record, registers or documents as are maintained;
- (v) check the relevant weighments, purchases and payments;
- (vi) call from the occupier, manager or cotton dealer any information relating to the purchase of cotton or cotton seed;
- (vii) examine the relevant registers of factories about the payment of wages;
- (viii) examine the crop of cotton growing in the field and the relevant record pertaining to the seed sown;
- (ix) record the statement of any person or persons whom he may deem necessary to examine for the proper discharge of his duties; and
- (x) exercise in good faith such other powers as he may deem necessary for carrying out the purposes of the Ordinance and these rules.

(3) Every Inspector appointed under sub-section (2) of Section 5 may, on the orders of the Chairman of the Board and not otherwise, within the local limits of his jurisdiction:-

- (i) enter any factory;
- (ii) examine any machinery used or kept or possessed for ginning or pressing of cotton, or for the extraction of oil from cotton seed;
- (iii) Examine such registers, returns, documents accounts as are maintained and are in opinion necessary to examine for the purposes of his enquiry or report;
- (iv) Call from the occupier any information relating to the machinery or any part thereof; and
- (v) Exercise in good faith such other powers as may be necessary for the proper discharge of his functions.

(4) Inspectors appointed under sub-section (2) of Section 5, shall not divulge to a person, other than the Chairman of the Board, the information obtained and the opinion formed by them as a result of their enquiry or inspection.

¹¹ Inserted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

(5) ¹²The restrictions contained in sub-rules (3) and (4) shall not apply to the officers of Excise and Taxation Department appointed to exercise the powers and duties of Inspectors conferred or imposed upon them by or under the Ordinance.

8. Licence for working a cotton ginning, cotton pressing or cotton seed oil factory.- (1) No cotton ginning, cotton pressing or cotton seed oil factory shall be worked without a licence in Form "A" and identification number granted to the occupier in the manner and subject to conditions mentioned there in after.

(2) Applications for grant of licences shall be made to the ¹³Deputy District Officer Agriculture (Extension) in Form 'B' and the Treasury Receipt showing the Annual Fee paid under rule 12 together with the membership certificate of Pakistan Cotton Ginners Association showing the period for which the said membership certificate is issued, shall be attached to it. The Deputy District Officer Agriculture (Extension) shall forward all such applications to the District Officer Agriculture (Extension) of the District who shall issue the licences within thirty days of their receipt, in Form 'A'.

(3) ¹¹Subject to the provisions of sub-rule (3-C); the licences granted under sub-rule (2) shall be deemed to have been renewed for the subsequent year or years which the factory is intended to be worked if the annual fee required under rule 12 along with the membership certificate of the Pakistan Cotton Ginners Association is deposited by its occupier before 1st July and the Treasury Receipt is sent to the ¹²Deputy District Officer Agriculture (Extension) of the Tehsil concerned by the said date. Fresh working licences under sub-rule (2) shall be required in cases involving change in occupancy of the factory of such additions or alteration as increase its previous capacity. In such cases previous working licences shall stand cancelled. The date by which the annual fee for renewal of licence is to be deposited may be extended up to 31st August in special cases under the orders of the Deputy District Officer Agriculture (Extension) of the Tehsil.

(3-A) The condition of production of membership certificate referred in sub-rule (2) shall not apply in the case of factories consisting of four or less roller gins.

(3-B) The fee for membership of the Pakistan Cotton Ginners Association shall be as under:-

(1)	Roller, Press	Rs.150.
(2)	Press and Saw Gin	Rs.250.
(3)	Roller, Press and Saw Gins	Rs.400.

(3-C) ¹⁴If it is brought to the notice of the authority concerned to grant a licence under these rules that any amount has remained unpaid or has been willfully evaded by a factory such authority may cancel or suspend his licence for a period as it may deem fit.

(4) The licences shall be valid subject to the conditions specified.

¹² Added vide Govt. of the Punjab Notification No. 2114/73/1095/Tax-V dated 05.12.1973.

¹³ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

¹⁴ Substituted vide Govt. of the Punjab Notification No. E&A (AGRI) 6-119/2000 dated 27.10.2001.

(5) The ¹⁵Deputy District Officer Agriculture (Extension) shall during his inspection of the factories within his jurisdiction verify that the requisite fee to be paid under sub-rule(3) has been duly deposited and send a certificate to that effect in Form 'C' to the District Officer Agriculture (Extension) of the District concerned.

