

***The Cotton Ginning and Pressing Factories Act, 1925***  
***Act No. 12 of 1925***

**act2806**

[Dated 18th March, 1925]

**LEGISLATIVE HISTORY ▼**

As amended in its application to the State of Rajasthan by-

- Rajasthan Act No. 10 of 1957, w.e.f. 1.2.1963
- Rajasthan Act No. 17 of 1986, w.e.f. 1.1.1987

An Act to provide for the better regulation of cotton ginning and cotton pressing factories

Whereas it is expedient to provide for the better regulation of cotton ginning and cotton pressing factories:

It is hereby enacted as follows:-

**1. Short title, extent and commencement.** - (1) This Act may be called the Cotton Ginning and Pressing Factories Act, 1925.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force on such date as the Central Government may by notification in the Official Gazette, appoint.

**Object & Reasons ▼**

**Statement of Objects and Reasons.** - The Indian Cotton Committee which was appointed in 1917 in Chapter XVI of their Report Recommended certain measures including the licensing of cotton ginning and pressing factories, to prevent such malpractices as damping, mixing and adulteration, which are injurious to the quality and reputation of Indian cotton. The recommendations of the Committee, however, involved an excessive amount of official interference. The object of the present Bill is to put the trade in a position to protect itself by providing for the marking of bales and the record of ownership, and by providing further that unmarked bales are not tenderable in fulfillment of a contract, if marked bales are demanded by the purchaser.

The Bill also makes provision for the maintenance of register for statistical returns, for the use of correct scales and weights, and for the structural improvement of ginning and pressing factories. The Bill is based on the recommendations of the Indian Central Cotton Committee, and is supplementary to the Cotton Transport Act, 1923."

Gazette of India, 1924. Part V, page 115.

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

[(aa) '*admixture of cotton*' means the prescribed mixture of different varieties of cotton.]

(a) '*bale*' means any pressed package of cotton of whatever size or density;

(b) '*cotton*' means ginned or unginned cotton, or cotton waste;

(c) "*cotton ginning factory*" means any place where cotton is ginned or where cotton fibre is separated from cotton seed by any process whatever involving the use of steam, water or other mechanical power or of electrical power;

(d) "*cotton pressing factory*" means any factory as defined in the Indian Factories Act, 1911, in which cotton is pressed into bales;

(e) "*cotton waste*" means droppings, strippings, fly and other waste products of a cotton mill or of a cotton ginning factory or of a cotton pressing factory, but does not include yarn waste;

(f) "*Indian Central Cotton Committee*" means the Indian Central Cotton Committee constituted under the Indian Cotton Cess Act, 1923, and includes any sub-committee appointed by it to perform any function of the Indian Central Cotton Committee under this Act; and

[(ff) "*license*" means a license granted under section 2A;]

(g) "*occupier*" includes a managing agent or other person authorised to represent the occupier.

(h) "*Prescribed*" means prescribed by or under rules made under this Act,

[(i) '*season*' means such period as may from time to time be prescribed.]

**[2A. License for working cotton ginning or pressing factory.** - (1) No cotton ginning factory or cotton pressing factory shall be worked without a license granted to the owner thereof by such authority, in such form, subject to such conditions and on payment of such fee, as may be prescribed.

(2) A license for which the prescribed fee has been paid shall be liable to be refused only on the ground that the owner or person in charge of a cotton ginning factory or a cotton pressing factory in respect of which a license is applied for has been convicted of an offence punishable under this Act.

(3) A license shall be liable to be suspended, withdrawn or cancelled only on the ground that the owner or person in charge of the cotton ginning factory or the cotton pressing factory in respect of which the license was granted has been convicted of an offence punishable under this Act:

Provided that no license shall be suspended, withdrawn or cancelled under this sub-section until after the expiration of the season in which the said owner or person has been so convicted.

(4) If any person works a cotton ginning factory or a cotton pressing factory in respect of which a license has not been granted or has been suspended, withdrawn or cancelled, such person shall be punishable-

(a) on a first conviction, with fine which may extend to five hundred rupees and, if the offence has continued for more than one day, with an additional fine which may extend to one hundred rupees for every day subsequent to the first day during which the offence has continued, and

(b) on every subsequent conviction, with fine which may extend to fifteen hundred rupees and, if the offence has continued for more than one day, with an additional fine which may extend to two hundred rupees for every day subsequent to the first day during which the offence has continued.]

