

Rep. by Act..... 56, 1968, s. 2 & sch. I

**THE RICE-MILLING INDUSTRY (REGULATION)
AMENDMENT ACT, 1968**

No. 29 OF 1968

[7th August, 1968]

An Act to amend the Rice-Milling Industry (Regulation) Act,
1958.

BE it enacted by Parliament in the Nineteenth Year of the
Republic of India as follows:—

1. (1) This Act may be called the Rice-Milling Industry (Regulation) Amendment Act, 1968.

Short title
and com-
mence-
ment.

(2) It shall come into force on such date as the Central Govern-
ment may, by notification in the Official Gazette, appoint.

21 of 1958. 2. In the Rice-Milling Industry (Regulation) Act, 1958 (herein-
after referred to as the principal Act), in section 3,—

Amend-
ment of
section 3.

(1) for clause (a), the following clause shall be substituted,
namely:—

(a) "defunct rice mill" means—

(i) a rice mill in existence at the commencement of
this Act but in which rice-milling operations have not
been carried on for a continuous period of one year prior
to such commencement; and

(ii) a rice mill (whether established before or after
such commencement) in which rice-milling operations
are not carried on for a continuous period of one year
at any time after the commencement of the Rice-Milling
Industry (Regulation) Amendment Act, 1968; ;

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(2) to clause (b), the following proviso shall be added, namely:—

“Provided that if in any such rice mill rice-milling operations are not carried on for a continuous period of one year at any time after the commencement of the Rice-Milling Industry (Regulation) Amendment Act, 1968, then, such mill shall, on the expiry of the said period of one year, cease to be an existing rice mill and be deemed to be a defunct rice mill;”;

(3) for clause (d), the following clause shall be substituted, namely:—

‘(d) “milling-rice”, with its grammatical variations, means—

(i) recovering rice or any product thereof from paddy;

(ii) polishing rice,

with the aid of power;”;

(4) after clause (g), the following clause shall be inserted, namely:—

‘(gg) “polishing” in relation to rice means the removal of bran from the kernel of rice.’

Insertion of new section 3A.

Application of the Act to rice-hullers.

Amendment of section 5.

3. In the principal Act, after section 3, the following section shall be inserted, namely:—

“3A. The provisions of this Act shall apply to rice-hullers attached to, or maintained with, any flour, oil, dal or other mill, or pumping set as they apply to rice mills subject to the modification that any reference to the commencement of this Act in those provisions shall, in their application to such rice-hullers, be construed as a reference to the commencement of the Rice-Milling Industry (Regulation) Amendment Act, 1968.”

4. In section 5 of the principal Act,—

(1) in sub-section (3), for the words “such other conditions as it may think fit”, the words “such other conditions (including such conditions as to improvements to existing machinery, replacement of existing machinery and use of improved methods of rice-milling as may be necessary to eliminate waste, obtain maximum production and improve quality) as it may think fit” shall be substituted;

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(2) for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) (a) In granting a permit under this section (whether for the establishment of a new rice mill or for re-commencing rice-milling operation in a defunct rice mill), the Central Government shall give preference—

(i) to a Government company or a corporation owned or controlled by the Government over every other applicant;

(ii) to a farmers' co-operative society over every other applicant, not being a Government company or a corporation owned or controlled by the Government, notwithstanding that such other applicant has applied for the grant of a permit for re-commencing rice-milling operation in a defunct rice mill.

(b) Subject to the provisions of clause (a), in granting a permit under this section, the Central Government shall give preference to a defunct rice mill over a new rice mill.

Explanation.—In this sub-section,—

(i) “Co-operative society” means a society registered or deemed to be registered under the Co-operative Societies Act, 1912 or any other law relating to co-operative societies for the time being in force in any State and “farmers' co-operative society” means a co-operative society the members whereof include farmers and the voting rights in which are, according to its rules and bye-laws, restricted to the following classes of its members, namely:—

(a) farmers,

(b) State Governments,

(c) primary agricultural credit societies as defined in clause (cii) of section 2 of the Reserve Bank of India Act, 1934;

(ii) “Government company” has the same meaning as in the Companies Act, 1956.”;

(3) in sub-section (6),—

(i) for the words “shall be effective”, the words “shall be valid” shall be substituted;

2 of 1912.

2 of 1934.

1 of 1956.

