

The M.P. Rajya Pashudhan Evam Kukkut Vikas Nigam Adhiniyam, 1982

MADHYA PRADESH

India

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Act 37 of 1982

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The M.P. Rajya Pashudhan Evam Kukkut Vikas Nigam Adhiniyam, 1982M.P. Act No. 37 of 1982Received the assent of the Governor on the 30th October, 1982; assent first published in the "Madhya Pradesh Gazette (Extra-ordinary)" dated the 30th October, 1982.An Act to establish a Corporation for the execution of projects with a view to developing and providing for the scientific management of the livestock and poultry resources of the State and matters connected therewith.Be it enacted by the Madhya Pradesh Legislature in the Thirty-third year of the Republic of India as follows :-

Chapter I Preliminary

1. Short title and extent.

(1)This Act may be called the Madhya Pradesh Rajya Pashudhan Evam Kukkut Vikas Nigam Adhiniyam, 1982.(2)It extends to the whole of the State of Madhya Pradesh.

2. Definitions.

- In this Act, unless the context otherwise requires,-(a)"bank" means-(i)a banking company as defined in the Banking Regulation Act, 1949 (No. 10 of 1949);(ii)a scheduled bank as defined in the Reserve Bank of India Act, 1934 (11 of 1934);(iii)a financing bank as defined in the Madhya Pradesh Cooperative Societies Act, 1960 (No. 17 of 1961);(b)"board" means the Board of Directors of the Nigam constituted under Section 7;(c)"financing institution" means any statutory corporation or other body corporate established in India which has one of the objects of the financing of agriculture

in India and which is notified by the State Government to be a financing institution for the purposes of this Act;(d)"land" shall have the same meaning as assigned to that expression under the Madhya Pradesh Land Revenue Code, 1959 (No. 20 of 1959);(e)"Nigam" means the Madhya Pradesh Rajya Pashudhan Evam Kukkut Vikas Nigam established under this Act;(f)"Project" means any project of or scheme for livestock and poultry development approved under Section 22;(g)"regulations" means regulations made by the Nigam under Section 38;(h)["year" means a period commencing from the 1st April and ending on the 31st March.] [Substituted by M.P. Act No. 22 of 1989.]

Chapter II

Establishment of Nigam, its Capital and Management

3. Establishment and incorporation of the Madhya Pradesh Rajya Pashudhan Evam Kukkut Vikas Nigam.

(1)With effect from such date as the State Government may by notification, appoint, there shall be established for the purposes of this Act a Nigam to be known as the Madhya Pradesh Rajya Pashudhan Evam Kukkut Vikas Nigam.(2)The Nigam shall be a body corporate with the name aforesaid, having perpetual succession and common seal, with power, subject to provisions of this Act, to acquire, hold and dispose of the property, both movable and immovable and shall by the said name sue and be sued.

4. Head Offices of the Nigam.

- The head office of the Nigam shall be at Bhopal.

5. Capital of Nigam.

(1)The authorised capital of the Nigam shall be such sum not exceeding two crore of rupees as the State Government may, fix, from time to time.(2)In respect of such sum as may be provided by the State Government as capital of the Corporation, the State Government shall have power to impose such terms and conditions as it may deem fit.

Chapter III

Management of the Nigam

6. Management.

(1)The general superintendence, direction and management of the affairs and business of the Nigam shall vest in the Board of Directors which may exercise all such powers and do all such acts and things as may be exercised or done by the Nigam under this Act.(2)The Board of Directors, in performing its functions shall act on business principles, regard being had to public interest, and

shall be guided by such directions on questions of policy as may, from time to time, be given to it by the State Government.

7. Constitution of the Board.

(1)The Board of Directors of the Nigam shall consist of the Chairman to be nominated by the State Government and the following other directors namely :-(i)The Secretary to Government of Madhya Pradesh, Animal Husbandry Department and if there be no Secretary, then the Special Secretary of that Department, who shall be Vice-Chairman;(ii)The Secretary to Government, Madhya Pradesh, Finance Department or his nominee not below the rank of Deputy Secretary;(iii)Director, Veterinary Services, Madhya Pradesh;(iv)The Registrar of Co-operative Societies, Madhya Pradesh;(v)A Managing Director to be appointed under Section 10;(vi)One Director to be nominated by the State Government to represent banks and financing institutions;(vii)One Director have special knowledge or practical experience in respect of livestock and poultry development to be nominated by the State Government;(viii)Two Directors having practical experience in respect of livestock and poultry production and marketing to be nominated by the State Government;(ix)One representative of Scheduled Caste or Scheduled Tribe having practical experience in respect of matter relating to livestock and poultry to be nominated by the State Government;(x)one representative from the Jawaharlal Nehru Krishi Vishwavidyalaya to be appointed by State Government on the recommendation of the Vice-Chancellor.(2)The Chairman or a nominated Director shall hold office during the pleasure of the authority nominating him but the term of his office shall not exceed three years from the date of notification of his nomination. The Chairman or a nominated Director may, however, resign his office at any time, by writing a letter under his hand to the State Government and the Chairman of the Board respectively and the resignation shall be effective from the date of its receipt.(3)In the event of the death, resignation, or disqualification or removal of Chairman or a nominated director, the vacancy shall be filled up by nomination as soon as possible.