**3. Maintenance of registers.** - (1) The owner of every cotton ginning factory shall cause to be maintained at the factory in such form, if any, as may be prescribed, a ginning register containing a record of all cotton ginned in the factory and of the names of the persons for whom and the dates on which the cotton has been ginned and of the amount ginned for each person.

(2) The owner of every cotton pressing factory shall cause to be maintained at the factory in such form, if any, as may be prescribed, a press register containing a daily record of the number of bales pressed in the factory, the serial number of each bale, the name of the person for whom it has been pressed, [and the prescribed particulars as supplied by such person of the cotton ginning factory where it has been ginned;]

(3) The owner or the person in charge of a cotton-ginning or cotton-pressing factory shall be bound to produce any ginning register or press register maintained under this section when required to do so by any person appointed by the State Government in this behalf, and the owner or person in charge of any cotton-pressing factory shall be bound to furnish to the Indian Central Cotton Committee if so required by it in writing a copy, certified as correct by the owner or person in charge of the factory, of the entry in any press register maintained at the factory relating to any specified bale.

(4) No register required to be maintained by this section shall be destroyed until after the expiration of three years from the date of the last entry therein.

(5) If-

(a) in any factory any register required by this section to be maintained is not maintained or is maintained in any form other than the form, if any, prescribed for the purpose, or

(b) any entry in any such register is proved to be false in any material particular, or

(c) any such register is destroyed before the expiration of the period referred to in sub-section (4), the owner of the factory [shall, on conviction, be punishable] with fine which may extend to fifty rupees or, if he has previously been convicted of any offence under this sub-section, to five hundred rupees.

(6) If the owner or the person in charge of any factory fails to produce any register, or to furnish a certified copy of any entry, when required to do so under sub-section (3), Or furnishes a certified copy of an entry knowing or having reason to believe such copy to be false, he [shall, on conviction, be punishable] with fine which may extend to fifty rupees or, if he has previously been convicted of any offence under this sub-section, to five hundred rupees.

**[3A. Prohibition against watering etc. of cotton.** - (1) The State Government may, by notification in the Rajasthan Gazette, declare that in any area specified in such notification, no cotton which is ginned or pressed in a cotton ginning or cotton pressing factory shall contain any admixture of cotton.

(2) Any owner of a cotton ginning or cotton pressing factory or any person in charge of such factory-

(a) who knowing or having reason to believe that any cotton is watered or contains seed in excess of the prescribed proportion or contains any foreign substance, or cotton waste, gins or presses or allows such cotton to be ginned or pressing in such factory, or

(b) who in any area specified in the notification under subsection (1) gins or presses or allows to be ginned or pressed any cotton which he knows or has reason to believe to contain an admixture of cotton.

shall, on conviction, be punishable with fine which may extent to five thousand rupees.

*Explanation.* - For the purpose of this section, cotton shall not be deemed to be watered, unless such cotton contains moisture in excess of the normal quantity. The normal quantity of moisture in any given quantity of cotton is the amount of moisture that such cotton is reasonably expected to have, regard being had to the place or places at or to which, and the time or times of the year in which such cotton has been picked, collected, stored, conveyed, left, ginned or pressed. A certificate given by the prescribed authority as to the normal quantity of moisture that a given quantity of such cotton should have and the quantity of moisture that it possesses shall be evidence of such matters, until the contrary is proved; and if the latter quantity exceeds the former it shall be evidence, until the contrary is proved, that the cotton is watered.

**3AA. Penalty for making any cotton wet.** - Any owner of cotton who knowingly makes or causes to be made any cotton, which is ginned and which is being or is intended to be pressed in a cotton pressing factory, wet,

or mixes or causes to be mixed seed, foreign substance or cotton waste with such cotton, or in any area specified in sub-section (1) of section 3A makes any admixture of cotton, or abets or knowingly allows or connives at any such act shall, on conviction, be punishable with fine which may extend to five thousand rupees.

**3B. Examination of cotton, packages or bales.** - (1) The State Government or any gazetted official authorised by it in this behalf may on its or his own motion or on receipt of a complaint that there has been a contravention of the provisions of section 3A or section 3AA in respect of any cotton, package or of any bale and in the case of a complaint, on payment of the prescribed fee by the complainant, cause such cotton or the contents of such package or bale to be examined by the prescribed person or body.

(2) A certificate given by such person after examination of the contents of any bale under sub-section (1) shall be admissible in evidence and be presumptive proof of the facts mentioned therein until the contrary is proved.