(6) When the Chairman of the Board has ordered a factory to:-

- (a) engage any specified kind of staff; or
- (b) install seed openers or decortications or delinters or any other device or machinery connected with the handling of cotton or cotton seed; or
- (c) re-arrange, modify or alter the layout of the machinery or its installation or adjustment, the licence granted in respect of the factory shall be suspended or cancelled by the District Officer Agriculture (Extension) of the District in case the above orders are not carried out to his satisfaction.

(7) In the event of loss or damage or destruction of a licence granted under sub-rule (2), duplicate copy of the licence shall be issued by the ¹⁶District Officer Agriculture (Extension) on an application made through the Deputy District Officer Agriculture (Extension) in Form C/1 and on payment of the fee into a Government Treasury as provided in rule 12.

(8) An appeal against the orders of District Officer Agriculture (Extension), canceling or suspending the licence granted under sub-rule (2) shall lie to the Executive District Officer Agriculture concerned whose decision shall be final.

9. Licence for the installation of a new or an extension of the existing cotton ginning factory, cotton pressing or cotton seed oil factory.- (1) Applications for the installation of new ginning, pressing or cotton seed oil factories (located within the ginning or pressing factories) shall be made to the Deputy District Officer Agriculture (Extension) concerned in the Form 'D' and 'F' respectively, accompanied by Treasury Receipts in respect of fees, as provided in rule 12.

(2) Applications for alterations or extensions in the existing ginning, pressing and seed oil factories involving over all increase in the sanctioned capacity shall be made to the Deputy District Officer Agriculture (Extension) concerned in the Form 'E' and 'F' accompanied by treasury receipt in respect of fee, as prescribed under rule 12.

(3) New factories shall be constructed in accordance with plans previously approved by the Agricultural Engineers of the Agriculture Department or Registered Civil Engineers.

Provided that nothing in this sub-rule shall apply to the ginning factories where the number of the roller gins does not exceed four.

- (4) (i) The ¹⁷Executive District Officer Agriculture shall lay down an overall limit of ginning capacity for each District keeping in view various factors of productions, trading facilities and requirements or textile mills and the number of factories in that area shall not unless, there are cogent reason exceed the limit.

¹⁵ Substituted vide Govt. of the Punjab Notification No. E&A (AGRI) 6-119/2000 dated 27.10.2001.

¹⁶ Substituted vide Govt. of the Punjab Notification No. E&A (AGRI) 6-119/2000 dated 27.10.2001.

¹⁷ Substituted vide Govt. of the Punjab Notification No. E&A (AGRI) 6-119/2000 dated 27.10.2001.

- (ii) No licence shall be granted unless:-
- (a) Government is satisfied that the additional cotton or cotton seeds required are, or are likely to be available from within a reasonable distance of the factory proposed to be installed or extended; and
 - (b) in the case of an application for the installation of new or alteration or extension to be installed or on alteration or extension, as the case may be, is not less than three saw Gins, or twenty Double Roller Gins or thirty Single Roller Gins.

Provided that clause (b) shall not apply in the case of a cotton grower who applied for a licence for ginning cotton produced from his own land.

(5) The licence for installation of new factories or alterations or extensions in the existing factories shall be granted by the District Officer Agriculture (Extension) of the District in Form 'G' and 'H' subject to the conditions laid down in sub-rule (3) and (4).

(6) In case the number of factories increase beyond the overall limit of ginning factory in any area, the Executive District Officer Agriculture concerned shall impose an embargo on further grant of licences in that area.

(7) Applications for shifting of cotton ginning factories having roller gins up to four, within the same District shall be made to the Deputy District Officer Agriculture (Extension). The Deputy District Officer Agriculture (Extension) after scrutiny shall forward the application, to the District Officer Agriculture (Extension) for formal permission.

(8) The licences for installation for new factory shall be in Form 'G' and ¹⁸licences for alteration or extension of existing factories shall be in ¹⁹Form 'H'

(9) The licences granted under this rule shall be valid for the period specified therein and may under special or un-avoidable circumstances be extended up to a total period of two years from the date of the issue of installation licences, on payment of Rs.50 as additional fee for each licence for ginning, pressing and seed oil factory.

