# The Meghalaya Agricultural Produce Market Act, 1980

MEGHALAYA India

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## Act 1 of 1981

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The Meghalaya Agricultural Produce Market Act, 1980Meghalaya Act No. 1 of 1981Last Updated 19th February, 2020[As Passed by The Assembly]Published in the Gazette of Meghalaya, Extraordinary, dated 6th February, 1981.[Received the assent of the President on the 31st January, 1981]No. LL. 151/80/17, dated 5th February, 1981. - The following Act of the Meghalaya Legislative Assembly which received the assent of the President is hereby published for general information: An Act to provide for better regulation of buying and selling of certain agricultural produce and the establishment of markets therefor in the State of Meghalaya and for matters connected therewith.Be it enacted by the Legislature of the State of Meghalaya in the Thirty-first Year of the Republic of India as follows:

### 1. Short title, extent and commencement.

(1) This Act may be called the Meghalaya Agricultural Produce Market Act, 1980.(2) It extends to the whole of the State of Meghalaya.(3) It shall come into force in such area and on such date as the State Government may, by notification in the official Gazette, appoint and different dates may be appointed for different areas.

#### 2. Definitions.

(1)In this Act, unless the context otherwise requires-(i)"Agricultural produce" includes any produce, whether processed or non-processed, of agricultural, horticulture, animal husbandry, pisciculture, sericulture and forest as specified in the Schedule;(ii)"Agriculturist" means a person who ordinarily by himself or by his tenants or hired labour or otherwise is engaged in the production of agricultural produce but does not include a dealer or broker in agricultural produce although such a dealer or broker may also be engaged in the production or growth of agricultural produce;(iii)"Board" means the Meghalaya State Agricultural Marketing Board constituted under Section 3;(iv)"Broker" means an agent, whose ordinary course of business is to negotiate and make contracts for the purchase or sale of agricultural produce on behalf of his principal and who is remunerated by commission; but

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does not include the servant of such principal whether engaged in negotiated or making such contracts;(v)"Bye-laws" means bye-laws made under Section 53;(vi)"Commission Agent" means a person who on behalf of another person and in consideration of commission makes or offers to make purchase or sale of agricultural produce or does or offers to do anything necessary for completing and carrying out such purchase or sale; (vii) "Co-operative Bank" means the Meghalaya Co-operative Apex Bank Ltd., registered under the Meghalaya Co-operative Societies Registration Act (Assam Act 1 of 1950 as adapted by Meghalaya) or any other Co-operative Bank formed in the State of Meghalaya; (viii) "Co-operative Marketing Society" means a Co-operative Society registered under the Meghalaya Co-operative Societies Registration Act (Assam Act 1 of 1950 as adapted by Meghalaya) which has is its principal object the promotion of the sale of agricultural produce grown, reared or produced by its members or a Co-operative Society registered as such and declared to be equivalent to a Co-operative Marketing Society by the State Government; (ix) "Director" means the Director of Agriculture, Meghalaya and includes any other person or authority authorised by the Government, by notification, to perform the functions of the Director under this Act for such an area as may be specified in the notification;(x)"District Council" means a District Council, constituted under paragraph 2 of the Sixth Schedule to the Constitution of India;(xi)"Licensee" means a person to whom a licence is granted under this Act;(xii)"Local authority" means a Municipal Corporation, a Municipal Board or a Town Committee constituted under any law in force; (xiii) "Market" means a market established and regulated under this Act for the market area and includes a market proper, a principal market-yard and sub-market-yard or yards, if any;(xiv)"Market Area" means any are declared to be a market area under Section 11;(xv)"Market Committee" means a Committee established under Section 13;(xvi)"Market proper" means any area including all lands with the building and structures thereon within such distance of the principal or sub-market-yard declared it to be a market proper under Clause (b) of Section 12 (2):(xvii)"Measurer" means a person whose business is to measure consignments of agricultural produce for sale;(xxiii)"Notified agricultural produce" means the agricultural produce specified as such under Section 11;(xxv)"Prescribed" means prescribed by rules made under this Act;(xxvi)"Principal market-yard" and "sub- market yard" means an enclosure, building or locality in market area declared to be a principal market yard and sub-market yard respectively under Clause (a) of Section 12 (2);(xxvii)"Progressive producer" means a producer who, in the opinion of the Director, carries on agricultural production on improved method;(xxix)"Registrar" means the Registrar of the Co-operative Societies Meghalaya;(xxx)"Retail sale" means a sale of any agricultural produce not exceeding such quantity as may be fixed by bye-laws or rules, in respect of such agricultural produce; (xxxi)"Rules" means rules made under this Act;(xxxii)"State Government" means the State Government of a Meghalaya;(xxxiii)"Schedule" means a Schedule to this Act;(xxxiv)"Secretary" means the Chief Executive of the Market Committee and includes officiating, acting, Deputy and Assistant Secretary;(xxv)"Surveyor" means a person whose business is to survey a consignment of agricultural produce for sale in regard to quality, grade, adulteration and such other purposes;(xxxvi)"Trade" means a kind of transaction of sale and purchase of any agricultural produce;(xxxvii)"Trader" means a person who is ordinarily engaged in the business of buying and selling of agricultural produce whether by himself or by a duly authorised agent and includes a person who is ordinarily engaged in the business of processing of agricultural produce; (xxxviii) "Warehousing Corporation" means the Meghalaya State Warehousing Corporation established in Meghalaya under Section 18 of the Warehousing Corporation Act, 1961;(xxxix)"Weighman" means a person whose function is to weigh