**3C. Entry and inspection.** - (1) The State Government may authorise any gazetted officer to enter into and inspect, at any reasonable time, any cotton ginning or cotton pressing factory-(1) No cotton ginning factory or cotton pressing factory shall be worked without a license granted to the owner thereof by such authority, in such form, subject to such conditions and for the purpose of ascertaining whether there is any contravention therein of any of the provisions of this Act or of any rule made thereunder or of any of the conditions subject to which a license has been granted in respect of such factory and to seize all things in respect of which an offence punishable under this Act appears to have been committed.

(2) The owner or the person in charge of every cotton ginning or cotton pressing factory shall give every reasonable assistance to the inspecting officer in the performance of his duties under sub-section (1).

(3) The owner or the person in charge of such factory shall in every instance, be permitted to attend during the inspection and the things seized during such inspection shall be sealed in the prescribed manner.]

**4. Marking of bales.** - (1) The owner of every cotton-pressing factory shall cause every bale pressed in the factory to be marked in such manner as may be prescribed, before it is removed from the press-house, with a serial number and with the mark prescribed for the factory.

(2) If any bale is removed from the press-house of cotton pressing factory without having been marked as required by sub-section (1), the owner of the factory [shall on conviction, be punishable] with fine which may extend to fifty rupees.

**[5. Returns.** - (1) The owner of every cotton-ginning factory shall submit to the prescribed authority, within such time and in such form, as may be prescribed, monthly returns showing the quantity of cotton ginned in the

factory during the preceding month and from the commencement of the season to the end of that month.

(2) The State Government shall compile from the monthly returns, submitted under sub-section (1), and shall publish in such manner as it thinks fit, a statement showing the total quantity of cotton ginned in the State during the month and from the commencement of the season to the end of the month to which the returns relate:

Provided that the quantity of cotton ginned in an individual factory shall not be published.

(3) The owner of every cotton pressing factory shall submit to the prescribed authority within such time and in such form, as may be prescribed, weekly returns showing the total number of bales of cotton pressed during the preceding week and from the commencement of the season to the end of that week and the approximate average net weight of the; bales pressed in that week.

(4) The State Government shall compile from the weekly returns submitted under sub-section (3), and shall publish in such manner as it thinks fit, a statement showing the total number of bales pressed in the State during the week and from the commencement of the season to the end of the week to which the returns relate:

Provided that the number of bales pressed in any individual factory shall not be published.

(5) If default is made in submitting any return as required by sub-section (1) or sub-section (3), the owner of the factory shall, on conviction, be punishable with fine which may extend to fifty rupees.

(6) Where the owner of a cotton ginning or cotton pressing factory has notified to the prescribed authority that the work of ginning cotton or pressing bales in that factory has been suspended, it shall not be necessary for the owner to submit returns under sub-section (1) or sub-section (3) until such work has been resumed.]

**5A. Returns from cotton ginning factories.** - (1) This section shall be in force in the territories which, immediately before the 1st November, 1956, were comprised in Part C States only; but the State Government of any State may, by notification in the Official Gazette, bring this section into force in the territories where it is not in force.

(2) The owner of every cotton ginning factory shall submit to the prescribed authority, within such time and in such form as may be prescribed, weekly returns showing the quantity of cotton ginned in the factory during the preceding week and from the commencement of the season to the end of that week.

(3) The State Government shall compile from the weekly returns so submitted, and shall publish in such manner as it thinks fit, a statement showing the total quantity of cotton ginned in the State during the week and

from the commencement of the season to the end of the week, to which the returns relate:

Provided that the quantity of cotton ginned in any individual factory shall not be published.

(4) If default is made in submitting any return as required by sub-section (2), the owner of the factory shall be punished with fine which may extend to fifty rupees.

(5) The provisions of sub-section (4) of Section 5 apply to cotton ginning factories and the returns referred to in sub-section (2) of this section as they apply to cotton pressing factories and the returns referred to in sub-section (1) of Section 5, and 'season' in this section means the season as notified for the purposes of Section, 5.