(10) Applications for the allotment of identification mark in respect of a new factory shall be made to the District Officer Agriculture (Extension) through the ²⁰Deputy District Officer Agriculture (Extension) concerned in Form 'I' along with an application for working licence before the factory starts work. Treasury Receipt showing the fee deposited under rule 12 shall be attached to the application by the occupier of the factory.

The District Officer Agriculture (Extension) shall allot the identification mark in Form 'J'.

For subsequent years, the Identification mark shall remain the same but the occupier shall deposit the fee prescribed under rule 12 and send the Treasury Challan to the Deputy District Officer Agriculture (Extension) of the District concerned by 1st July

¹⁸ Printed in the Notification as "licences"

¹⁹ Printed in the Notification as "From"

²⁰ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

which date may be extended up to 31st of August under the orders of the Deputy District Officer Agriculture (Extension).

The Deputy District Officer Agriculture (Extension) shall forward the list of factories to the District Officer Agriculture (Extension) after verification. The identification mark shall be deemed to have been granted after the prescribed fee has been credited into a Government treasury unless it is intimated to the occupier otherwise for specified reasons.

- (11) An appeal against the order:-
- (i) Refusing to allow new installation or proposed alteration or extension in the existing factory.
 - (ii) Refusing or cancelling or suspending the working licence, identification mark, shifting, etc. passed by the ²¹Executive District Officer Agriculture shall lie to the Government and by the District Officer Agriculture (Extension) to the Executive District Officer Agriculture.

10. Change of occupancy ownership of the factory.- Intimation about any change in ownership or occupancy of a factory shall be sent in writing to the Deputy District Officer Agriculture (Extension) of the Tehsil and the District Officer Agriculture (Extension) of the District, by both the old and new owners or occupiers, as the case may be, within thirty days of the date of which the change takes place.

11. Nomination of partners, members, etc. for the purpose of section 18.- The firm, association or company shall send intimation in writing to the Deputy District Officer Agriculture (Extension) of the Tehsil and the District Officer Agriculture (Extension) of the District within seven days of the date of nomination/appointment of its partners or members, Directors, share holders to be the occupiers of the factory for the purpose of section 18.

12. ²²Fees for licence, etc..- (1) The fees referred to in rules 8, 9, 22 and 25, shall be as under:-

Rule	Type of Licence etc.	Fees
8(a)	Licence for working a cotton ginning, cotton pressing or cotton seed oil factory (before 31st August).	(i) Rs.100/- per single roller or per saw gin with ten saws and Rs.150/- per double roller gin. (ii) Rs.250/- for seed oil factory; and. (iii) Rs.1000/- for cotton pressing factory.
(b)	Licence for working a cotton ginning, cotton pressing or cotton seed oil factory (before 31st August).	(i) Rs.10/- per day in addition to fees prescribed in (a)(i), per single roller or per saw gin with ten saws, and Rs.15/- per day in addition to the fees prescribed under (a)(i) per double roller gin. (ii) Rs.10/- per day in addition to the fees prescribed under (a)(ii) (iii) Rs.10/- per day in addition to the fees prescribed under (a)(iii).

²¹ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

²² Substituted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-1 dated 15.11.2002.

8(7)	Duplicate copy of a licence.	Rs.500/-
9(a)	Licence for installation of a new cotton ginning or pressing factory.	Rs.5000/-
9(b)	Licence for alteration or extension of an existing cotton ginning or pressing factory.	Rs.2000/-
9(c)	Allotment of identification mark to a factory.	Rs.200/- (First Year) Rs.100/- (subsequent years).
9(d)	Licence for installation of a new or alteration or extension of an existing cotton seed oil factory.	Rs.5000/-
22	Licence for bringing into a tract or area, cotton (not being ginned cotton converted into fully pressed bales) or cotton seed.	Rs. 2/- per 40 kg of un-ginned cotton, Rs. 5/- per 40 kg of ginned cotton (not being ginned cotton converted into fully pressed bales) 50 paise per 40 kg of cotton seeds.
25	Receipt of cotton during a cotton year (cotton fee).	²³ paise ten per kg ²⁴ to be paid within the prescribed period

(2) The fee prescribed under sub-rule (1) shall be paid into a treasury of the District in which the factory is situated.

(3) In the event of a licence applied for being refused, the amount of the fees deposited under sub-rule (2) at the time of making the application for the licence shall be refunded.