a consignment of agricultural produce for sale.(2)The question as to whether a person is or is not an agriculturist or trader for the purpose of this Act, shall be decided in the manner prescribed and such decision shall be final. Explanation. For the purpose of this Act, the word "person" includes any firm, joint family, association or body of individuals whether incorporated or not.

## 3. Constitution of State Agricultural Marketing Board.

(1) The State Government may, for the purpose of this Act, establish and constitute a Board to be known as the Meghalaya State Agricultural Marketing Board with headquarters at Shillong/consisting of not more than fifteen members and which shall include the following, namely :(a)Six official members, that is-(i)The Secretary to the Government of Meghalaya in the Agriculture Department;(ii)The Director of Agriculture, Meghalaya;(iii)The Director of Animal Husbandry and Veterinary, Meghalaya; (iv) The Registrar of Co-operative Societies, Meghalaya; and (v) Two others.(b)Nine non-official members, that is-(i)The Managing Director of the Meghalaya State Warehousing Corporation; (ii) The Secretaries of the Executive Committees of the three District Councils in the State; (iii) One Agriculturist representing the market committees; (iv) One progressive farmer;(v)One licensee;(vi)One representative of the Co-operative Marketing Societies; and(vii)One representative of the Financial Institutions.(2)The members in item (v) of Clause (a) and in items (iii), (iv), (v), (vi) and (vii) of Clause (b) of sub-section (1) shall be nominated by the Government.(3)The Secretary to the Government in the Agriculture Department shall be the ex officio Chairman of the Board and the Government shall appoint an officer of the Agriculture Department not below the rank of a Deputy Director to be its Secretary.(4)The term of office of the non-official members of the Board shall be three years:Provided that any non-official member in items (iii), (v), (vi) and (vii) of Clause (b) of sub-section (1) shall cease to be a member of the Board from the date he ceases to be an agriculturist member representing the market committees, a licence, a representative of the Marketing Societies or a representative of the Financial Institutions, as the case may be.(5)A non-official member of the Board may resign from membership by tendering his resignation to the Chairman of the Board and such resignation shall take effect from the date of the acceptance.(6)In case of vacancy in the Board caused by the resignation or other-wise of any non-official member, the Government may nominate another person in has place in the manner provided under this Act and such person shall remain in office for the remaining term of his predecessor.(7) Five persons shall constitute a quorum at a meeting of the Board: Provided that if a meeting is adjourned for want of quorum, no quorum shall be necessary at such adjourned meeting.(8)All questions before a meeting of the Board shall be determined by a majority of votes of the members present and voting and, in case of equality of votes, the Chairman may exercise a casting vote.(9)No act or proceeding of the Board shall be invalid by reason only of the existence of any vacancy among its members or any defect in the constitution thereof.

# 4. Incorporation of the Board.

(1)The Board shall be a body corporate by the name of the Meghalaya State Agricultural Marketing Board having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire and hold property and shall by the said name such and be sued.(2)The State Government shall exercise superintendence and control over the Board and its employees and may

call for such information as it may deem necessary and in the event of its being satisfied that the Board is not functioning properly the State Government may reconstitute it.

### 5. Disqualification for membership in the Board.

- No person shall be eligible to be a non-official member of the Board who-(a)is below twenty-one years of age;(b)has been removed under Section 34 of this Act;(c)is of unsound mind; or(d)has been declared an insolvent or sentenced by a criminal Court for an offence involving moral turpitude :Provided that the disqualification under Clause (d) shall not apply after the expiry of four years from the date on which the period of the sentence expired.

#### 6. Powers of the Board.

(1)The Board shall exercise all the powers conferred on and perform the functions and duties assigned to it by or under this Act.(2)It shall exercise superintendence and control over the market committees in the manner prescribed and may call for any information, or returns relating to notified agricultural produce from any market committee and shall have the power to inspect the records of any market committee or such functionaries under or in relation to such market committees as the case may be.(3)Notwithstanding anything contained in sub-sections (1) and (2) the State Government shall also have powers of superintendence and control over the market committee or other functionaries under or in relation to such market committees.