**[5B. Power to regulate rates for ginning and pressing in certain areas.** - (1) If the State Government is of the opinion that it is necessary in public interest so to do for the purpose of securing the ginning or pressing of cotton in any local area at, reasonable rates or charges, it may, by an order published in the Official Gazette, direct that no owner or person in-charge of any cotton ginning factory or cotton pressing factory in such local area shall,-

- (i) charge or cause to be charged for the ginning-or pressing or both of Cotton rates in excess of such maxima as may be fixed by the rate-fixing committee of such local area under sub-section (6); or
- (ii) without reasonable excuse refuse to accept or cause to be so refused cotton tendered by any person for ginning or pressing if the tenderer is prepared to pay charges at rates lawfully leviable; or
- (iii) impose as a condition precedent to the acceptance of cotton for ginning or pressing tendered by any person for the purpose, surrender of cotton seed or lint in whole or in part in lieu of the charges lawfully leviable:

Provided that where a cotton ginning factory or cotton pressing factory carries on the process of ginning or pressing cotton exclusively for its owner or person in-charge as part of his normal trade, the State Government may exempt such factory from the operation of clauses (ii) and (iii) subject to such conditions as may be prescribed.

(2) There shall be appointed a rate-fixing committee in each local area specified in .the order notified under sub-section (1), which shall consist of-

- (a) the Collector of the district of the local area;
- (b) two representatives of the growers of cotton in the local area;
- (c) two representatives of the owners of cotton ginning or cotton pressing factories situated in the local area; and
- (d) one person (not being a Government servant) who possesses special knowledge of, or experience in, the ginning and pressing of cotton or of

the cotton trade, to be nominated by the Collector of the district in consultation with the State Government.

(3) The Collector shall be the Chairman of the Committee.

(4) The representatives referred to in clauses (b) and (c) of sub-section (2) shall be appointed in such manner as may be prescribed.

(5) The term of the office of the non-official members of the Committee, the manner in which the members may resign and casual vacancies filled up, and the procedure regarding the work of the committee shall be such as may be prescribed.

(6) Every rate-fixing committee shall fix the maximum rates for ginning or pressing cotton within its local area, having regard to such matters as may be prescribed.

(7) If any person gins or presses cotton at a rate exceeding the rate fixed by the committee under the provisions of this section or contravenes the provisions of any order made under sub-section (1), he shall, on conviction, be punishable with fine which may extend to two thousand rupees, or, if he has previously been convicted of any such offence, with fine which may extend to five thousand rupees.

**5C. Power to receive capacity of ginning and pressing.** - (1) If the State Government is of the opinion that it is necessary so to do in public interest for the purpose of regulating the trade and business of ginning and pressing of cotton in any local area, it may, by an order, direct any owner or person in-charge of any cotton ginning or cotton pressing factory in such local area to reserve his factory's specified percentage of capacity, which shall not exceed 50% of its total capacity, for any specified person or persons.

(2) Such order under sub-section (1) shall be made only on the written application of the person or persons, who want such reservation to be made for him or them and shall be made after giving the owner or person in-charge of the cotton ginning or cotton pressing factory concerned an opportunity of being heard in the matter.

(3) If any owner or person in-charge of any cotton ginning or cotton pressing factory refuses to keep reserved his factory's specified capacity or does not gin or press in time the required quantity of cotton of the person or persons, for whom the reservation is made, as per order under sub-section (1), or contravenes the provisions of any order made under the said sub-section, he shall, on conviction, be punishable with fine which may extend to two thousand rupees, or, if he has previously been convicted of any such offence, with fine which may extend to five thousand rupees.

(4) If the person or persons, for whom the reservation is made, fails to offer required quantity of cotton in time to the owner or person in-charge of the cotton ginning or cotton pressing factory, who is directed to reserve his factory's capacity for him or them under sub-section (1), and due to this failure the capacity of such factory or any part of it remains idle, he or they



shall be liable to pay such owner or person in-charge compensation for it, which shall be equivalent to the loss suffered by such owner or person in-charge directly on account of such failure.

(5) The compensation under sub-section (4) shall be determined in the prescribed manner by the District Judge of the area, where the cotton ginning or cotton pressing factory is situate on a reference made to him by the State Government on an application of the owner or person in-charge of the factory concerned, whose decision thereon shall be final and binding on all the parties.]

**6. Scales and weights.** - (1) No scales or weights shall be used in any cotton ginning or cotton pressing factory other than the scales or weights, if any, prescribed by the Central Government as standard for the district in which the factory is situated.

(2) If in any factory any scale or weight is used in contravention of the provisions of sub-section (1), the owner of the factory [shall on conviction, be punishable] with fine which may extend to fifty rupees or, if he has been previously convicted of any offence under this sub-section, to five hundred rupees.