8. Disqualifications for being a Director of the Nigam.

(1)A person shall be disqualified for being nominated or appointed as, and for being a Director of the Nigam,-(a)if he is, or at any time has been adjudicated insolvent or has suspended payment of his debts or has compounded with his creditors; or(b)if he is of unsound mind and stands so declared by a competent Court; or(c)if he is, or has been convicted of any offence under the Prevention of Cruelty to Animals Act, 1960 (No. 59 of 1960), the Central Provinces and Berar Slaughter of Animals Act, 1915 (IV of 1915), or the Madhya Pradesh Agricultural Central Government or the State Government; or(d)if he is removed or dismissed from the service of the Government or a Corporation owned or controlled by the Central Government or the State Government; or(e)if he acts in any manner prejudicial to the interest of the Nigam or has any interest in any body, institution or organisation whose activities are prejudicial to the interest of the Nigam.(2)If a Director of the Nigam becomes subject to any of the disqualifications mentioned in sub-section (1), he shall cease to be a Director of the Nigam with effect from the date of notification to this effect by the State Government.

9. Vacation of office by nominated Directors.

(1) If a nominated Director, - (a) becomes subject to any of the disqualifications mentioned in Section 8; or (b) is absent without leave of the Board for more than three consecutive meetings thereof without cause sufficient in the opinion of the State Government to exonerate his absence, the State Government may declare that the said director shall be deemed to have vacated his office from the date of notification to this effect and thereupon his seat shall become vacant. (2) A Director whose office has been declared vacant under subsection (1) shall not be eligible for renomination to the Board as a Director for employment in the Nigam in any capacity.

10. Managing Director.

(1) The Managing Director shall be appointed by the State Government and he shall - (i) be a whole time officer of the Nigam; (ii) exercise such powers and perform such duties as the Board may delegate or entrust to him; (iii) receive such salary and allowances and be governed by such terms and conditions of service as the Nigam may, with the approval of the State Government, determine : Provided that the first Managing Director shall receive such salary and allowances and be governed by such terms and conditions of service as the State Government may determine. (2) The State Government may at any time remove the Managing Director from office without assigning any reason therefor.

11. Casual vacancies in the office of the Managing Director.

- If the Managing Director is by infirmity or otherwise, rendered incapable of carrying out his duties or is absent on leave or otherwise, in circumstances not involving the vacation of his appointment, the State Government may appoint another person to act in his place during his absence.

12. Remuneration of Directors.

- Directors, save as otherwise provided in Section 10 shall be paid such fees and allowances as may be provided by regulations for attending the meetings of the Board or of any of its committees and for attending to any other work of the Nigam : Provided that no fee shall be payable under this section to the Chairman, Managing Director or any other Director who is a Minister or holding an office of the State Government or of the Central Government.

13. Meeting of Board.

(1) The Board shall meet at such times and places and shall observe such rules of procedure in regard to transaction of the business at its meetings as may be provided by regulations : Provided that the Board shall meet at least once in every three months. (2) The Chairman of the Board or, in his absence, any other director chosen by the directors present at the meeting shall preside over the meeting. (3) All matters which come up before any meeting of the Board shall be decided by a majority of the votes of the Director present and voting and, in case of equality of votes, the person

presiding of the meeting shall have a second or casting vote.(4)In case the Board deems necessary to seek the advice or opinion of any person on any particular matter, the Board may invite such person to attend any meeting of the Board. Such an invitee shall have a right to participate in any discussion but shall have no right to vote at the meeting.

14. Committees of the Board.

(1)The Board may constitute one or more executive committees consisting of such number of Directors as may be provided by the regulations for discharging such functions as may be delegated to it by the Board.(2)The Board may constitute such other committees, whether consisting wholly of directors or wholly of other persons, as it thinks fit, for such purposes, related to the activities of the Nigam as it may decide.(3)The members of a Committee other than the Directors of the Nigam shall be paid by the Nigam such fees and/or allowances for attending its meeting and for attending to any other work of the Nigam as may be provided by regulations.