## 7. Appointment of officers and staff.

- Subject to other provisions of this Act and rules and bye-laws framed thereunder the Board may have its own officers and staff for carrying out the functions under this Act.

#### 8. Power to borrow and maintenance of funds and accounts.

(1) The Board shall have its own fund into which all moneys received by it shall be paid and from which all expenditure incurred shall be defrayed. (2) The Board may, with the previous sanction of the government, raise money required for carrying out the purposes for which it is established on the security of any property vested in it. (3) The accounts of the Board shall be maintained in such form as the Government may prescribe.

#### 9. Annual Financial Statement.

- Subject to rules made for this purpose the Board shall submit to the Government a statement of the estimated income and expenditure for each financial year and the State Government shall give this approval with or without modification within two months of the receipt thereof failing which it shall be deemed to have been approved.

# 10. Notification of intention of exercising control over purchase and sale of agricultural produce in specified areas.

(1) The State Government may, after consultation with the District Council concerned, by notification declare its intention of regulating the purchase, sale or storage of such agricultural produce in such areas as may be specified, and such notification shall be published in the manner prescribed: Provided that no such consultation shall be necessary where an area is within the Cantonment and Municipality of Shillong.(2) The notification under sub-section (1) shall state that any objection or suggestion received by the State Government within a period of not less than one month to be specified in the notification under sub-section (1) shall be considered by the State Government.

#### 11. Declaration of market area etc.

(1)After the expiry of the period specified in the notification issued under Section 10 and after considering such objections and suggestions as may be received, the State Government may, by notification, declare the area so notified or any portion thereof to be a market area for the purpose of this Act in respect of all or any of the agricultural produce specified in the said notification. The notification shall be published in the manner prescribed.(2)After the date of the publication of the notification under sub-section (1) or at such later date as may be specified therein, no person local or other authority, notwithstanding anything contained in any law for the time being in force, shall, within the market area or within a distance thereof to be notified in the official Gazette in this behalf, set up, establish or continue or allow to be set up, established or continued, any place for the purchase, sale or storage of any agricultural produce so notified, except in accordance with the provisions of this Act, rules or bye-laws framed thereunder. (3) Nothing in sub-section (2) shall apply to the purchase, sale or storage of such agricultural produce if the producer of such produce is himself its seller and the purchaser is a person, who purchases such produce for his own private consumption or if such agricultural produce is sold by retail sale to a person who purchases such produce for his own private consumption. (4) The State Government, may, at any time by notification in the official Gazette, exclude from the market area any or any agricultural produce specified for the market area.

# 12. Declaration of market yards.

(1)For each market area there shall be one principal market-yard and one or more submarket-yards as may be necessary,(2)The State Government may, by notification in the official Gazette, declare-(i)any enclosure, building or locality in any market area to be the principal market-yard and other enclosure, buildings or localities in such market areas to be one or more sub-market-yard or yards for the area; and(ii)any- area including all lands with the buildings and structures thereon within such distance of the principal or sub-market-yard or yards, as the case may be, and as it thinks fit to be market proper.

#### 13. Establishment of market committee.

(1)The State Government may establish a market committee for every area declared to be a market area under sub-section (1) of Section 11. It shall be the duty of the market committee to enforce the provisions of this Act and the rules and bye-laws framed thereunder in such market area.(2)The State Government may establish a separate market committee within the same market area or a part thereof provided it is satisfied that trading in a particular type of agricultural produce can be regulated only when an independent market committee already functioning is unable to undertake regulated trading in that commodity because of its peculiar nature: Provided that not more than one Market Committee shall be established within the same market area or a part thereof for the same type of agricultural produce.

#### 14. Constitution of Market Committee.

(1)Every Market Committee shall consist of the following members namely:(i)five agriculturists to be nominated by the Board from amongst the progressive farmers of the market area in the manner prescribed;(ii)three to be nominated by the traders, otherwise than the co-operative marketing societies holding valid licence under this Act from amongst themselves in the manner prescribed;(iii)two to be nominated by the Registrar from among the members of the Managing Committee or Board or Directors, as the case may be, of the Co-operative Societies in the market area holding a licence under this Act;(iv)one to be nominated by the State Government;(v)one to be nominated by the members of the local authorities, if any, within whose jurisdiction the principal market-yard is situated. When the principal market-yard is situated within the jurisdiction of two or more local authorities each authority shall nominate one member;(vi)one to be nominated by the Warehousing Corporation, if a warehouse has been established by such Corporation within the market area.