**7. Liability of lessee as owner.** - (1) Where the owner of a cotton-ginning or pressing factory has leased the factory for a period of not less than one month, in the case of a cotton-ginning factory, or three months in the case of a cotton-pressing factory, and the lessor retains no interest in the management or profits of the factory and notice of the lease has been given by the lessor and the lessee to the prescribed authority, the lessee shall be deemed to be the owner of the factory, from the date of the notice and for the period of the continuance of the lease, for the purposes of Section 3, in respect of the registers maintained or to be maintained from that date and for that period, and for the purposes of Sections [3A, 3C] 4, 5, 5A [5B, 5C] and 6.

(2) On the termination of the lease the lessee shall hand over to the lessor the registers maintained under Section 3, and the lessor shall forthwith report to the prescribed authority any default of the lessee in complying with the provisions of this sub-section or in maintaining the registers in accordance with the provisions of Section 3.

(3) If default is made in handing over any register or making any report as required by this section, the lessor or the lessee, as the case may be, [shall, on conviction, be punishable] with fine which may extend to fifty rupees.

**8. Liability on transfer of ownership.** - (1) On a transfer of the ownership of a cotton-ginning or pressing factory, the transferor shall hand over to the transferee the registers maintained under Section 3, and the transferee shall forthwith report to the prescribed authority any default of the transferor in complying with the provisions of this sub-section or in maintaining the registers in accordance with the provisions of Section 3.

(2) If default is made in handing over any register or making any report as required by sub-section (1), the transferor or the transferee, as the case may be, [shall, on conviction, be punishable] with fine which may extend to fifty rupees.

**9. Structural requirements for factories.** - (1) In the case of cotton-ginning factories the construction of which is commenced after the commencement of this Act-

(a) gin-houses shall be provided with separate entrances and exits for the bringing in of unginmed and the taking out of ginned cotton respectively, and

(b) the factories shall be constructed in accordance with plans and specifications approved by the prescribed authority:

Provided that nothing in this sub-section shall apply to any factory in which only roller gins are used where the number of such gins is not more than four.

(1A) In any cotton-ginning factory, whether erected before or after the commencement of this Act-

(a) no structural alterations or additions, the construction of which commenced after the 27th day of February, 1939, shall be made so as to minimise the degree of compliance of the factory as a whole with the requirements set forth in clauses (a) and (b) of sub-section (1), and

(b) every structural addition (whether actually attached to any existing structure in the factory or not), the construction of which commenced after the last-mentioned date, shall be constructed in accordance with plans and specifications approved by the prescribed authority:

Provided that nothing in this sub-section shall apply to any factory in which after any alteration or addition has been made, only roller gins are used where the number of such gins is not more than four.

(2) Within such period after the commencement of this Act as may be prescribed, the owner of every cotton-pressing factory in which cotton is handled on the ground floor shall cause the press-house to be paved or provided with other suitable flooring to the satisfaction of the prescribed authority.

(3) If the owner of any factory fails to comply with any provision of this section, which is applicable to the factory, he [shall, on conviction, be punishable] with fine which may extend to one hundred rupees.

(4) [a] Where the owner of a factory has been convicted under sub-section (3), the prescribed authority may serve on the owner of the factory an order in writing directing that such alterations shall be made in the factory, before a specified date, as in the opinion of the said authority are necessary to secure compliance with the provisions of sub-section (1) Sub-section (1 A) or sub-section (2), as the case may be.

(b) Where the alterations are not made in accordance with the order served under clause (a) of this sub-section, the prescribed authority may serve on the owner and on the occupier, if any, of the factory an order in writing directing that the work of ginning or pressing cotton in such factory shall be suspended until the alterations have been made in accordance with the order served under clause (a) of this sub-section and the owner and the occupier, if any, shall be jointly and severally liable to fine which may extend to fifty rupees for each day on which cotton is ginned or pressed in the factory in contravention of the order served under this clause.

**10. Liability of officers of a company.** - Where the person guilty of an offence under this Act is a Company, every director, manager, secretary and other officer thereof who is knowingly a party to the default shall also be guilty of the like offence and is liable to the like punishment.

**11. Cognizance of offences.** - (1) No prosecution under this Act shall be instituted except by or with the previous sanction of the District Magistrate or a Chief Presidency Magistrate or a Magistrate of the first class specially empowered in this behalf by the State Government.

(2) No offence punishable under this Act shall be tried by any Court to that of a Presidency Magistrate or of a Magistrate of the first class.

