

No. 33 of 1961] *AGRICULTURAL PRODUCTS (GUARANTEED PRICES AND CONTROL OF HULLING AND MILLING)*

No. 33 of 1961

AGRICULTURAL PRODUCTS (GUARANTEED PRICES AND CONTROL OF HULLING AND MILLING)

Acts
Nos. 33 of 1961,
17 of 1964.

AN ACT TO PROVIDE FOR THE GRADING OF, AND THE FIXING OF GUARANTEED PRICES FOR, CERTAIN AGRICULTURAL PRODUCTS OF CEYLON ; TO REQUIRE THE COMMISSIONER OF AGRARIAN SERVICES, AND PURCHASERS AUTHORIZED BY HIM, TO PAY THE GUARANTEED PRICE FOR THE PURCHASE OF AGRICULTURAL PRODUCTS TO WHICH SUCH PRICES APPLY ; TO CONTROL THE HULLING AND MILLING OF PADDY ; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

[Act No. 33 of 1961—2nd June, 1961.]

[Act No. 17 of 1964—19th September, 1964.]

Short title.

1. This Act may be cited as the Agricultural Products (Guaranteed Prices and Control of Hulling and Milling) Act, No. 33 of 1961.

Grading of a scheduled agricultural product.

2. The Commissioner may, by order published in the Gazette and in such other manner as he may consider suitable for giving publicity to the order, specify from time to time the grade or grades of any scheduled agricultural product.

Fixing of a guaranteed price for, or a guaranteed price for each or any of the different grades of, a scheduled agricultural product.

3. The Commissioner may, after consultation with the Guaranteed Prices Advisory Committee and with the approval of the Minister given after consultation with the Minister of Finance, by order published in the Gazette and in such other manner as he may consider suitable for giving publicity to the order fix from time to time—

(a) a guaranteed price for a scheduled agricultural product which is not graded under this Act, and

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(b) a guaranteed price for each or any of the different grades of a scheduled agricultural product which is graded under this Act.

4. (1) The Guaranteed Prices Advisory Committee shall consist of—

The Guaranteed Prices Advisory Committee.

(a) the Commissioner of Agrarian Services who shall be the Chairman of such Committee ;

(b) an officer of the General Treasury nominated by the Minister of Finance ; and

(c) such number of members not exceeding seven as may be appointed by the Minister from among persons who appear to him to have experience and shown capacity in agricultural, commercial or financial matters or in administration.

[§ 2, 17 of 1964.]

(2) A member of the Guaranteed Prices Advisory Committee appointed under subsection (1) (c) (hereinafter referred to as an "appointed member") shall hold office for a term of three years from the date of his appointment.

[§ 2, 17 of 1964.]

(3) An appointed member may resign from the Committee by letter addressed to the Minister.

[§ 2, 17 of 1964.]

(4) An appointed member may be removed from office by the Minister if such member is absent from the meetings of the Committee for a period of three months or for any cause which appears to the Minister to be reasonable or if the Minister considers it expedient to remove such member from office.

[§ 2, 17 of 1964.]

(5) Where any appointed member of the Committee resigns or is removed from office or dies, the Minister may appoint another person to be a member in place of the member who resigns or is removed from office or dies and the person so appointed shall hold office during the unexpired period of the term of office of the member in whose place he was appointed.

[§ 2, 17 of 1964.]

(6) Where any member of the Committee becomes by reason of illness or other infirmity or absence from

[§ 2, 17 of 1964.]

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Ceylon temporarily unable to perform the duties of his office, the Minister may appoint another person to act in place of such member.

[§ 2, 17 of 1964.]

(7) Regulations may be made prescribing the procedure in regard to the conduct of the business of the Guaranteed Prices Advisory Committee. Subject to any such regulations, that Committee may regulate its own procedure.

Power of the Commissioner to purchase or authorize other persons to purchase scheduled agricultural products, to establish or cause the establishment of purchasing stations, and to establish stores.

Cap. 124.

5. (1) The Commissioner may purchase, and authorize officers of the Department of Agrarian Services to purchase on his behalf, any scheduled agricultural product.

(2) The Commissioner may authorize any society registered under the Co-operative Societies Ordinance or any officer of Government, who is not an officer of the Department of Agrarian Services, to purchase any scheduled agricultural product.

(3) The Commissioner may establish or cause to be established purchasing stations to which producers may bring any scheduled agricultural product for sale.

(4) The Commissioner may establish stores for the storage of any scheduled agricultural product.

Authorized purchasers.

6. Any officer or society registered under the Co-operative Societies Ordinance, authorized by the Commissioner under section 5, is referred to in this Act as an "authorized purchaser".

Purchase of graded scheduled agricultural products by the Commissioner or an authorized purchaser.

7. Where a scheduled agricultural product is graded under this Act, the Commissioner or any authorized purchaser shall not purchase any quantity of such product which is not of any grade specified under this Act for such product.

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8. Where there is a guaranteed price fixed under this Act for a scheduled agricultural product or for any grade of a scheduled agricultural product, the Commissioner or an authorized purchaser shall not pay for the purchase of such product or such grade of such product a price other than such guaranteed price.

The Commissioner or an authorized purchaser to pay the guaranteed price for a scheduled agricultural product.

9. (1) The Commissioner or any authorized purchaser who is an officer of the Department of Agrarian Services shall not purchase any scheduled agricultural product from any person other than—

From whom the Commissioner or an authorized purchaser may purchase a scheduled agricultural product. Cap. 124. [§ 3, 17 of 1964.]

- (a) the producer of such product who is a member of any society registered under the Co-operative Societies Ordinance and entitled under section 9 of that Ordinance to exercise the rights of a member ; or
- (b) any purchaser authorized under section 5(2).

(2) A purchaser authorized under section 5(2) shall not purchase any scheduled agricultural product from any person other than a producer of such product referred to in subsection (1) (a) of this section.

9A. (1) Where any scheduled agricultural product is sold under this Act by a producer, it shall be lawful for the Commissioner or for any authorized purchaser, if required so to do by the Commissioner, to deduct from the amount payable to such producer for the product so sold, such sums as may be due from that producer—

Recovery of monies due to the Government or to registered co-operative societies. [§ 4, 17 of 1964.]

- (a) to the Government—
 - (i) as irrigation rates under the Irrigation Ordinance ; or
 - (ii) as annual payments under the Land Development Ordinance ; or
 - (iii) as premiums in respect of any policy of insurance under the Crop Insurance Act, No. 13 of 1961 ; or
- (b) to any society registered under the Co-operative Societies Ordinance in respect of any loan or advance of monies obtained by

Cap. 453.
Cap. 464.

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such producer for any purpose connected with the cultivation of such agricultural product.

(2) Any sum recovered under subsection (1) of this section shall—

(a) where such sum is due to the Government, be paid to the Commissioner, and the Commissioner shall credit such sum to the Consolidated Fund; and

(b) where such sum is due to any society, be paid to that society.

(3) Where any producer of any scheduled agricultural product has made default in the repayment of any loan or advance of monies obtained by such producer from any society registered under the Co-operative Societies Ordinance for any purpose connected with the cultivation of such product, the Commissioner or any authorized purchaser, if required so to do by the Commissioner, may, notwithstanding anything in the preceding provisions of this Act, refuse to purchase such product from such producer unless such producer consents to the immediate recovery of the amounts due from him to such society out of the proceeds of the sale of such product.

Cap. 124

Losses incurred by the Commissioner in purchase, processing, distribution and sale of scheduled agricultural products to be met out of moneys voted for the purpose.

10. The loss, if any, incurred in any year by the Commissioner in the purchase, processing, distribution and sale of scheduled agricultural products shall be met out of moneys voted for the purpose by Parliament or by resolution of the House of Representatives.

Control of the hulling or milling of paddy.

11. (1) Except under the authority of a licence issued by the Commissioner, no person shall carry on the business of hulling or milling paddy :

Provided that the preceding provisions of this subsection shall not apply to any such business which has

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been commenced before the coming into operation of this Act and which is carried on by any person other than a person carrying on such business for the Department of Agrarian Services :

Provided, further, that it shall not be a contravention of the preceding provisions of this section if a person who has commenced to carry on such business for the Department of Agrarian Services before the coming into operation of this Act and who has applied for a licence under this Act within the time allowed to him by subsection (2) continues to carry on such business until the determination of his application for the licence.