(ii) the following proviso shall be added at the end, namely:—

“Provided that if in a mill in respect of which a permit has been granted under sub-section (3) rice-milling operation is not carried on for a continuous period of one year at any time after the commencement of the Rice-Milling Industry (Regulation) Amendment Act, 1968, then, such permit shall cease to be valid upon the expiry of the said period of one year and a fresh permit shall be necessary for re-commencing rice-milling operation in that mill.”

Amend-
ment of
section 6.

5. In section 6 of the principal Act,—

(1) in sub-section (1), for the words and figure “a permit has been granted under section 5”, the words and figure “a permit granted under section 5 is effective” shall be substituted;

(2) in sub-section (3), for the brackets and words “(including, in particular, conditions relating to the polishing of rice)”, the brackets and words “(including such conditions as to improvements to existing machinery, replacement of existing machinery and use of improved methods of rice-milling, as may be necessary to eliminate waste, obtain maximum production and improve quality and conditions relating to the polishing of rice)” shall be substituted;

(3) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) A licence granted under this section shall be valid for the period specified therein and may be renewed from time to time for such period and on payment of such fees and on such conditions (including such conditions as to improvements to existing machinery, replacement of existing machinery and use of improved methods of rice-milling, as may be necessary to eliminate waste, obtain maximum production and improve quality) as may be prescribed:

Provided that if in a mill in respect of which a licence has been granted under sub-section (3) rice-milling operations are not carried on for a continuous period of one year at any time after the commencement of the Rice-Milling Industry (Regulation) Amendment Act, 1968, then, such licence shall cease to be

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valid upon the expiry of the said period of one year and a fresh licence shall be necessary for carrying on rice-milling operations in that mill."

6. In section 8 of the principal Act, in sub-section (3),—

Amend-
ment of
section 8.

(i) in clause (a), for the words "after the expiry of the period of the validity of the licence," the words "after the licence has ceased to be valid" shall be substituted;

(ii) for the proviso to clause (d), the following proviso shall be substituted, namely:—

"Provided that no such permission shall be necessary,—

(i) where such expansion is in accordance with the terms and conditions of the permit or licence granted under this Act in respect of the rice mill; or

(ii) for the replacement merely of any parts of the machinery of the rice mill if such replacement does not result in an increase in the productive capacity of the rice mill."

7. In section 13 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

Amendment
of section
13.

"(1) If any person contravenes or attempts to contravene or abets the contravention of any of the provisions of section 8 or sub-section (2) of section 18, he shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to ten thousand rupees, or with both, and in the case of a continuing contravention, with an additional fine which may extend to five hundred rupees for every day during which such contravention continues after conviction for the first such contravention:

Provided that where such contravention, attempt or abetment relates to sub-section (1), or sub-section (2), or clause (a) or clause (b) of sub-section (3) of section 8, or sub-section (2) of section 18, he shall be punishable with imprisonment for a term which shall not be less than one month."

8. After section 14 of the principal Act, the following sections shall be inserted, namely:—

Insertion of
new sections
14A and
14B.

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Burden of proof in certain cases.

"14A. Where paddy, husk, rice or broken rice is recovered from the premises of a mill, it shall be presumed, unless the contrary is proved by the owner, that rice-milling operations are carried on in that mill.

Confiscation of plant and machinery.

"14B. Where any person has been convicted for contravention of any of the provisions of section 8 or of sub-section (2) of section 18, then, the court convicting such person may order confiscation of the plant and machinery with which rice-milling operations in contravention of such provision were carried on:

Provided that where such person is convicted for a second or subsequent offence, the court shall order confiscation of such plant and machinery."

Amendment of section 21.

9. In sub-section (1) of section 21 of the principal Act, for the words "any person", the words "any officer or authority" shall be substituted.

Amendment of section 22.

10. In section 22 of the principal Act,—

(1) in sub-section (2),—

(a) after clause (b), the following clause shall be inserted, namely:—

"(bb) the form of a permit under section 5 and the conditions (including conditions relating to improvements to existing machinery, replacement of existing machinery and use of improved methods of rice-milling) subject to which a permit may be granted and the time within which such conditions shall be complied with;"

(b) in clause (d), for the words "including conditions relating to the polishing of rice", the words "including conditions relating to improvements to existing machinery, replacement of existing machinery, use of improved methods of rice-milling and polishing of rice, the time within which such conditions shall be complied with" shall be substituted.

(2) for sub-section (4), the following sub-section shall be substituted, namely:—

"(4) Every rule made by the Central Government under this section shall be laid as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the ex-

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piry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule."