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THE JUTE ORDINANCE, 1962

ORDINANCE NO. LXXIV OF 1962

[10th September, 1962]

An Ordinance to consolidate and amend the law relating to trade in Jute and jute manufactures.*

WHEREAS it is expedient to consolidate and amend the law relating to trade in jute ¹[and jute manufactures] in order to provide for measures for the regulation and promotion of internal and international trade therein, for the licensing of ²[traders in jute, jute manufacturers and owners of] *kutchas* and *pucca* jute presses, for the collection of statistics in respect of the Jute trade and industry, and for the levying of a cess on jute;

AND WHEREAS the national interest of Bangladesh in relation to the economic and financial stability of Bangladesh so requires;

AND WHEREAS the National Assembly is not in session and the Speaker, acting as President under Article 16 of the Constitution, is satisfied that circumstances exist which render immediate legislation necessary;

NOW, THEREFORE, in pursuance of Article 16 of the Constitution and in exercise of the powers conferred by Article 29 of the Constitution read with clause (2) of Article 131 thereof and of all other powers enabling him in that behalf, the Speaker, acting as President, makes and promulgates the following Ordinance:-

Short title,
extent and
commencement

1. (1) This Ordinance may be called the Jute Ordinance, 1962.

* Throughout this Ordinance, the word "Bangladesh" was substituted for the word "Pakistan", and the word "Central" was omitted by section 2 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

¹ The words "and jute manufactures" were inserted by section 2 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).

² The words and comma "traders in jute, jute manufactures and owners of" were substituted for the words "dealers in jute and occupiers of jute godowns and" by section 3 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

(2) It extends to the whole of Bangladesh.

(3) It shall come into force at once.

2. In this Ordinance, unless there is anything repugnant in the subject or context,-

Definitions

¹[* * *]

(b) “contract” means a contract for the sale of jute or jute manufactures to any person in or outside Bangladesh;

²[(c) “trader” means any person who purchases, or negotiates for the purchase of, or sells, or undertakes the grading or baling or spinning, or manufacturing of, jute or jute manufactures but does not include a grower of jute selling his own produce;]

(d) “exporter” means a shipper or a person who exports jute or jute manufactures from Bangladesh;

³[* * *]

(f) “grower of jute” means any person who, either by himself or by members of his family or by hired labourers or by *adhiars* or *borgadars* grows jute in any year on any land in his possession;

(g) “jute” means the fibre of jute plant known botanically as belonging to the genus *corchorus*, including all the species of that genus, whether known as *pat*, *kosta*, *nalia* or by any other name, and also means the fibre of the plant known botanically as *hibiscus cannabinus* and commonly called *mesta*, and includes any jute fibre which has not been subjected to any process of spinning or weaving, and jute cuttings, whether loose or packed in drums or bales;

(h) “jute manufacture” means hessian, gunnies, twine, yarn, matting and any other article manufactured wholly or mainly from jute;

¹ Clause (a) was omitted by section 3 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).

² Clause (c) was substituted by section 4 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

³ Clause (e) was omitted by section 4 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

- (i) "jute mill" means a machine by which jute goods of any description such as twine, sacking, hessian, ropes, gunny cloth and the like can be manufactured;
- (j) "*kutch*a press" means a pressing machine, driven by manual labour or by power, ¹[or any other device] by which jute is packed in bales known as "*kutch*a bales" generally weighing up to four maunds each and generally meant for consumption within Bangladesh;
- (k) "licensing" means the grant or renewal of a licence under this Ordinance;
- (l) "notified order" means an order published in the *official Gazette*;

²[* * *]

- ³(o) "Owner of a press" means the person who owns a jute press, and including a managing agent to whom the affairs of a jute press are entrusted, but does not include a person to whom a jute press has been leased on rental basis;]
- (p) "prescribed" means prescribed by rules made under this Ordinance;
- (q) "*pucca* press" means a pressing machine, driven by power by which jute is packed in bales generally weighing five maunds or four hundred pounds each and meant for export, and includes a pressing machine known as semi-*pucca* press.

3. [Constitution of the Board.- Omitted by section 4 of the *Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).*]

Powers of Government relating to jute trade

⁴**4.** The Government may-

- (a) lay down and execute the policy relating to internal and international trade in jute and jute manufactures;

¹ The words "or any other device" were inserted by section 4 of the *Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983)*.

² Clauses (m) and (n) were omitted by section 4 of the *Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983)*.

³ Clause (o) was substituted by section 4 of the *Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983)*.

⁴ Section 4 was substituted by section 5 of the *Jute (Amendment) Act, 1974 (Act No. XLIX of 1974)*.

- (b) supervise and regulate dealings in jute and jute manufactures;
- (c) assist in making arrangements for the transport and shipment of jute and jute manufactures within the country and to foreign countries;
- (d) issue licences to ¹[traders and owners of *kutch*a and *pucca* presses] and renew and, if necessary, suspend or cancel, such licences;
- (e) collect and publish statistics relating to the production and export of jute and jute manufactures;
- (f) undertake such business or acquire, take over or manage the business of such concern as it may direct;
- (g) provide for-
 - (i) quality standards and the grading of jute and jute manufactures,
 - (ii) measures for any programme of price stabilisation, buffer stock operations or State trading, and
 - (iii) the settlement of claims of, or against, the Government arising out of any price stabilisation or support scheme, buffer stock operations or scheme of State trading in jute.

5. [Control of the Board.- Omitted by section 6 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).]

6. (1) No person shall, after the commencement of this Ordinance, carry on ²[business in jute and jute manufactures] in any manner or form, unless he is licensed under this Ordinance: Licensing

Provided that it shall not be necessary for any grower of jute to obtain any licence for selling jute grown by him:

¹ The words “traders and owners of *kutch*a and *pucca* presses” were substituted for the words “dealers and to occupiers of godowns and of *kutch*a and *pucca* presses and to jute mills” by section 5 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

² The words “business in jute and jute manufacture” were substituted for the words “business in jute” by section 6 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

¹[* * *]

(2) All ²[traders and owners of] *kutch*a or *pucca* presses shall be licensed within such period and by such authority as may be prescribed.

(3) Licences granted under this Ordinance may be for such type of business or for such area as may be specified therein.

(4) Licences granted under this Ordinance may be on such conditions as may be prescribed.

(5) Licences granted under this Ordinance shall be personal and non-transferable.

(6) Licences granted under this Ordinance shall be valid up to the end of the financial year to which they relate and be renewed annually within such period as may be prescribed.

(7) There shall be paid to the Government a prescribed fee for every licence or renewal thereof.

(8) A licence granted or renewed under this section may be suspended or cancelled by the prescribed authority,-

- (a) for any contravention of any of the provisions of this Ordinance or the rules made thereunder, or
- (b) for breach of the conditions subject to which the licence was granted, or
- (c) if the holder of the licence has ceased to carry on the business or has sold or otherwise transferred his interest in the business in respect of which the licence was granted, or
- (d) for contravening or failing to comply with any law relating to internal trade, export or foreign exchange control, or

¹ The second proviso was omitted by section 6 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

² The words "traders and owners of" were substituted for the words "dealers and occupiers of jute mills, godowns and" by section 5 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

- (e) for obtaining or attempting to obtain any such licence by fraud, or
- (f) for non-payment of any prescribed fees, or
- (g) for committing any practice relating to trade, commerce and industry which, in the opinion of the Government, is detrimental to the public interest, or
- (h) for committing breach of any order made under this Ordinance regarding quality, standard, prices, charges or commissions.

(9) The holder of a licence shall not be entitled to any compensation for any loss or damage suffered by him as a result of the suspension or cancellation of his licence.

7. (1) Any person aggrieved by an order under section 6 may appeal to the prescribed authority within thirty days from the date of issue of such order. Appeal

(2) An appeal under sub-section (1) shall be presented in such manner and shall be accompanied by such fee as may be prescribed.

8. (1) The Government may, by notified order, fix minimum prices below which, and maximum prices above which, jute or jute manufactures of various grades shall not be sold or purchased, and such prices may be fixed generally in respect of all areas or persons or differentially in respect of particular areas or classes of persons. Fixation of prices

(2) No person shall buy or sell or offer to buy or sell jute or jute manufactures at any price below the minimum or above the maximum fixed under sub-section (1).

[**8A.** The Government may, by notified order, fix the maximum rates of charges for baling or storing, or of the commission of the brokers; and different rates may be fixed for different areas or for different classes of dealers.] Fixation of baling charges, etc.

¹ Section 8A was inserted by section 4 of the Jute (Amendment) Ordinance, 1963 (Ordinance No. VII of 1963).

Agents and
brokers

9. The Government may appoint agents and brokers on such terms, if any, as it may think fit, to purchase, store or sell jute on behalf of the Government and may prescribe the powers and responsibilities of such agents and brokers.

Requisition of
presses,
godowns, etc.

10. (1) The Government, may, by order in writing, requisition any *kutchha* or *pucca* press, any godown or any place, open or enclosed, and use the same, or allot it to any person for baling, selling or storing jute or for any other purpose incidental to the administration of this Ordinance whether such jute has been purchased by or on behalf of the Government or not.

(2) If any such press, godown or place is requisitioned under this section, there shall be paid compensation which shall be determined either with the agreement of the parties concerned or by an arbitrator chosen with their consent, and in the absence of such consent, by an arbitrator to be appointed in accordance with the provisions of the Arbitration Act, 1940.

(3) In determining the compensation under sub-section (2) the arbitrator shall have regard to the provisions of ¹[sub-section (1) of section 8 of the Acquisition and Requisition of Immovable Property Ordinance, 1982 (II of 1982)] so far as the same can be made applicable to acquisition of a temporary nature.

Levy of jute
cess

11. (1) The Government may, by notified order, levy and collect, for the purpose of this Ordinance, a cess on all or any grades of jute produced in Bangladesh, at such rate or rates as may be specified in the order:

Provided that the cess shall not be levied on, or collected from, growers of jute.

¹ The words, brackets, figures and comma “sub-section (1) of section 8 of the Acquisition and Requisition of Immovable Property Ordinance, 1982 (II of 1982)” were substituted for the words, brackets, figures and commas “sub-section (1) of section 23 of the Land Acquisition Act, 1894,” by section 7 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

(2) The proceeds of the cess, after deducting the cost of collection, if any, shall be credited to a special fund to be called the Price Stabilisation Fund and shall be applied for meeting the expenses of any support schemes or buffer stock operations undertaken by the Government for the stabilisation of the prices of raw jute.

12. The Government may, by general or special order in writing, require any contract or class of contracts to be registered with such organisation and in such manner as may be specified in the order.

Registration of contracts

13. The Government may, by general or special order in writing, direct any exporter, manufacturer or ¹[trader] or class of exporters, manufacturers or ²[traders] not to transport, store, buy, sell, use or otherwise dispose of any jute or jute manufactures or jute or jute manufactures of any specified description except in accordance with such conditions as may be specified in the order.

Power to prohibit sale, etc.

³**13A.** (1) The Government may, by general or special order in writing, direct any manufacturer or ⁴[trader] or class of manufacturers or ⁵[traders], holding stock of jute or jute manufactures, to sell the whole or specified part of his stock to such person or persons as may be specified in the order.

Power to direct sale, etc.

(2) The Government may also fix the price at which any stock shall be sold in pursuance of any direction under subsection (1):

Provided that no such price shall be fixed unless an opportunity has been given to the buyer and seller to agree on a price between themselves within a specified period and they have failed to do so.