(2) Every application for a licence to carry on any such business as is specified in subsection (1) shall be in the prescribed form. Every person carrying on the business of hulling or milling paddy for the Department of Agrarian Services on the date of the coming into operation of this Act may apply to the Commissioner for a licence within one month after that date.

(3) The Commissioner may, in his discretion, issue or refuse to issue a licence to an applicant therefor.

(4) Where the Commissioner refuses to issue a licence to an applicant therefor, he shall cause notice of the refusal to be given to the applicant.

(5) Every licence authorizing the carrying on of any such business as is specified in subsection (1) shall be in the prescribed form.

(6) A licence issued under subsection (1) shall be subject to such conditions as may be specified in that licence.

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(7) The Commissioner may cancel a licence issued under subsection (1) if the licensee contravenes or fails to comply with any condition to which the licence is subject.

(8) Where the Commissioner cancels a licence under subsection (7), he shall cause notice of the cancellation to be given to the licensee.

(9) An applicant for a licence who is aggrieved by the decision of the Commissioner refusing to issue the licence, and a licensee who is aggrieved by the decision of the Commissioner cancelling his licence may, within twenty-eight days after the date of such decision, appeal in writing from such decision to the Minister.

(10) The Minister's decision on any appeal under subsection (9) shall be final and conclusive and shall not be called in question in any court.

(11) Except under the authority of a permit issued by the Commissioner, no person shall—

(a) instal or cause to be installed in any place, or

(b) transfer or cause to be transferred from one location to another,

a huller or mill for hulling or milling paddy.

Power to specify the quantity and quality of rice to be produced by persons hulling or milling paddy for the Department of Agrarian Services.

12. The Commissioner may, by order published in the Gazette and in such other manner as he may consider suitable for giving publicity to the order, specify—

(a) the quantity of rice which shall be produced by the hulling or milling of any quantity of paddy furnished by an officer of the Department of Agrarian Services to a person hulling or milling paddy for that Department ; and

(b) the requirements as to the quality of the rice that is to be produced by such person out of paddy so furnished.

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13. No person, carrying on the business of hulling or milling paddy for the Department of Agrarian Services shall contravene or fail to comply with an order made under section 12.

Hullers or millers of paddy for the Department of Agrarian Services not to contravene order under section 12.

14. (1) For the purpose of ascertaining whether the provisions of this Act are being complied with, the Commissioner or any officer authorized in that behalf by him may—

Powers of entry, inspection, &c.

(a) enter and inspect, at any reasonable hour of the day or night, any stores or other premises of an authorized purchaser or any place where a person is carrying on the business of hulling or milling paddy, or any stores of such person maintained for the purpose of such business ;

(b) require, by written direction, any authorized purchaser or any person carrying on any such business to furnish to the Commissioner or such authorized officer, within such period as may be specified in that direction, a return containing such particulars as he may require ; and

(c) inspect, and take copies of, any records kept, in compliance with any regulation made under this Act, by any authorized purchaser or by any person carrying on any such business.

(2) Every person to whom a direction under paragraph (b) of subsection (1) is issued shall comply with that direction within such time as is specified in the direction.

15. (1) The Minister may make regulations—

Regulations.

(a) in respect of all matters which are required by this Act to be prescribed ;

(b) in respect of the records to be maintained by persons carrying on the business of hulling or milling paddy ;

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- (c) in respect of the records to be maintained and the procedure to be followed in the purchase, storage and disposal of scheduled agricultural products by authorized purchasers who are not officers of the Department of Agrarian Services ;
- (d) prescribing the conditions to which the purchase of scheduled agricultural products by authorized purchasers who are not officers of the Department of Agrarian Services shall be subject ;
- (e) prescribing the conditions to which persons carrying on the business of hulling or milling paddy shall be subject ;
- (f) prescribing the fee for the issue of any licence under this Act ;
- (g) for the purpose of facilitating the identification of paddy delivered to hullers or millers to be hulled or milled ; and
- (h) in respect of all matters necessary for carrying out the provisions or giving effect to the principles of this Act.

(2) No regulation made by the Minister under subsection (1) shall have effect until it is approved by the Senate and the House of Representatives and notification of such approval is published in the Gazette.

