Coffee Act, 1942

Section 1 - SHORT TITLE, EXTENT AND DURATION

COFFEE ACT, 1942 COFFEE ACT, 1942 7 of 1942 2nd March, 1942 "1. After the outbreak of the present war the Indian coffee industry lost Certain important foreign markets. There was therefore a great .slump in the prices of coffee. A Coffee Contral Conference Consisting of the interests affected was held in September 1940 to consider the stops that. it could be taken to save the industry from collapse. After full consideration of the recommendations made at the Conference, the Coffee Market Expansion Ordinance. 1940. was promulgated providing for the necessary assistance to the Indian Coffee Industry by regulating the export of coffee from and the.sale of coffee in, British India, and other connected means. 2. The duration of the Ordinance was limited in order to make proposals for legislation after gaming experience and after ascertaining the wishes of the colice interests in the matter. 3. A second Coffee Control Conference of the coffee interests was accordingy convened on the 20th October, 1941. The Conference recognised that the control scheme has been greatly beneficial to the coffee industry in its present crisis and unanimously made in the following recommendations : (1) that the control scheme as generally embodied in the Ordinance should be continued hy legislation and that its duration he for the period of the war and one coffee crop year thereafter, and (2) that the control should he limited to estates with area of 10 acres or more hut provision should be made whereby control may he extended, if necessary, over estates with areas below 10 acres. These recommendations were endorsed hy the Standing Advisory Committee of. the legislature attached to the Commerce Department. 4. In view of the general agreement of all interests for the maintenance of the coffee control scheme it is proposed to continue control hy legislation, and the present Bill is designed to achieve this object". Gazette of India. 1942. Part V, p. 13. Act 48 of 1985.- The present rate of the duty of customs and the duty of excise on coffee has reached the ceiling of Rs. 11 .80 per quintal each fixed under section 11andsection 12of the Coffee Act. 1942. These rates have been in vogue since 16-12- 1977. The proceeds of the duties of customs and excise levied under the Act form part of the Consolidated Fund of Indill and after being reduced by the cost of collection and alter appropriation by law by Parliament are paid to the Coffee Board for being utilised for the purposes of the Act. The expenditure of the Board during the recent years has increased considerably due to increase in the plan and non -plan activities of the Board. The Board has taken up a number of new schemes relating to man-power development pulping and hulling units, warehousing/storage, etc.,.besides continuing the existing development activities and research and extension programmes. The proceeds of the two duties would not be sufficient and, therefore, the Central Government had to resort to grants-in-aid to meet the expenditure of the Board during the financial year 1985-86. It is thus necessary to strengthen the financial position of the Board. It is, therefore, proposed to amendsections 11and12of the Act to provide for a higher ceiling of levy of duty of customs and duty of excise at a rate not exceeding Rs. 50 per quintal for each. The actual operative rates of the two duties will, however, be fixed at such levels as may be sufficient to generate funds to meet substantial part' of the budget expenditure of the Board in future. 2.The Customs Act, 1962and the rules and regulations made thereunder contain elaborate provisions regarding the refund of, and exemption from, the pre-payment of the duty of customs with regard to export of goods in general. In the interest of uniformity and administrative convenience, it is proposed to make these provisions applicable also for purposes of refund of, and exemption from, the prepayment of the duty of customs under the Coffee Act, 1942, with regard to export of coffee by substituting for sub-section (3) of section 13of the Act a new sub-section. .3. Opportunity is being availed of to substitute for the provision relating to laying of rules contained in subsection (3) of section 48a new provision on the lines recommended by the Committees on Subordinate Legislation. 4. The Bill seeks to achieve the above objects. Gaz. of Ind.. 29-7- 1985, Pt. II, S. 2, Ext.. p. 3 (No. 35). An Act 1[to provide for the development under the control of the Union of the coffee industry] WHEREAS it is expedient2[to provide for the development under the control of the Union of the coffee industry]; It is hereby enacted as follows: 1) This Act may be called The3[Coffee Act], 1942. (2) It extends7to4[the whole of India5[except the State of Jammu and

Kashmir]]. (3)6[* * * * *]