¹ The word "trader" was substituted for the word "dealer" by section 8 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

² The word "traders" was substituted for the word "dealers" by section 8 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

³ Section 13A was inserted by section 5 of the Jute (Amendment) Ordinance, 1963 (Ordinance No. VII of 1963).

⁴ The word "trader" was substituted for the word "dealer" by section 9 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

⁵ The word "traders" was substituted for the word "dealers" by section 9 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

(3) The Government may, by general or special order in writing, direct any manufacturer or ¹[trader], or class of manufacturers or ²[traders], to purchase, during such period or periods and from such area or areas, such quantity of jute, and to hold such minimum stock, as may be specified in the order.]

Power to call for information, etc.

14. (1) The Government may, at any time, by notified order, direct such person or class of persons as may be specified in the order to maintain such accounts and furnish such returns or other information relating to their production, stocks, sale, purchase or brokery of jute or jute manufactures to the Government or to such officer or authority subordinate to the Government ³[* * *], within such period, and giving such particulars, as may be specified.

(2) The Government may, by order in writing, require any person to furnish or submit to it or to such person as may be specified in the order, any information, book or document which in the opinion of the Government should be obtained, inspected or examined for the purposes of this Ordinance.

(3) The Government may, at any time, by order in writing, direct such person or class of persons as may be specified in the order to furnish in such manner and to such person, such particulars relating to the fulfilment of any contract as may be so specified.

(4) The Government may, at any time, by order in writing, authorise an officer of the Government ⁴[* * *] or any other person to enter and inspect any premises in which he has reason to believe that the purchase, sale or storage for sale or baling of jute is taking place and to call for any document in connection therewith, and to collect such information as is referred to in sub-sections (1), (2) and (3).

¹ The word "trader" was substituted for the word "dealer" by section 9 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

² The word "traders" was substituted for the word "dealers" by section 9 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

³ The words "or the Provincial Government" were omitted by section 10 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

⁴ The words "or a Provincial Government" were omitted by section 10 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).

¹[14A. Any person, authorised in this behalf in writing by the Government, may, if he has reason to believe that a contravention of the provisions of this Ordinance or the rules made thereunder has been committed,-

Power to seize books of accounts, stocks, etc.

- (1) seize, with previous sanction in writing of such authority as may be prescribed, licences, vouchers, books of accounts, stocks of jute or jute manufacture, weighment scales, weights and allied equipments in respect of which such contravention is believed to have been committed; and
- (2) require any person reasonably suspected to being concerned in such contravention to cause his stocks of jute and jute goods or any part thereof to be weighed and, if so directed, to be shifted to such place or places as may be specified.]

15. If in the opinion of the Government it is expedient or necessary so to do for the purpose of securing fulfilment of any contract on which a default has taken place, it may appropriate to the contract any jute or jute manufactures belonging to the defaulter, or it may buy jute or jute manufactures elsewhere and so appropriate it, and in either or both of such cases the defaulter shall be liable for any loss which the Government may sustain on account of the default, but shall not be entitled to any gain on the purchase made against such default.

Powers to secure fulfilment of contract

²[16. The Government may, by notified order, direct that any power conferred upon it by or under this Ordinance, shall in relation to such matters and subject to such conditions, if any, as may be specified in the order, be exercisable also by such corporation, authority, agency or officer as may be so specified.]

Delegation of powers

17. (1) Any person who contravenes or fails to comply with any provision of this Ordinance or any rule, order or direction issued thereunder shall be punished with imprisonment for a term which may extend to three years, or with fine, or with both.

Penalties

¹ Section 14A was inserted by section 7 of the Jute (Amendment) Ordinance, 1963 (Ordinance No. VII of 1963).

² Section 16 was substituted by section 8 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).

(2) Any Court trying an offence under this Ordinance may direct that the whole or a part of the jute or jute manufactures in respect of which the Court is satisfied that the offence has been committed shall be forfeited to Government.