Offences.

16. (1) Every person who contravenes or fails to comply with any of the provisions of this Act or of any regulation made under this Act, or makes a false statement in any return furnished in compliance with a direction under section 14 or in any record kept in compliance with any regulation made under this Act, shall be guilty of an offence.

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(2) Where, for the purpose of hulling or milling any quantity of paddy, the Commissioner engages any person carrying on the business of hulling or milling paddy, then,—

- (a) if that person disposes of the quantity of paddy delivered to him by the Commissioner in any manner other than by hulling or milling such quantity and delivering the quantity produced by the hulling or milling to the Commissioner in accordance with the terms of the engagement of that person by the Commissioner, or
- (b) if that person delivers to the Commissioner rice which is not produced by the hulling or milling of the quantity of paddy delivered to him by the Commissioner,

that person shall be guilty of an offence.

(3) Where, for the purpose of being hulled or milled, any paddy is delivered by the Commissioner to any person carrying on the business of hulling or milling paddy, then, if any other person purchases or otherwise acquires from the first-mentioned person any quantity of the paddy delivered to the first-mentioned person by the Commissioner, such other person shall be guilty of an offence.

(4) Where an employee is convicted of an offence under this Act committed by him in his capacity as such employee, the employer of such employee or, if such employer is absent from Ceylon, the person who at the time of the commission of such offence was the manager or having the control of the business in which such employee was employed at such time by such employer shall also be guilty of such offence unless such employer or such person proves that such offence was committed without his knowledge and that he exercised due diligence to prevent the commission of such offence.

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Offences by bodies of persons.

17. Where any offence under this Act is committed by a body of persons, then,—

(a) if such body is a corporation, every director of such corporation, and

(b) if such body is a firm, every partner of such firm,

shall be deemed to be guilty of such offence :

Provided that such director or partner shall not be deemed to be guilty of such offence if he proves that such offence was committed without his knowledge and that he exercised due diligence to prevent the commission of such offence.

Penalties.

18. Every person who is guilty of an offence under this Act shall, on conviction after summary trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding six months or to a fine not exceeding five hundred rupees or to both such imprisonment and fine.

Offences to be cognizable. Cap. 20.

19. Notwithstanding anything to the contrary in the First Schedule to the Criminal Procedure Code, every offence under this Act shall be a cognizable offence within the meaning of that Code.

Certain officers to be peace officers.

20. Every officer of a rank not below that of a Field Officer of the Department of Agrarian Services shall be deemed to be a peace officer within the meaning of the Criminal Procedure Code for exercising, for the purposes of this Act, any power conferred on a peace officer by that Code.

Directions to which the Commissioner and his Deputies and Assistants are to be subject.

21. (1) The Commissioner shall, in the exercise of his powers and the discharge of his duties under this Act, be subject to the general directions of the Minister.

(2) Every Deputy Commissioner or Assistant Commissioner shall, in the exercise of his powers and the discharge of his duties under this Act, be subject to the control and direction of the Commissioner.

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22. Any of the powers of the Commissioner under this Act other than the powers under section 2 and section 3 may be exercised—

Powers of the Commissioner which may be exercised by his Deputies and Assistants.

(a) by a Deputy Commissioner in any part of Ceylon, and

(b) by an Assistant Commissioner in the area to which he is appointed.

23. The Minister may, by Order published in the Gazette, amend the Schedule to this Act or replace it with a fresh Schedule.

Amendment of the Schedule to this Act.

24. In this Act unless the context otherwise requires—

Interpretation.

“Assistant Commissioner” means an Assistant Commissioner of Agrarian Services ;

“Commissioner” means the Commissioner of Agrarian Services ;

“Deputy Commissioner” means a Deputy Commissioner of Agrarian Services ; and

“scheduled agricultural product” means any such agricultural product produced in Ceylon as is for the time being specified in the Schedule to this Act.

SCHEDULE

1. Black pepper
2. Coffee
3. Cow pea
4. Dried chillies
5. Gingelly
6. Green gram
7. Groundnut
8. Kurakkan
9. Maize
10. Mustard
11. Paddy
12. Red onions
13. Sorghum
14. Tamarind
15. Turmeric
16. Toor Dhall
17. Potatoes
18. Cotton.