**[11A. Power of Magistrate to pass sentence.** - Notwithstanding anything contained in section 32 of the Code of Criminal Procedure, 1898, a Magistrate of the First Class may pass any sentence provided for any offence punishable under this Act and the provisions of the said code shall be deemed to have been amended accordingly.]

**12. Power of the Central Government to make rules.** - The Central Government may make rules to provide for-

- (a) the allotment of a special mark to be used by each pressing factory for the purpose of the marking of bales;
- (b) the manner in which bales shall be marked; and
- (c) the standard weights and scales to be used in cotton-ginning and cotton-pressing factories in any part of the territories to which this Act extends and the inspection of the same.

**13. Power of the State Government to make rules.** - The State Government may by notification in the Official Gazette, make rules consistent with this Act to provide for all or any of the following matters, namely:-

- (a) the forms in which registers, records and returns are to be maintained or submitted, and the inspection of records and registers;
- [(aa) What shall constitute an admixture of cotton;
- (ab) the period which shall from time to time constitute a season.

- (ac) the authority by whom, the form in which the conditions subject to which and the fees on payment of which a license may be granted under sub-section (1) of section 2A;
- (ad) the particulars of the cotton ginning factory to be entered in the register maintained under sub-section (2) of section 3;
- (ae) the proportion of seed which may be contained in cotton;
- (af) the person authorised to give certificate regarding the quantity of moisture contained in any cotton and other matters specified in section 3A;
- (ag) the person authorised to examine bales under section 3B;
- (ah) the procedure for making a complaint and causing the contents of a bale to be examined and the fee for examination of the contents of a bale under sub-section (1) of section 3B;
- (ai) the manner in which the things seized shall be sealed under section 3C.]
- (b) the appointment of the authority to whom and the time within which the returns required by Sections 5 and 5A shall be made;
- [(c)(i) conditions subject to which a factory may be exempted from the operation of clauses (ii) and (iii) of sub-section (1) of section 5B;
  - (ii) the manner in which the representatives referred to in clauses (b) and (c) of sub-section (2) of section 5B shall be appointed;
  - (iii) the term of office of the members of the committee, the manner of their resigning and filling up of casual vacancies and the procedure regarding the work of the committee under sub-section (5) of section 5B; or
  - (iv) the matters which a rate-fixing committee should have regard to at the time of fixing the maximum rate of the ginning or pressing of cotton within its local area;
- (cc) prescribing the manner in which compensation shall be determined under sub-section (5) of section 5C;]
- (d) the appointment of authorities for the purposes of Sections 7, 8 and 9.
- (e) the manner of service of orders made under section 9.
- (f) the powers of entry and inspection which may be exercised by District Magistrates or by any officer specially empowered in this behalf by the State Government;
- (g) any other matter which is to be or may be prescribed or for which provision is necessary in order to carry out the purposes of this Act.

**14. Power to reject unmarked bales in fulfilment of contracts. - (1)**

After the expiration of one year from the commencement of this Act, any person who has made a contract for the purchase of baled cotton may require that no bales other than bales/ marked with the mark prescribed under Section 4 for the factory in which they were pressed, shall be supplied in fulfilment of such contract, and, if he does so require, no bale not so marked shall be tenderable in fulfilment of the contract.

(2) Any bale marked in accordance with the provisions of Section 4 shall, within the meaning of the Indian Evidence Act, 1872, be presumed for all purposes as between the parties to a contract for the purchase of baled cotton, to have been so marked before leaving the factory in which it was pressed.

**15. Protection for acts done under Act. -** No suit or other legal proceeding shall be instituted against any person in respect of anything which is in good faith done or intended to be done under this Act.

**[16. Penalty. -** whoever contravenes any of the provisions of this Act or any rule made thereunder or any of the conditions subject to which the license has been granted to him shall, on conviction, if no other penalty is already provided in this Act for such contravention, be punishable with fine which may extend to five hundred rupees or, if he has previously been convicted of an offence under this Act or any rule made thereunder, with fine which may extend to fifteen hundred rupees.]

**17. Compounding offences. - (1)** The District Magistrate may accept from any person whose license is liable to be suspended, withdrawn or cancelled under this Act, or who is reasonably suspected of having committed an offence under this Act, a sum of money in lieu of such suspension, withdrawal or cancellation or by way of composition for the offence which may have been committed, as the case may be.

(2) On payment by such person of such sum to the District Magistrate, such person if in custody shall be set at liberty and if criminal proceedings shall have been instituted against such person the composition shall be held to amount to an acquittal.