15. Member of Board or Committee thereof not to participate or vote in certain cases.

- A Director of the Nigam or a member of a committee who has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Board or a Committee thereof, shall disclose the nature of his interest at such meeting and the disclosure shall be recorded in the minutes of the Board or of the committee as the case may be, and the director or member shall not take any part in any deliberation or decision of the Board or the committee with respect to that matter except to furnish such clarification as may be required of him.

16. Managing Director to be Appointing Authority.

- The Managing Director, acting on behalf of the Nigam shall be deemed to be the Appointing Authority and shall exercise all powers of such an authority in respect of staff employed by the Nigam. An appeal shall lie to the Chairman of the Board against the order of the Managing Director in this behalf, in such manner as may be provided by regulations.

17. Conditions of service of employees transferred to the Nigam from Government Department.

(1)Subject to the provisions of Section 32 any official transferred to the Nigam at the request of the Nigam permanently or temporarily by the State Government from any of their departments, shall enjoy all such privileges of gratuity, pensionary benefits and any other benefits to which that official would have been entitled had he continued to serve in his parent department in the State Government.(2)An official specified in sub-section (1) shall, during the tenure of employment in the Nigam, be subject to disciplinary control of the Nigam.

Chapter IV

Business and Borrowing of the Nigam

18. Business which the Nigam may transact.

- The principal business of the Nigam shall be production, procurement, collection, rearing and marketing of livestock and livestock products (except milk and milk products) poultry and poultry products and conservation, management and development of livestock and poultry so as to improve, enrich and enhance livestock and poultry production in the State.

19. Borrowing power of the Nigam.

(1)The Nigam may with the previous approval of the State Government, issue and sell bonds and debentures carrying interest for the purpose of raising funds :Provided that without the approval of the State Government the total amount of bond and debentures issued and outstanding and of the other borrowing of the Nigam shall not at any time exceed four times the amount of the capital provided by the State Government under Section 5.(2)The Nigam may, for the purpose of carrying out its functions under this Act :-(a)borrow money from the Central Government or the State Government and from any other authority or organisation or institution approved by the State Government, on such terms and conditions as may be agreed upon; and(b)accept from the Central Government, State Government, a scheduled Bank or any person, deposits repayable after the expiry of a period which shall not be less than twelve months from the date of making the deposit and on such other terms as the Nigam may, with the prior approval of the State Government, fix.(3)The bonds and debentures of the Nigam issued under sub-section (1) and the loans and deposits raised by the Nigam under clauses (a) and (b) of sub-section (2) may be guaranteed by the State Government as to the repayment of principal and the payment of interest at such rate as may be fixed by the State Government on the recommendation of the Board of Directors of the Nigam at the time the bonds or debenture are issued.

20. Other sources of fund.

(1)The Nigam may receive remuneration for its services including costs of works incurred by the Nigam under this Act and accept gifts, grants, subsidies, donations or any benefactions from the State Government or from any person.(2)The State Government may also transfer to the Nigam buildings, land, machinery or any other movable or immovable property for the use of the Nigam on such terms and conditions as the State Government may deem fit.

Chapter V

Execution of Projects

21. Execution of works.

- The Nigam may execute the works itself or through any other agency.

Chapter VI

Financial Estimates, Funds, Accounts and Audit

22. Submission of programme of activities and financial estimates.

(1)The Nigam shall, in respect of every year submit to the State Government a statement of programme of its activities together with annual financial statement showing therein the details of the estimated receipt and expenditure of the Nigam for that year.(2)The Nigam may, with the approval of the State Government revise or modify the statement and estimate referred to in sub-section (1).(3)The Nigam shall submit each year to the State Government the programme of work and details of the project for different activities which are to be executed during the next year.(4)The State Government may, either approve the project or may approve it with such modifications as it may consider necessary or may return it to the Nigam to modify the same or to prepare a fresh project in accordance with such directions as the State Government may deem appropriate.

23. Funds of the Nigam.

(1)The Nigam shall have and maintain its own fund, and all receipts of the Nigam shall be carried thereto and all payment by the Nigam shall be made therefrom.(2)The funds of the Nigam shall be applied by it for meeting all administrative expenses of the Nigam and for carrying out the purposes of this Act.(3)The Nigam may deposit with any bank such sums as may be needed by it for its operations and the surplus may be invested in such manner as may be approved by the State Government.