#### 15. Period of office of Market Committee member.

- Every member of market committee shall hold office for a period of three years commencing from the date of the first meeting of the market committee.(2)The State Government may, by notification for sufficient cause to be stated therein, direct from time to time that the term of office of the members of a market committee be extended by such period not exceeding one year as may be specified in the notification.(3)A member nominated under Clause (i), (ii), (iii) or (vi) of Section 14 shall cease to hold office, if he ceases to be a member of the category of persons from which he was elected or nominated.(4)A member shall also cease to hold office if he resigns his membership and the same is accepted by the market committee or if he is removed by the State Government.(5)Whenever any vacancy occurs in membership for any of the reasons aforesaid, the said vacancy shall be filled in the same manner and such member shall hold, office for the unexpired term of the member of whose place he is nominated.(6)Notwithstanding any vacancy the market committee shall be competent to exercise its powers and perform its duties and name of its actions shall be questioned merely on the ground of the existence of any vacancy in or any defect in the constitution of the committee.

#### 16. Election of Chairman etc.

(1)Every market committee shall elect, in the manner prescribed, on of its members to be its Chairman.(2)The Chairman shall exercise such powers and perform such duties on behalf of the Committee under this Act and rules made thereunder, as may be prescribed.(3)Whenever for any reason, the office of the Chairman of any Market Committee falls vacant, the Board shall appoint any one from amongst the members of such market committee as the Chairman to hold office as such temporarily, till a Chairman is elected.(4)The Chairman, shall preside at every meeting of the market committee and in his absence the membership present shall elect one from amongst themselves to preside over the meeting.(3)Whenever for any reason, the office of the Chairman of any Market Committee falls vacant, the Board shall appoint any one from amongst the members of such market committee as the Chairman to hold office as such temporarily, till a Chairman is elected.(4)The Chairman, shall preside at every meeting of the market committee and in his absence the members present shall elect one from amongst themselves to preside over that meeting.(5)When a meeting is held for the removal of the Chairman a member duly elected at the meeting shall preside over that meeting.

#### 17. Removal of Chairman.

(1)The Chairman of any market committee may be removed from office by a resolution adapted by at least two-third of the total number of members of the market committee present and voting at the meeting convened for the purpose, in the manner prescribed.(2)The State Government may, after giving an opportunity to explain, remove the Chairman of a market committee from office if he persistently omits or refuse to carry out or disobeys the provisions of this Act or the rules made thereunder or any directive issued by the competent authority under this Act or rules made thereunder or if he becomes incapable of so action or is declared insolvent or is convicted by a criminal Court for any offences involving moral turpitude or declared disqualified under any of the provisions of this Act and the rules made thereunder.

# 18. Calling of meetings and quorum.

(1)No business shall be transacted at any meeting of the market committee unless-(a)such meeting is called by the Secretary under the direction of the Chairman or on a requisition by the members as prescribed, and(b)there is a quorum.(2)The quorum referred to in sub-section (1) shall be one-third of the total number of members of the the market committee. If at any meeting there is no quorum, the meeting shall stand adjourned to some future day to be appointed by the Chairman, or any member who may preside at the meeting, as the case may be. The members present at such adjourned meeting shall form a quorum whatever their number may be.

# 19. Incorporation of Market Committee.

(1)Every market committee shall be a body corporate by such name as the State Government may specify by notification in the official Gazette. It shall have perpetual succession and a common seal,

may sue or be sued in its corporate name and shall be competent to acquire, hold, lease, sell or otherwise transfer any property and to contract and to do all other things necessary for the purpose for which it is established.(2)Where a market committee is established in any area, no person shall function as a trader, commission agent, broker, weighman, measurer, surveyor, warehouseman or in other capacity as the Board may determine within any market area unless a licence is issued to such person by the market committee on payment of such fees and subject to such conditions as may be prescribed.

#### 20. Functions of the Market Committee.

- The functions of a market committee shall be as follows: (i)to maintain and manage the market-yard and to control regulate and run the market in the interest of the agriculturists and traders holding licence from the market committee; (ii) to regulate and control transactions in the market and to deal with any defaulting licence holder with respect to any notified agricultural produce;(iii)to settle, mediate or arbitrate in all matters of differences or disputes between the licensees or between licensees and agriculturists making use of the market; (iv)in control and regulate the admission to the market, to determine the conditions for the use of the market and to prosecute and confiscate the goods belonging to persons trading without a valid licence; (v) to bring, prosecute or defend or aid in bringing, prosecution or defending any suit, action, proceeding, application or arbitration on behalf of the market committee or otherwise as directed by the State Government; (vi)to purchase, hire or acquire any land or other movable or immovable property for the purpose of its business, to raise fund from the Government or otherwise with the approval of the Board and for the said purpose to enter into arrangements with the Government, local authority or otherwise; (vii) to levy and recover market charges, fees on agricultural produce licence, and other fees and to impose fines and penalties; and(viii) to do such other things as may be required for the purpose of achieving the objects and purposes of this Act and the Rules and bye-laws framed thereunder.

#### 21. Powers of the Market Committee.

- A market committee shall have the power to regulate entry of persons into the principal or sub-market-yards, to supervise the behaviour of the persons so entered for transacting business and to take disciplinary action against the licensee who fails to fulfil the conditions of the licence or any direction of the market committee, issued within the purview of this Act or Rules or bye-laws framed thereunder.

#### 22. Duties of the Market Committee.

- It shall be the duty of every market committee to enforce the provisions of this Act, the conditions of licence granted under the Rules and bye-laws framed under the Act in the market area and to provide such facilities as the State Government may, from time to time, direct in connection with the purchase and/or sale of notified agricultural produce concerned.

## 23. Appointment of sub-committee and joint committee.

- A market committee may appoint a sub-committee or a joint committee or and ad hoc committee from amongst its members for the administration of the sub-market-yard, for reporting or recommending or deciding any matter or matters and may delegate to such committee such of its powers or duties as it may think fit. There shall be at least three members in such committee.

## 24. Appointment of Secretary and other officers and staff.

- Every market committee shall have a Secretary appointed by the Government subject to such terms and conditions as may be prescribed.(2)A market committee may also, with the approval of the Board, employ such other officers and staff as may be necessary for the management of the market on such terms and conditions as may be prescribed.

#### 25. Executive of contracts.

- Every contract entered into by a market committee shall be in writing and shall be executed by the Chairman and Secretary and two members of the committee.

## 26. Power to levy fees.

- A market committee shall levy and collect fees on the agricultural produce bought or sold in the market area at a rate not exceeding one rupee for every one hundred rupees of the aggregate amount for which a notified agricultural produce is bought or sold whether for cash or for deferred payment or other valuable considerations: Provider that-(a)no fee shall be leviable in respect of any transaction in which delivery of the agricultural produce bought or sold is not actually made; and(b)a see shall be leviable only on the parties to transaction in which delivery is actually made.

#### 27. Market Committee Fund.

- All money received by a market committee shall be paid into a fund to be called "The Market Committee Fund" and all expenditures incurred by the market committee under or for the purposes of this Act shall be defrayed out of the said found. Any surplus remaining with the market committee after such expenditure shall be invested in such manner as may be prescribed in this behalf.

#### 28. Contribution to the Board.

- Every market committee shall, out of its fund, contribute to the Board a sum not exceeding 30 per cent of the moneys received by it as may be determined by the Government on account of the Board expenses and such other expenses incurred by the Board in the interest of the market committee including the cost of staff that may be appointed by the Board for giving effect to the provisions of this Act in the market area.

## 29. Purposes for which Market Committee Fund shall be expended.

- The fund of the market committee shall be expended for the following purposes, namely:(i)payment of interest on the loans that may be raised for the purposes of the market and the provision of sinking fund in respect of such loans;(ii)the acquisition of a site or sites for the market;(iii)the maintenance and improvement of the market;(iv)the construction and repair of buildings necessary for the purposes of such market and for the health, convenience and safety of the persons using it;(v)pay, pensions, allowance, gratuities, compensations for injuries resulting from accidents while on duty and compassionate allowances of its employees and contribution towards leave, salary and pensions of the officers and staff on deputation to the market committee;(vi)expenses connected with the collection and dissemination of information regarding matters relating to crop statistics and marketing in respect of the agricultural produce;(vii)contributions to the Board under Section 28; and(viii)other expenses connected with the carrying out the purposes of this Act and the Rules any bye-laws framed thereunder.

## 30. Mis-application of funds.

- If a market committee incurs an expenditure for any purpose, other than those specified under the last preceding section or in excess of the expenditure approved by the Board, then it shall be deemed to be a mis-application of the fund.

#### 31. Power to borrow.

(1)A market committee may, with the previous sanction of the State Government, raise money required for carrying out the purposes for which it is established one the security of any property vested in it and of any fees leviable by it under this Act..(2)A market committee may, for the purpose of meeting the initial expenditure on lands, buildings and equipments required for establishing the market, obtain loan from the State Government or any financial institution.(3)The conditions subject to which such money or loans shall be raised or obtained and time within which the same shall be repayable shall be subject to the previous sanction of the State Government.

# 32. Acquisition of land for the purpose of this Act.

- The State Government may, on the request of the Board or a market committee acquire land required for the purposes of this Act, under the provisions of the Land Acquisition Act, 1894 (Act I of 1874).(2)The Board or market committee shall be deemed to be a local authority for the purposes of the Land Acquisition Act, 1894 (Act 1 of 1894).

