

OFFICE OF THE MARTIAL LAW ADMINISTRATOR ZONE ‘B’
MARTIAL LAW ORDER NO. 487

1. This Martial Law Order shall extend to the whole of Zone ‘B’ and shall come into force at once.
2. Notwithstanding anything to the contrary contained in any law for the time being in force, or any decree or order passed by any court, or any agreement or contract entered into or made before the coming into force of this Martial Law Order, the marketing of tobacco between tobacco growers and every person, including a Company, engaged in the purchase of tobacco in Zone ‘B’ shall be regulated in the manner hereinafter specified.

I- Flue-cured Virginia Tobacco

- (1) Every Tobacco Company, for the purpose of purchase of its targeted requirements of flue-cured virginia tobacco, will execute agreements with the growers of tobacco by the 31st December in respect of the ensuring crop of tobacco. A copy of each such agreement will be supplied to the growers concerned and a list of all such agreements will be furnished to the Pakistan Tobacco Board as soon as may be possible after the execution of the agreements.
- (2) Every Tobacco Company and other purchaser of flue-cured virginia tobacco shall strictly follow the grade classification of tobacco as laid down by the Pakistan Tobacco Board vide its Notification No.SRO 522(1)/81 dated the 3rd June, 1981.
- (3) Every Tobacco Company and other purchaser of flue-cured virginia tobacco shall prominently display at the purchase Depots the leaf sample of each grade and its minimum price notified by the Federal Government.
- (4) The weighted average price of tobacco for the crop of any year to be paid by a Tobacco Company to the tobacco growers shall not be lower than the weighted average price paid to them for the crop of the immediately preceding year.
- (5) There shall be constituted a Vigilance Committee at the purchase depot consisting of :

- (a) A representative of the Pakistan Tobacco Board or the Provincial Agriculture Department;
 - (b) A representative of the tobacco growers, nominated by the Provincial Agriculture Department; and
 - (c) A representative of the Tobacco Companies nominated by the Tobacco Companies.
- (6) The Vigilance Committees shall check the grades assigned to various types of tobacco used for the manufacture of cigarettes and shall also ensure that no purchaser unnecessarily rejects, or pays price for, tobacco at rates lower than the minimum notified rates. It shall also resolve the differences or disputes between the tobacco growers and tobacco companies, if any, arising out of sale and purchase transactions of tobacco between the parties.
- (7) The decision of the Vigilance Committee shall be taken by majority and shall be binding on the parties.
- (8) The Pakistan Tobacco Board will fix dates for the purchase of middle and top portion leaves keeping in view the purchase periods of such leaves during the past three years.
- (9) The tobacco growers will confine the bale weight from 50 to 60 kgs and that six bales will be offered by a growers on his turn.

II. White Patta (Mulki Tobacco)

(1)

- (a) All Tobacco Companies shall purchase at least 35 percent of their purchase targets of white patta tobacco indicated for any year direct from the tobacco growers; provided that where a Tobacco Company, during the crop of the immediately preceding year, had obtained 50 percent or more of its targeted requirements of white patta tobacco direct from the tobacco growers, it shall in no case reduce its direct purchase from growers below 50 percent of its indicated purchase target for the crop of any subsequent year.
- (b) For the direct purchase of white patta tobacco every Tobacco Company will chalk out a proper purchase programme, exhibit the same at the Buying Courtyards a fortnight earlier and also inform the concerned growers about it.

- (c) Every Tobacco Company shall make available to the Pakistan Tobacco Board, not later than the 15th May of each year, a list, in duplicate, of the tobacco growers from whom white patta tobacco is to be directly purchased by it.
 - (d) A copy of the list mentioned in sub-clause (c) shall be supplied by the Pakistan Tobacco Board to the Special Committee of Growers constituted by the Board for the purpose of verification of the genuineness of tobacco growers from whom direct purchase is made by the Tobacco Company.
- (2) **The Mandiwalas.** Agents and Suppliers engaged in the business of tobacco shall purchase tobacco brought at their business premises by the tobacco growers in the manner specified in this Order and shall provide all facilities in the sale of their stock as were provided to them in the past. In particular the Mandiwalas, Agents and Suppliers shall ensure that :-
- (a) The rate of commission charged by them from the sellers and the buyers does not exceed $6\frac{1}{2}$ percent and $1\frac{3}{4}$ percent respectively, that is to say, the total commission to be charged from both the parties shall not exceed $8\frac{1}{4}$ percent, and that no other charge, whatsoever, is claimed over and above the said commission;
 - (b) The payment of dues is made by them to the growers within a period of ninety days from the date of sale transaction;
 - (c) No arbitrary deduction of weight on any account is made by them at the time of purchase;
 - (d) Such printed vouchers as may be prescribed by the Pakistan Tobacco Board are issued by them to the sellers and that no weights/ measures other than the standard weights and measures are used in the transaction;
 - (e) An accurate and up-to-date account of all purchases and sales transacted, the payments made to the growers in liquidation of their dues and the sale price paid to the growers for the purchase of tobacco, duly supported by printed vouchers and receipts, are at all times maintained and are made available, during business hours to the officials of the Board and members of Martial Law Inspection Team for inspection; and