13. Scales and weights.- (1) No cotton or cotton seed shall be purchased without actual weighments.

(2) All transactions in connection with the purchase and supply of cotton or cotton seed shall be made according to ²⁵40 kilograms and it shall not be lawful to use any other weight in relation to any such transaction.

(3) The net weight of cotton or cotton seeds shall be correctly recorded to the nearest eighth of ²²40 kilograms.

(4) No scales or weights shall be used, kept or possessed for the weighment of cotton or cotton seed by or on behalf of an occupier of a factory, a Manager of a company or firm or a cotton dealer:-

- (a) which do not weigh within an error of two percent, or :
- (b) the scale arms of which are not clearly marked or are either not visible to the vendor of cotton or cotton seed or his authorized agent or are not legible to the persons standing near the consignment being weighed, or
- (c) which have been disapproved by the ²⁶Deputy District Officer Agriculture (Extension) of the Tehsil concerned.

²³ Substituted vide Punjab Finance Ordinance, 2001 dated 30.06.2001.

²⁴ Substituted vide Punjab Finance Ordinance, 2002 dated 25.06.2002

²⁵ Substituted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

(5) All weights used, kept or possessed for the weighment of cotton or cotton seeds shall be made of iron, brass or other metal and clearly stamped or marked to indicate their denominations.

(6) That part of the mechanism of a weight-bridge by which its adjustment is controlled shall be kept, locked and sealed to the satisfaction of the ²³Deputy District Officer Agriculture (Extension) of the Tehsil concerned.

(7) All scales or weights used, kept or possessed for the weighment of cotton or cotton seed shall be open to inspection, examination or test by the Deputy District Officer Agriculture (Extension) of the Tehsil concerned at all time without notice.

(8) Carts, ²⁷motor vehicles, trolleys, etc. loaded with cotton or cotton seeds shall not be kept waiting for more than six hours and to avoid congestion or delay in the weighment of cotton or cotton seed, an occupier shall provide adequate facilities at the purchasing centers to the satisfaction of the Deputy District Officer Agriculture (Extension) of the Tehsil concerned.

(9) An occupier shall:

(a) provide and maintain metalled approaches to and exits from all weight-bridges in the factory premises to such distances as may in each case be ordered by the Deputy District Officer Agriculture (Extension) of the Tehsil concerned.

(b) provide reasonable space for parking of carts and provide sheds and for cattle droughts, as may be laid down by the general or special order of the Deputy District Officer Agriculture (Extension) of the Tehsil.

(c) weight or allow weighments of cotton or cotton seed earlier than half an hour before sunrise or later than half an hour after sunset.

14. Cotton ginning, cotton pressing and cotton seed registers.- (1) An occupier of a cotton ginning, a cotton pressing or a cotton seed oil factory shall maintain a register in Forms 'K', 'L' and 'M', respectively.

(2) Except in the case of a cotton seed register, separate pages shall be allotted in the registers referred to in sub-rule (1) to each variety and to each owner of cotton.

(3) The registers referred to in sub-rule (1) shall be preserved for five years after the close of each year.

Example: Register for the year ending 31st August, 1967 shall be preserved till the 31st of August, 1972, after which date it may be destroyed.

(4) The registers shall be kept up to date, that is, up to and including the day prior to inspection.

15. Cotton ginning, cotton pressing and cotton seed returns.- (1) The occupier of every cotton ginning, cotton pressing or cotton seed oil factory shall send

²³ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

²⁷ Substituted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-1 dated 15.11.2002.

to the ²⁸Deputy District Officer Agriculture (Extension) of the Tehsil concerned weekly returns in Forms 'N' 'O' and 'P' respectively.

(2) The returns referred to in sub-rule (1) shall be for each week ending on Friday and shall be posted not later than the following day.

(3) The weekly returns prescribed in Forms 'N' and 'G' shall be published by the Secretary to the Government of Punjab, Agriculture Department, in the official Gazette in the Forms 'Q' and 'R' respectively.

16. Marking of Bales- ²⁹The pressing factory number, the grade, the staple length and the serial number of the bale shall be stenciled in ink on the hessian on the leashed side of the every bale pressed in a cotton pressing factory in the following manner:-

- (a) the figures and letters used shall be in English;
- (b) the size of each figure or letter shall be two inches in height and one inch in width;
- (c) the press number, the grade and the staple length shall be in one line and shall be separated by an asterisk mark and the inscription so made on the bale underlined in red ink;

Provided that bales containing admixture in exercise of the limits prescribed in sub-rule (2) of rule 17 shall be marked "MIXED" or "WASTE", as the case may be:

- (d) the serial number shall be stenciled under the red line referred to in clause (c), and shall consist of two parts, each part of which shall precede and end with asterisk mark; the first part shall consist of the last two integers of the cotton year and the second part shall be the running number of the bale according to the Pressing Register.

Explanation: For the purpose of this clause, the expression "the last two integers of the cotton year" mean the last two integers of the calendar year in which cotton year starts.

Example: A bale of cotton of grade "Super", having staple length 29 mm, numbered 1930 according to the Pressing Register, pressed in Pressing Factory number W.P.12 at any time from the 1st August 2007, to 31st July 2008, shall be marked as under:-

W.P.12	Super	29 mm	07	1930
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17. Watering, adulteration and mixing of cotton.- (1) ³⁰*deleted*

(2) The admixture of seed and other cotton plant parts shall not exceed more than two per cent ³¹and all other foreign matter shall be zero.

(3) ³²When an inspector detects on his inspection of any factory in his jurisdiction that the provision of sub-rule (2) has been contravened, he shall forthwith take a property representative sample of the ginned or un-ginned cotton or cotton

²⁸ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

²⁹ Substituted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 07.06.2007

³⁰ Deleted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

³¹ Inserted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

³² Substituted vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

seed weighing not less than 1 ½ kg in presence of the occupier of the factory or his authorized agent. He shall divide the sample into three portions and effectively seal and suitably mark the same and permit the occupier of the factory or, as the case may be, his authorized agent to add his own seal and mark to all or any of the portions so sealed and marked. He shall forthwith dispatch the first portion to the laboratory notified by the competent authority, and shall hand over the second portion to the person from whom he has taken the sample and shall retain the third portion with himself as case property. The laboratory shall send a copy of analysis report to the concerned Inspector. If the sample is found mixed, the Inspector concerned shall take suitable action against the occupier of the factory under the Ordinance or these rules.

(4) ³³The occupier of the factory may appeal to the competent authority for re-analysis of the disputed sample within thirty days of the delivery of the report to him. On acceptance of the appeal, the second portion of the sample retained by the accused shall be analyzed at the laboratory notified by the competent authority. The re-analysis report shall be final and no further appeal shall be entertained by the Government.

18. Regulation of the price of cotton or cotton seed.- An occupier of any person employed by him shall not purchase cotton or cotton seed or pay for it or them price below the minimum price or in excess of the maximum price, when Government has fixed the minimum or maximum price or prices under section 26.

19. Growing of pure seeds of Cotton.- (1) When the growing of all or any variety or varieties of cotton has been prohibited in a particular tract, under section 21, no grower in that tract shall sow any cotton seed, except the seed of the prescribed variety procured from the official or non-official seed agent of the Punjab Seed Corporation authorized to sell seed for the tract (who shall issue certificates in Forms 'S' and 'T') or home grown seed certified fit by an official of the Agriculture Department not below the rank of an ³⁴Agricultural ³⁵Officer.

(2) The certificate referred to in sub-rule (1) shall be preserved by the grower till the 31st December next following.

20. Pure seed of cotton.- (1) When the Deputy District Officer Agriculture (Extension) of the Tehsil, has by order in writing reserved any cotton growing in a field for the procuring of pure seed for sowing purposes the grower shall:

- (a) rogue out the crop, if necessary, as ordered by the ³¹Deputy District Officer Agriculture (Extension) concerned;
- (b) pick cotton or cause it to be picked as arranged with the ³¹Deputy District Officer Agriculture (Extension) and
- (c) store cotton so picked as directed by the ³¹Deputy District Officer Agriculture (Extension) concerned.

³³ Added vide Govt. of the Punjab Notification No. SOA (EXT) 1-70/92-I dated 15.11.2002.

³⁴ Printed in the Notification as "Agricultural"

³⁵ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

(2) Likewise when the Deputy District Officer Agriculture (Extension) of the Tehsil concerned has by order in writing reserved any cotton Kapas stored or lying any where, the owner shall gin it or cause it to be ginned under the supervision of the Deputy District Officer Agriculture (Extension) of the Tehsil concerned.