# 33. No trade allowance permissible except as prescribed.

- No person shall make or recover may trade allowance other than an allowance prescribed by rules or bye-laws made under this Act, in any market area in any transaction in respect of the notified agricultural produce concerned and no Civil Court shall, in any suit or proceeding arising out of any

such transaction, have regard to or recognise any trade allowance not so prescribed. Explanation. - Every deduction, other than a deduction on account of deviation from sample when the purchase is made by sample or on account of deviation from standard, when the purchase is made by reference to a known standard or on account of difference between the actual weights of the container and the standard weight or on account of the admixture of foreign matter shall be regarded as a trade allowance for the purpose of this section.

#### 34. Liabilities of member of Market Committee to removal from office.

(1)The State Government may, on the recommendations of the market committee supported by at least two-third of the total members or on the recommendations of the Board, remove any member of the market committee, if such a member has, in the opinion of the State Government, been guilty of misconduct in the discharge of his duties, or has become incapable of performing his duties as a member: Provided that no recommendations shall be made by the market committee or the Board unless the member has been given a reasonable opportunity of showing cause why such recommendation should not be made; Provided further that no order for removal of any member shall be passed by the State Government unless the member has been given a reasonable opportunity of showing cause why such order should not be passed. (2) The decision of the State Government under sub-section (1) shall be final.

## 35. Member to be held responsible for misapplication of Funds.

- Every member of the market committee shall be personally liable for the misapplication of refund to which he shall have been a party, or which shall have happened through, or been facilitated by gross neglect of his duty as a member, and he may be sued for recovery of the moneys so mis-applied:

# 36. Duty to furnish information to the Government or other authorised officer.

- When the affairs of the Board or of a market committee are investigated or the proceedings of such Board or committee are examined by the Government or any officer as may be authorised by the State Government in this behalf, all officers and staff members of the Board and of such committee shall furnish such information in their possession in regard to the affairs or proceedings of the Board or committee as the Government or such other may require.

## 37. Power to inspect.

- The Director or any officer authorised by the State Government, by general or special order, shall have power to inspect the accounts of the Board or any market committee or the institute an enquiry into the affairs of the Board or any market committee and to require it to do a thing or to desist from doing anything which the Director or such officer considers necessary in the interest of the Board or any market committee, as the case may be, and in case of non- compliance to furnish a written reply to him within a reasonable time stating its reasons therefor.

## 38. Power of the Board in emergency.

(1)In case of an emergency, the Board may suspend or cancel all or any licence issued under the provisions of this Act and take such other steps as may be deemed necessary in the interest of a market.(2)Where a market committee is not competent to perform the duties imposed by or under this Act, under orders or decision of a Court, the Board shall make such arrangement for performing the duties and functions of such a market committee.

## 39. Recovery of loss.

(1)Any loss that may occur to a market committee due to its failure to carry out any instruction of the Board shall be recoverable from the members of the market committee after due enquiry and reasonable opportunity being given to them to show cause as to why such loss should not be recovered from them.(2)Any amount recoverable from the members of a market committee under this section shall be realised as an arrear of land revenue.

## 40. Supersession of market committee.

(1)If in the opinion of the State Government a market committee is not competent to perform, or persistently makes default in the performance of the duties imposed on it by or under this Act or the rules and bye-laws framed thereunder, or if it abuses its powers, the State Government may, after giving the market committee an opportunity to submit an explanation and objections, if any, by notification, supersede such committee for a period not exceeding one year at a time or dissolve the committee and reconstitute it as soon as possible.(2)When a committee is superseded or dissolved under this section the State Government may appoint any person as an administrator to exercise and perform all powers, duties and functions of the market committee until a new committee is reconstituted.

# 41. Consequences following supersession or dissolution.

(1)When an order of supersession or dissolution shall have been passed under the last preceding section the following consequences shall ensue:(a)all the members as well as the Chairman of the market committee shall, from the date of such supersession or dissolution be deemed to have vacated their offices;(b)all assets vested in such committee shall, during the period of supersession or dissolution, vest in the State Government subject to all its liabilities.(2)On the expiration of the period of supersession specified in the order, the State Government may-(a)extend the period of supersession for such further term as it may consider necessary, but not exceeding a period of one year at a time; or(b)reconstitute the market committee:Provided that the State Government may, at any time before the expiration of the period of supersession, take action under Clause (b) of this sub-section.(3)On the reconstitution of the market committee under sub-section (2), the Government shall transfer all assets and liabilities of the market committee as on the date of such transfer to the new market committee.