24. Preparation of balance sheets etc. of the Nigam.

(1)The Board shall cause the books and accounts of the Nigam to be balanced and closed as on the [thirty-first day of March] [Substituted by M.P. Act No. 22 of 1989.] each year.(2)The balance sheet and accounts of the Nigam shall be prepared and maintained in such manner as may be prescribed by regulations.

25. Allocation of surplus profit.

(1)The Nigam shall establish a reserve fund to which shall be credited every year such portion of its annual net profits as the Nigam thinks fit.(2)After making provision for such reserve fund and for bad and doubtful debts and all other matters which are usually provided for by companies registered and incorporated under the Companies Act, 1956 (No. 1 of 1956), the balance of its annual net

profits shall be paid to the State Government.

26. Accounts and Audit.

(1)The Nigam shall cause to be maintained proper books of accounts and such other books as the rules may require and shall prepare annual statement of accounts in the prescribe manner.(2)The Nigam shall cause its accounts to be audited annually by such person as the State Government may direct.(3)As soon as the accounts of the Nigam have been audited, the Nigam shall send a copy thereof together with a copy of the report of the auditor thereon to the State Government and shall cause the accounts to be published in the prescribed manner and place copies thereof on sale at a reasonable price.(4)The Nigam shall comply with such direction as the State Government may alter perusal of the report of the auditor think fit to issue.

27. Returns.

(1)The Nigam shall furnish to the State Government, from time to time, such returns as the State Government may require.(2)The Nigam shall, in respect of each year, furnish to the State Government, within a period of three months from the date on which the annual accounts of the Nigam are closed, a copy of the balance-sheet as on the close of that year, together with a profit and loss account for the year and a report on the working of the Nigam including its policy and programme during the year.(3)The State Government shall, as soon as may be after the receipt of such report such report and the audit report received under Section 26 to be laid on the table of Legislative Assembly.

Chapter VII

Miscellaneous

28. Power of State Government to give directions.

- (1) In the discharge of its functions under this Act the Nigam shall be guided by such directions in matters of policy involving public interest as the State Government may give to it in writing, and if any question arises whether the direction relates to a matter of policy involving public interest, the decision of the State Government thereon shall be final.(2)Where the Nigam incurs any loss directly in consequence of carrying out the directions of the State Government under sub-section (1), the same shall be made good by the State Government.

29. Transfer of Government employees to the Nigam.

(1)On and after the establishment of the Nigam the State Government may, from time to time, direct that the services of such of the existing officers and servants of the State Government who in its opinion, are rendered surplus to its requirements, shall stand terminated and their posts shall stand abolished, from such date as may be specified by it (hereinafter in this section referred to as the

appointed date), and shall on that date (which may be different for different officers and servants) become the officers or servants of the Nigam.(2)Every permanent or temporary employee of the State Government in respect of whom a direction is issued under sub-section (1) shall, on and from the appointed date, be a permanent or temporary employee of the Nigam, as the case may be, against a permanent or temporary post, which shall stand created in the establishment of the Nigam with effect from the appointed date.(3)Any officer or servant so transferred shall hold office under the Nigam by the same tenure, at the same remuneration and upon the same other conditions of service and with the same right and privileges as to pension, gratuity, provident fund and other matters as would have been admissible to him on the appointed date if this Act had not come into force. Any service rendered by him under the State Government shall be deemed to be service rendered under the Nigam. He shall continue to serve under the Nigam, until his employment is duly terminated or his remuneration or the conditions of service are duly revised or altered by the Nigam in pursuance of the law which for the time being governs his conditions of service :Provided that, the conditions of service applicable immediately before the appointed date to the case of any such officer or servant shall not be varied to his disadvantage except with the previous approval of the State Government.(4)The sums standing to the credit of the employees referred to in sub-section (1) in any pension, provident fund, gratuity or other like funds constituted for them shall be transferred by the State Government to the Nigam along with any accumulated interest due till the appointed date and with the accounts relating to such funds. On and after the appointed date, the Nigam shall, to the exclusion of the State Government be liable for payment of pension, provided fund, gratuity or other like sums as may be payable to such employees at the appropriate time in accordance with the conditions of their service.(5)Nothing contained in sub-section (1) shall apply to any employee who by notice in writing given to the State Government within two months from the appointed date or such extended time as the State Government may, by general or special order, specify, intimate his intention of not becoming or continuing as an employee of the Nigam. Where such notice is received from any employee-(a)in case of a permanent employee, he shall be allowed to retire giving him the benefit of pension, gratuity, provident fund and other benefits which may have accrued to him had he retired from the Government service on the appointed date;(b)in case of a temporary employee, his service shall be terminated after giving him notice or remuneration in lieu of notice as per the existing service rules of the State Government.(6)Notwithstanding anything contained in the foregoing subsections-(a)no person employed in the Veterinary Department against whom any disciplinary proceeding is pending or to whom any notice or order of termination of his service or compulsory retirement has been issued before the date of commencement of this Act shall be transferred to the Nigam, and such person may be dealt with after the said date in such manner and by such authority as the State Government may by general or special order specify in this behalf.(b)if the services of any employee of the State Government stand transferred under sub-section (1) to the Nigam, the Nigam shall be competent after such transfer to take such disciplinary or other action as it thinks fit against such employee having regard to any act or omission or conduct or record of such employee while he was in service of the State Government.