- (f) Statements of purchases and sales, the weighted average price paid and the payments made to the growers, on fortnightly basis from June to September, and, on monthly basis thereafter, are furnished to the Pakistan Tobacco Board in such form or manner as it may, from time to time, prescribe for the purpose and that such statements reach the Board's office before the 5th and 20th of each month in respect of transactions undertaken in the preceding fortnight or month as the case may be.
- (3) The Tobacco Companies which purchase tobacco through the Mandiwalas, Agents and Suppliers, over and above the quantity purchased directly from the tobacco growers, shall execute agreements with them by the first June of each year, at the latest. The agreements shall clearly specify in unequivocal and unambiguous terms the quantity of white patta contracted, its grade or grades, the minimum price settled for each grade and fortnightly lifting programme along with payment schedule which shall not exceed 60 days from the date the lifting of purchased stock commences.
- (4) The weighted average prices to be paid by the Tobacco Companies and tobacco dealers, Agents and Mandiwalas during 1985 crop shall not be less than paise 750 per kg. The price for subsequent years will be as announced in a Gazette Notification by the Provincial Government.
- (5) The Tobacco Companies shall undertake transfer of purchased stock from Mandiwalas and Tobacco Dealers from the 1st of August and this process shall be completed by the 30th of November, each year. Transfer of stocks shall be so undertaken that the stocks are lifted in each fortnight proportionately.
- (6) The tobacco suppliers and Tobacco Companies will mutually decide whether the inspection of white patta stocks meant for sale will be made at the suppliers warehouses/mandies or at the Tobacco Company's own purchase depots. In the former case the suppliers will not be entitled to any transport charges, while in the latter case he shall be entitled to transport charges from the premises of the supplier to the purchase depot of the Tobacco Company at mutually agreed rates.
- (7) The suppliers will make payment to the Commission Agent/Mandiwalas within 60 days.

III. General

- (1) The purchase targets intimated to the Pakistan Tobacco Board by the Tobacco Companies shall not be altered in any form without prior approval of the Board. The Tobacco Companies will also discourage purchases from azad growers, that is non-agreement holders.
- (2) All Tobacco Companies shall commence purchases of tobacco from the date as fixed by the Pakistan Tobacco Board.
- (3) It shall be binding upon the Tobacco Companies to purchase tobacco in accordance with their indicated purchase targets.
- (4) All Tobacco Companies, Mandiwalas and Tobacco Dealers shall prominently display sign boards outside their established purchase depots, mandies and other business premises which shall remain open for the purchase and sale transactions on all working days, except Fridays or other public holidays and during such hours as may be prescribed by the Pakistan Tobacco Board for this purpose. The closure of business, more than two days at a time, shall require intimation to the District Magistrate concerned and the Board, stating the reason in support thereof.
- (5) All Tobacco Companies shall use dial weighing scales at their purchase depots. Where the existing platform weighing scales cannot be replaced within a single year, the change over shall taken place according to a phased programme which may be determined and approved by the Pakistan Tobacco Board.
- (6) The tobacco spilled over from the bales opened for inspection at the purchase depots, mandies and auction floors shall remain the property of the concerned tobacco growers who may collect it for disposal in the manner he deems fit.
- (7) All officers of the Pakistan Tobacco Board and Agriculture Department not below Grade-17, Magistrates of the First Class and Police Officers not below the rank of Deputy Superintendent of Police shall be entitled to inspect the purchase depots, mandies, auction floors and accounts of purchase and sale transactions with a view to ensuring that the provisions of this Martial Law Order are being fully complied with.
- (8) The Tobacco Companies shall submit to the Pakistan Tobacco Board purchase summaries on daily basis during the marketing season.

IV.

- (1) For proper implementation of this Martial Law Order, the Martial Law Administrator may constitute Martial Law Inspection Teams consisting of an officer of the Armed Forces, a Magistrate of the First Class and an officer of the Pakistan Tobacco Board (hereinafter referred to as the Inspection Team) for such area as may be specified by the Martial Law Administrator.
- (2) The Inspection Team shall have the power to inspect any premises or any record of any Tobacco Company or other purchaser of tobacco and any mandiwala, Agent or supplier engaged in the business of tobacco.
- (3) The Inspection Team shall submit reports of its inspection to the Martial Law Administrator and the Pakistan Tobacco Board.
3. **Removal of Difficulties.** If any difficulty arises in giving effect to any provision of this MLO, the Government may make such order, not inconsistent with the provisions of this MLO, as may be deemed necessary for giving effect to the provisions of this order.
4. **Power to Make Rules.** The Government may make rules for carrying out the purposes of this MLO.
5. (1) Martial Law Order No.383 issued by Martial Law Administrator Zone-B is hereby cancelled.
(2) The cancellation of the aforesaid Martial Law Order shall not affect the previous operation thereof or anything done, or any right, obligation, liability, penalty or punishment accrued or incurred thereunder, or any proceeding or remedy in respect of any such right, obligation, liability, penalty or punishment, and any such proceeding or remedy may be instituted, continued or enforced, and any such penalty or punishment may be imposed as if this Martial Law Order has not come into force.
6. Any person who contravenes any of the provisions of this Martial Law Order be punished under the provisions of MLR-14.

Peshawar

Sd/--

16th April, 1985.

Lt. Gen. Martial Law Administrator (Fazle Haq).

.....