## 42. Penalty for contravention of Section 11.

- Whoever contravenes the provisions of sub-section (2) of Section 11 shall, on conviction, be punishable with fine which may extend to five hundred rupees and in the case of continuing contravention, with further fine which may extend to one hundred rupees per day during which the contravention is continued after the conviction.

## 43. Eviction of encroacher from market-yard.

- Every encroacher of market yard or sub-market-yard shall be evicted therefrom in such manner and procedure as provided in law in force for eviction of encroachers.

## 44. Penalty for contravention of Section 33.

(1)Whoever makes or recovers any trade allowance in contravention of the rules or bye-laws made under this Act, shall, on conviction, be punishable with fine which may extend to rupees two hundred.(2)All fines and damages recovered from an offender shall be paid to the market committee concerned.

## 45. Penalty for contravening provisions of Section 36.

(1)If any officer or member of market committee when required to furnish information in regard to the affairs or proceedings of the Board or a market committee under Section 36-(a)wilfully neglects or refuses to furnish any information, or(b)wilfully furnishes false information, he shall, on conviction, be punishable with fine which may extend to rupees two hundred.(2)If any officer, member, or employee of the Board or a market committee wilfully neglects or refuses to do any act or wilfully or without any reasonable excuse, disobeys an order issued under the provisions of this Act or fails to furnish information or return required from him, he shall, on conviction, be punishable with fine which may extend to rupees five hundred.

# 46. Chairman, Members and staff of Market Committee to be public servants.

- The Chairman, Members, Secretary and other officers and staff of the Board and a market committee shall be deemed to be public servants within the meaning of Section 2.1 of the Indian Penal Code, 1860 (Act XLV of 1860).

#### 47. Bar to suit in absence of notice.

(1)No suit shall be instituted against the Board or a market committee or any member, officer or staff thereof, or any person acting under the direction of such Board or market committee, for anything done or purported to be done in good faith for the purpose of this Act, until the expiration of two months next after notice in writing, stating the cause of action, the name and place of abode of the intending plaintiff and the relief which he claims, has been in the case of the Board or a

market committee, delivered or left at its office, and in the case of any such member, officer, staff or person as aforesaid, delivered to him or left at his office or usual place of abode and the plaint shall contain a statement that such notice has been so delivered or left.(2)Every such suit shall be barred unless it is instituted within six months from the date of the alleged cause of action.

#### 48. Trial of offences.

(1)No offence under this Act, or any rule or bye-law framed thereunder shall be tried by a Court under than that of a Magistrate of the First Class.(2)No Court shall take cognizance of any offence punishable under this Act except on the complaint of the Secretary of the Board or of the market committee or any officer authorised by the State Government in this behalf.

## 49. Admissibility of copy of entry as evidence.

(1)A copy of any entry in any book, register or list regularly kept in course of business in the possession of market committee shall, if duly certified, in such manner as may be prescribed, be admissible in evidence of the existence of such entry and shall be admitted as evidence of the matter and the transaction therein recorded to the same extent the original entry would, if produced, have been admissible to prove such matter.

### 50. Recovery of sums due to and from market committees.

- Every sum due from a market committee to the State Government or the Board or any local authority shall be realised as arrear of land revenue.(2)Every sum due to a market committee from any person shall be reduced to the form of a demand certificate, as may be prescribed, and signed by of the Director of such officer as may be authorised by him in this behalf.

# 51. Power of the State Government to delegate its power.

- The State Government may delegate by notification in the official Gazette any of the powers conferred on it by or under this Act to any of its officers or to the Board or to its Chairman or Secretary.

#### 52. Power to make rules.

(1)The State Government may, either generally or specially for the Board or any market area on market areas, make rules, after previous publication for carrying out the purposes of this Act.(2)In particulars and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:(i)the election of the Chairman of the market committee;(ii)the powers to be exercised and the duties to be performed by a market committee and its Chairman and Secretary;(iii)the management of the market, minimum and maximum fees which may be levied and collected by the market committee, the method, manner and mode of collection of such fees in respect of such agricultural produce sold and re-sold in the market area;(iv)the issue of