(3) Permission to gin cotton reserved under sub-rule (1) or sub-rule (2) shall be granted by the Deputy District Officer Agriculture (Extension) of the Tehsil concerned on the following conditions:

- (a) the cost of ginning shall be paid by the owner of the cotton;
- (b) before the ginning of the reserved cotton starts the factory shall be cleaned to the satisfaction of the Deputy District Officer Agriculture (Extension) of the Tehsil deputed for the purpose who shall certify it as fit and clean for ginning;
- (c) cotton seed obtained from ginning of the reserved cotton shall be kept and stored separately from all the other cotton seed; and
- (d) seed so obtained shall be sold to the ³⁶Punjab Seed Corporation at a price and premium specified in the order of the Deputy District Officer Agriculture (Extension) of the Tehsil.

21. Equivalent of gins.- For the purpose of Explanation to section 15, equivalent of single roller gins shall be as under:-

- (a) one double roller gin equals one and one of the half (1 ½) single roller gin; and
- (b) ten saws of one saw gins equals one single roller gin.

22. Transport of cotton or cotton seed in or out of the prescribed zones.- (1) No cotton being (ginned cotton converted into fully pressed bales) or cotton seed other than that of the variety or varieties prescribed for the tract shall be brought into that tract without a licence likewise cotton (not being ginned cotton converted into fully pressed bales) or cotton seed of a variety or varieties shall not be sent to a tract where its cultivation is forbidden without licence.

(2) Applications for the grant of a licence referred to in sub-rule (1) shall be made to the Deputy District Officer Agriculture (Extension) concerned in Form 'U' and each such application shall be accompanied by a Treasury Receipt to show that the fee at the rates of 19 paise and 50 paise per maund of un-ginned and ginning (not being ginned cotton converted into fully pressed bales) cotton, respectively and 6 paise per maund of cotton seeds have been credited in a Treasury.

(3) Licences may be granted or refused by the ³⁷Deputy District Officer Agriculture (Extension) of the Tehsil concerned;

Provided that in the event of a refusal:-

- (a) the aggrieved party shall have right of first appeal to the ³³District Officer Agriculture (Extension) of the District and of second and final appeal to the Executive District Officer Agriculture concerned; and

³⁶ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.
vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

³³ ibid

- (b) the fees deposited under sub-rule (2) shall be refunded.
- (4) The Licences referred to in sub-rule (3) shall be granted in Form 'V'

23. Payments.- (1) Payment of the price of cotton or cotton seeds shall be made within twenty four hours of the demand.

(2) Payment for cotton or cotton seed shall be made on the recorded weight and price shall be calculated to the nearest paisa.

(3) Occupier of the factory or the manger of firm or any one else purchasing cotton or cotton seed shall be liable for all payments due for cotton or cotton seed supplied or purchased by him or on his behalf.

(4) The occupier of the factory or the manger of a firm or any one else purchasing cotton or cotton seed shall not make any deductions except as provided in sub rule (5).

(5) Such deduction as Government may by notification direct, may be marked from the price of cotton or cotton seeds purchase:-

- (a) in which cotton is below the average standard for the area on account of natural causes, e.g. intensive attack of insect pest, disease etc.; or
- (b) in which a specified inferior variety of cotton is ordinarily or preponderatingly grown; or
- (c) in which owing to inaccessibility or other cause, the circumstances are such that the deduction from the price is in the interest of the grower or the industry or both.

Provided that the deduction so made shall be utilized for such purpose and in such manner as may be directed by the Chairman of the Board.

24. Notices.- The occupier of every factory shall cause to be put up at the factory:-

- (a) an abstract of these rules; and
- (b) notices in Form 'W' printed or painted in bold letter in English and in Urdu showing the allotted factory number and the minimum and/or the maximum prices fixed (if any) of cotton or cotton seeds and the prices at which cotton and/or cotton seeds are being purchased at each entrance to the factory and at such other places at which the ³⁹Deputy District Officer Agriculture (Extension) of the Tehsil may direct.

25. ⁴⁰Fees for development of Agriculture relating to cotton crop etc.- (1) For the purposes of development and improvement of agriculture relating to cotton crop and for meeting the expenses on the administration of the Ordinance, every owner of a factory shall pay on the cotton received by him a fee at the rate specified in rule 12. In case the occupier is different from the owner, the latter shall be liable to pay the fee on the cotton received by the occupier into the factory;

³⁹ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.