(3) Where any person as aforesaid is a company or a body corporate, every director, manager, secretary or other officer, and every agent and servant thereof, and in the case of an unlimited company or a company limited by guarantees or a proprietary or partnership firm, also every member, proprietor or partner, as the case may be, shall, unless he proves that the contravention took place without his knowledge or that he exercised due diligence to prevent such contravention, be punishable as if he had contravened the provisions of this Ordinance.

False statements

18. If any person-

- (i) when required by any order made under this Ordinance to make any statement or furnish any information, makes any statement or furnishes any information which is false in any material particular and which he knows or has reasonable cause to believe to be false, or does not believe to be true, or
- (ii) makes any such statement as aforesaid in any book, account, record, declaration, return or other document which he is required by any such order to maintain or furnish, or
- (iii) maintains a double set of books, accounts or any other records, in which the entries are not identical,

he shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

Indemnity

19. No suit, prosecution or other legal proceeding shall lie against the Government ¹[* * *] or any official, authority or person acting on behalf of the Government ²[* * *] in respect of anything in good faith done or intended to be done under this Ordinance or any rule made thereunder.

¹ The words "or the Board" were omitted by section 9 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).

² The words "or the Board" were omitted by section 9 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).

20. (1) The Government may, by notification in the *official Gazette*, make rules for carrying out the purposes of this Ordinance. Power to make rules

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may prescribe the form of application and the amount of fee for the grant or renewal of a licence under section 6, the authority which may grant or renew such licences, the form of the licences and the conditions subject to which they may be granted, the authority to which an appeal may be made under section 7, the manner of presentation of appeal to such authority and the amount of fee to be paid for such appeal, and the powers and responsibilities of the agents appointed under section 9.

(3) Except in so far as they are repugnant to or inconsistent with the provisions of this Ordinance, the East Bengal Jute Dealers Registration Rules, 1950, made under the East Bengal Jute Dealers Registration Act, 1949, shall be deemed to have been made under this Ordinance, and shall have effect accordingly.

¹[**20A.** The Government may, by order in writing, exempt, Power to exempt to such extent and subject to such conditions as may be specified therein, any person or class of persons or any kind or kinds of jute or jute manufactures, from the operation of all or any of the provisions of this Ordinance or of any rule or order made thereunder.]

21. (1) No Court shall take cognizance of any offence punishable under this Ordinance except on a report in writing of the facts constituting such offence made by ²[* * *] a person acting on behalf of the Government ³[* * *]. Cognizance of offences

¹ Section 20A was inserted by section 9 of the Jute (Amendment) Ordinance, 1963 (Ordinance No. VII of 1963).

² The words “the Board or” were omitted by section 10 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).

³ The words “or the Board” were omitted by section 10 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).

¹[(2) The person acting on behalf of the Government may, instead of making a report of an offence under sub-section (1), compound such offence for such sum of money as may be determined by the person.]

Special provision regarding fines

22. Notwithstanding anything contained in section 32 of the Code of Criminal Procedure, 1898, it shall be lawful for any Magistrate of the first class specially empowered by the Provincial Government in this behalf to pass a sentence of fine exceeding one thousand rupees on any person convicted under this Ordinance.

Presumption as to orders

23. Where an order purports to have been made and signed by an authority in exercise of any power conferred by or under this Ordinance, a Court shall, within the meaning of the Evidence Act, 1872, presume that such order was so made by that authority.

Effect of orders inconsistent with other enactments

24. Any order made under this Ordinance shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Ordinance or any instrument having effect by virtue of any enactment other than this Ordinance.

25. [*Repeals and saving.*- Omitted by section 11 of the Jute (Amendment) Ordinance, 1983 (Ordinance No. XVI of 1983).]

¹ Sub-section (2) was substituted by section 10 of the Jute (Amendment) Act, 1974 (Act No. XLIX of 1974).