licences to traders, persons and firms engaged in processing of agricultural produce, commission agents, brokers, weighmen, measurers, surveyors, warehousemen and the cancellation and suspension of such licence and the category of such other persons operating in a market areas as may be determined by the Board and the form in which and the conditions subject to which such licences shall be issued, cancelled, or renewed:(v)the method and manner of holding meetings, the procedure to be followed at such meetings and the powers to be exercised at such meetings; (vi) the form in which returns shall be submitted by the Board or a market committee; (vii) the persons by whom and the form in which copies of documents, entries in the books of a market committee may be certified and the charges to be levied for the supply of such copies; (viii) the kind and description of the weights and measures and the weighing and measuring instruments which shall be used in the transactions in agricultural produce in any market area; (ix) the periodical inspection of all weights and measures and weighing and measuring instruments in use in market areas;(x)the manner in which the inquiry and inspection of the Board or a market committee shall be held;(xi)the matters in respect of which the Board or a market committee may make bye-laws and the procedure to be followed in making, amending or rescinding the bye-laws;(xii)the declaration of market proper and market-yards; (xiii) the conditions of service, recruitment, provident fund, pension, and such other terms and conditions as may be required for the employment of the staff of the Board and the market committee; (xiv) the trade allowance which may be made or received by any person in any agricultural produce in a market area; (xv) the prohibition of brokers for acting in any transaction on behalf of both the buyer and seller of agricultural produce or as a buyer or seller; (xvi) the provisions of accommodation for storing any agricultural produce brought into the market;(xvii)the preparation of plans and estimates for works proposed to be constructed partly or wholly at the expenses of the market committee and the grant of sanction to such plans and estimates; (xviii) the form in which the accounts of the Board or a market committee, and the grant or sanction to plans and estimates shall be kept, the audit, inspection and publication of accounts and audit report and the inspection thereof and supply of copies of such accounts and reports;(xix)the preparation and submission for sanction of the annual budget and the report and returns to be furnished by the Board or a market committee; (xx) the investment and disposal of the surplus funds of a market committee; (xxi) the regulation of advances, if any, given to agriculturists by brokers, commission, agents, or traders; (xxii) the grading and standardization of agricultural produce;(xxxiv)the keeping of a list of prices of agricultural produce in respect of which the market is established;(xxv)the manner in which auctions of agricultural produce shall be conducted and bids made and accepted in any market;(xxvi)the recovery and disposal of cost leviable by or under this Act;(xxvii)other matters relating to the functioning of the Board or the market committee.(xxviii)any other matter which has to be or may be prescribed.(3)Any rule made under this Act may provide that for any contravention thereof or any of the conditions of licence issued will render the offender punishable with fine which may extend to rupees two hundred.

## 53. Bye-laws.

(1) Subject to any rules made by the State Government under Section 52, the Board may, from time to time, in respect of any notified produce and the market area, make bye- laws not inconsistent with this Act for the regulation of business and the conditions of trading in such market area.(2) Any bye-law made under this section may provide that any contravention thereof shall, on conviction, be

punishable with fine which may extend to rupees one hundred.(3)The power of making bye-laws under this section shall be subject to the condition of previous publication.

# 54. Power to State Government to call for proceedings of market committees and to pass orders thereon.

- The State government may at any time call for and examine the proceedings of the Board or any market committee for the purpose of satisfying itself, as to the legality or propriety of any decision or order passed by the Board or market committee. If, in any case, it appears to the State Government that any decision or order or proceedings so called for should be modified, annulled or revised the State Government may pass such order thereon as it may think fit and such order shall be final.

#### 55. Power of State Government to amend the Schedule.

- The State Government may, by notification in the official Gazette add to, amend or cancel any of the items of agricultural produce specified in the Schedule.

## 56. Savings.

- Nothing contained in any other law for the time being in force relating to the establishment, maintenance or regulation of a market shall apply to any market area or affect the powers of a market committee or the rights of a holder of a licence granted under this Act.

# **Schedule**

[See Section 2 (1) (i)]Group-I(1)Jute (baled and unbaled).(2)Cotton (ginned and unginned).(3)Mesta.Group-II(1)Paddy.(2)Rice.(3)Chira.(4)Khai.(5)Wheat and wheat products.(6)Maize.(7)other millets.(8)Paddy husk.(9)Rice bran and polished.(10)Wheat bran and polished.Group-III(1)Sesamum or till.(2)Mustard.Group-IV(1)Mandarin.(2)Orange.(3)Other citrus.(4)Pine apples.(5)Banana.(6)Papaya.(7)Pear.(8)Plum.(9)Peaches.Group-V(1)Potato.(2)Sweat potato.(3)Tomato.(4)Leafy and fresh vegetables.(5)Yam.Group-VI(1)Turmeric (whole and powdered).(2)Ginger.(3)Chillies (Dry and Green).(4)Black-pepper.(5)Betel-nuts.(6)Betel leaves.(7)Tezpatta.Group-VII(1)Eggs.(2)Poultry.(3)Cattle.(4)Sheep.(5)Goats.(6)Buffaloes.(7)Milk.(8)Butter and cream.(9)Ghee.(10)Wool.(11)Hide and skin.Group-VIII(1)Timber(2)Bamboo.(3)Grass Broom.(4)Resin wood (Dhup takri).Group-IXAll types of fishes (excluding canned fish)