30. Liquidation of the Nigam.

- The Nigam shall not be placed in liquidation save by an order of the State Government and in such manner as it may direct.

31. Indemnity of Director.

(1) Every Director shall be indemnified by the Nigam against all losses and expenses incurred by him, in or in relation to the discharge of his duties except such as are caused by his act or omission which is an offence under any law for the time being in force. (2) A Director shall not be responsible for any loss or expenses resulting to the Nigam from the insufficiency or deficiency of value of or title to any property or security acquired or taken on behalf of the Nigam or the insolvency or wrongful act of any debtor or any person under obligation to the Nigam or anything done in good faith in the execution of the duties of his office in relation thereto.

32. Defects in appointment of directors not to invalidate acts, etc.

- (1) No act or proceeding of the Board or of any committee of the Board shall be invalid merely by reason of—(a) any vacancy in or defect in the composition of the Board or Committee as the case may be; or (b) any defect in the nomination of any person acting as a Director of the Nigam or Member of the Committee; or (c) any defect or irregularity in the procedure of the Board or Committee, as the case may be. (2) No act done by any person acting in good faith as a director of the Nigam or as a member of a Committee of the Board shall be deemed to be invalid merely on the ground that he was disqualified to be a director or a member or that there was any defect in his appointment.

33. Staff of the Nigam to be public servants.

- The officers and employees of the Nigam or other person as may be authorised by the Nigam or the State Government when acting or purporting to act in pursuance of any of the provisions of this Act shall be deemed to be public servants within the meaning of Section 21 of the Indian Penal Code, 1860 (No. 45 of 1860).

34. Protection of action under the Act.

- No suit or other legal proceeding shall lie against the Nigam or any other person authorised by the Nigam to discharge any functions under this Act for any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in the pursuance of this Act.

35. Declaration of fidelity and secrecy.

- Every director, auditor, officer or other employee of the Nigam or any employee of the State Government whose services are utilized by the Nigam, shall before entering upon his duties, make declaration of fidelity and secrecy in the form prescribed by regulations.

36. Delegation of powers.

- The Board may delegate to any committee of the Board or to the Chairman or Managing Director or any other Officer of the Nigam such of its power and functions under this Act as it may deem

necessary.

37. Power of the State Government to make rules.

(1)The State Government may make rules not inconsistent with the provisions of this Act to give effect to the provisions of this Act.(2)All rules made under this section shall be laid on the table of the Legislative Assembly.

38. Power of the Nigam to make regulations.

(1)The Nigam may, with the previous approval of the State Government make regulations not inconsistent with this Act and the rules made thereunder providing for all matters for which no rules have been framed under this Act and for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.(2)In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for the following matters, namely ;-(a)the fees and allowances that may be paid to the directors;(b)the times, places of the meeting of the Board or of any committee constituted under this Act and the procedure to be followed at such meeting including the quorum necessary for transaction on business;(c)the number of directors constituting the Executive Committee and the functions which such committee shall discharge;(d)the functions which any other committee may discharge under this Act;(e)the fees and allowances that may be paid to the member of a committee other than directors;(f)the manner in which appeal shall lie to the Chairman of the Board against the order of the Managing Director;(g)delegation of powers and functions of the Board to the committee or to the Chairman, the Managing Director and other officers of the Nigam;(h)the manner and terms of issue and redemption of bonds and debentures and other securities by the Nigam;(i)the manner and conditions subject to which the Nigam may borrow money;(j)the form and manner in which the balance-sheet and accounts of the Nigam shall be prepared and maintained;(k)the form of returns, statements and estimates required to be prepared under this Act;(l)duties and conduct, salaries, allowances and conditions of service of the employees of the Nigam;(m)establishment and management of provident fund or other benefit funds for employees of the Nigam; and (n) generally for the efficient conduct of the affairs of the Nigam.

39. Repeal.

- The Madhya Pradesh Rajya Pashudhan Evam Kukkut Vikas Nigam Adhyadesh, 1982 (No. 13 of 1982) is hereby repealed.