⁴⁰ Substituted vide Govt. of the Punjab Notification No. 2114/73/1095/Tax-V dated 05.12.1973.

Provided that the fee shall not be recovered more than once in respect of the same cotton.

(2) The occupier of every factory shall keep a true and daily amount of cotton received by him in Form 'X' in bound and machine paged registers which shall be produced before the Excise and Taxation Officer of the district concerned or an officer authorized by him in that behalf on demand and shall be preserved for a period of five years from the close of cotton year to which it relates.

(3) The fee shall be deposited into the treasury within seven days of close of the calendar month to which it relates. If not so paid or not paid in full the owner shall pay the fee under sub-rule (1) due from him within ten days of the receipt of a notice from the Excise and Taxation Officer concerned demanding the payment of the unpaid fee.

(4) The occupier of every factory shall, within one week of the close of each calendar month furnish to the Excise and Taxation Officer a return of total quantity of cotton received by him and the fee payable thereon in Form "Y" along with a treasury receipt or cheque of a scheduled bank evidencing the payment of the fee at the prescribed rate.

(5) On receipt of the return prescribed in sub-rule (4) the Excise and Taxation Officer concerned shall verify the correctness of return. In case the return is found to be incorrect or incomplete or not filed, the Excise and Taxation Officer shall, after affording occupier an opportunity of being heard, proceed to determine by an order in writing stating briefly the reasons therefore, the amount of the fee payable.

(6) If any amount of the fee or a part thereof is not paid within time prescribed in sub-rule (3), the Excise and Taxation Officer may, if after hearing the defaulter be satisfied that the failure to pay the fee within the prescribed period was without sufficient cause, order that the fee shall be paid at a rate not exceeding Rs. 4/- per maund.

(7) (a) The arrears of the fee imposed under this rule, if not paid within prescribed period, shall be recoverable as arrears of land revenue.

(b) For the purpose of recovery of the fee, the Excise and Taxation Officer shall have the powers of Assistant Collector Grade-I and the Director, Excise and Taxation shall have the powers of the Collector under the Punjab Land Revenue Act, 1967.

⁴¹**25-A.** For the purpose of collection of the fee imposed under rule 25, Excise and Taxation Officer shall maintain a register containing as far as practicable the following particulars:-

- (i) name and address of the factory;
- (ii) name and address of the owner;
- (iii) name and address of the occupier, if different from the owner;
- (iv) number and date of return submitted;
- (v) quantity of cotton received during the calendar month;

⁴¹ Added vide Govt. of the Punjab Notification No. 2114/73/1095/Tax-V dated 05.12.1973.

- (vi) the amount of fee payable;
- (vii) the amount of penalty imposed, if any;
- (viii) number and date of treasury receipt showing the payment of cotton fee; and
- (ix) balance, if any.

⁴²**25-B** (1) Any person aggrieved by an order of an Excise and Taxation Officer made under rule 25 may prefer an appeal against such Order to the Director Excise and Taxation within thirty days of the communication to him of the said order. The Director Excise and Taxation shall decide the appeal after hearing the appellant and the representative of the Government.

(2) An appeal under sub-rule (1) shall be preferred by means of a memorandum which shall be stamped as laid down in article 11(a) of Schedule-II to the Court Fees Act, 1870 (Act VII of 1870) and shall be accompanied by a certified copy of the order appealed against.

(3) The authority making an order under these rules may review its order to correct any clerical or arithmetical errors or any mistake apparent on the face of the record.

(4) Director General Excise & Taxation Punjab or any other officer appointed by the Government in this behalf may, *suo-moto*, or on an application made to him in this behalf within a period of one year from the date of taking of any proceedings or passing of an order by the Excise and Taxation Officer or the Director, Excise and Taxation, call for the record of proceedings or the order for the purposes of satisfying himself as to legality or propriety of the same and may make such orders as he may deem fit.

26. No prosecution under the Ordinance shall be instituted except by or with the previous sanction in writing of the ⁴³Deputy District Officer Agriculture (Extension) of the Tehsil or the District Officer Agriculture (Extension) of the District or the Executive District Officer Agriculture of the District, in which the prosecution is to be instituted.

⁴² Added vide Govt. of the Punjab Notification No. 2114/73/1095/Tax-V dated 05.12.1973.

⁴³ Substituted vide Govt. of the Punjab Notification No. E & A (AGRI) 6-119/2000 dated 27.10.2001.