



The Maharashtra Horticulture Development Corporation Act, 1984

Act 25 of 1988

Keyword(s):

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THE MAHARASHTRA HORTICULTURE DEVELOPMENT CORPORATION
ACT, 1984

CONTENTS

PREAMBLE

SECTIONS

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.
2. Definitions.

CHAPTER II

ESTABLISHMENT OF THE MAHARASHTRA HORTICULTURE DEVELOPMENT CORPORATION

3. Establishment of Maharashtra Horticulture Development Corporation.
4. Constitution of Corporation.
5. Disqualification for membership and removal of member.
6. Term of office and conditions of service of members.
7. Meetings of Corporation.
8. Cessation of membership and suspension or removal of member.
9. Member not disqualified from being chosen or for being members of State Legislature or local authorities.
10. Provision for inviting officers of Government and local authority etc., to assist or to advise.
11. Filling up of casual vacancy of member.
12. Members to act during vacancy, acts etc., of Corporation not to be nvalidated by informalities.
13. Temporary absence of Chairman or members.
14. Officers and servants of Corporation.

CHAPTER III

FUNCTIONS AND POWERS OF THE CORPORATION

15. Functions of Corporation.
16. General powers of Corporation.
17. Authentication of documents of Corporation.
18. Power of State Government to issue direction.

CHAPTER IV

FINANCE, ACCOUNTS AND AUDIT

19. Application of Corporation's assets, etc.
20. Funds of Corporation.
21. Grants, subventions, loans and advances to Corporation.
22. Power of Corporation to borrow.
23. Acceptance of deposits by Corporation.
24. Reserve and other funds.
25. Power to spend.
26. Budget and programme of work.
27. Accounts and audit.
28. Concurrent and special audit of accounts.

CHAPTER V

APPLICATION OF CERTAIN PROVISIONS OF THE MAHARASHTRA LAND REVENUE CODE,
1966; THE BOMBAY GOVERNMENT PREMISES (EVICTION) ACT, 1955 AND
NON-APPLICATION OF RENT CONTROL ACTS TO CORPORATION PREMISES.

29. Application of certain provisions of Land Revenue Code.
30. Application of Bombay Government Premises (Eviction) Act, 1955, to Corporation Premises.
31. Non-application of Rent Control Acts to Corporation premises.

CHAPTER VI

ACQUISITION AND DISPOSAL OF LAND

32. Power to acquire land for purposes of this Act.
33. } Deleted.
34. }
35. }
36. }
37. }
38. }
39. }
40. Disposal of land by Corporation.
41. Voluntarily entrusting of land to Corporation.
42. Laying out Plots.
43. Allotment and priority in allotment of plots.
44. Plot-holder to be co-partner and owner of plot allotted to him.
45. Terms and conditions for allotment.

CHAPTER VII

APPORTIONMENT OF ANNUAL AND CAPITAL EXPENDITURE AND STORAGE, TRANSPORT,
PROCESSING AND MARKETING OF PRODUCE FROM FARMS AND ESTATES

46. Apportionment of expenses.
47. Liability to pay service charges.
48. Earning wages by plot-holders for work in farm.
49. Refusal to work by plot-holder.
50. Adjustment and recovery of amounts from plot holders.
51. Standard yield.
52. Surplus yield.
53. Accounting of income from yields.
54. Obligation to undertake storage, transport, processing, etc. of produce.

CHAPTER VIII

UNUTILISED SURPLUS LANDS IN FARMS OR ESTATES

55. Six monthly report on utilization of land.

CHAPTER IX

SUPPLEMENTARY AND MISCELLANEOUS PROVISIONS

56. Transfer of Government lands to Corporation.
57. Unrestricted entry of Corporation in lands allotted to beneficiary.
58. Powers of entry.
59. Nomination of controlling or licensing authority.
60. Dues to be recovered as an arrear of land revenue.
61. Service of notices, etc.
62. Public notices how to be made known.
63. Notice period for performance.
64. Furnishing of returns, etc.
65. Default in performance of duty.
66. Dissolution of Corporation.
67. Offences and penalties.
68. Cognizance of offences.
69. Compounding of offences.
70. Delegation of powers of State Government or of Corporation.
71. Power to make rules.
72. Power to make regulations by Corporations.
73. Rules made under section 71 and regulations under section 72 to be laid before both Houses of State Legislature.
74. Protection of action taken in good faith.
75. Members, Officers, etc., to be public servants.
76. Effect of provisions of Act.
77. Power to remove doubts and difficulties.

MAHARASHTRA ACT No. XXV OF 1988¹

[THE MAHARASHTRA HORTICULTURE DEVELOPMENT CORPORATION ACT, 1984]

[This Act received the assent of the President on the 4th November 1988; assent first published in the *Maharashtra Government Gazette*, Part IV, Extraordinary, on the 16th November 1988].

Amended by Mah. 18 of 1990 (6-6-1990) †

An Act to make a special provision for securing the orderly establishment in horticultural production in the State of Maharashtra, and for storage, transport, processing and marketing of horticulture produce and to assist generally in the organisation thereof and for the purpose of establishing Maharashtra Horticulture Development Corporation and for incidental and supplemental purposes connected with the matters aforesaid.

WHEREAS, it is expedient to make special provision for securing the orderly establishment in horticultural production in the State of Maharashtra and for storage, transport, processing and marketing of horticulture produce and to assist generally in the organisation thereof, and for the purpose of establishing Maharashtra Horticulture Development Corporation and for incidental and supplemental purposes connected with the matters aforesaid; It is hereby enacted in the Thirtieth Year of the Republic of India as follows :—

CHAPTER 1

PRELIMINARY

1. (1) This Act may be called the Maharashtra Horticulture Development Corporation Act, 1984. Short title, extent and commencement.

(2) It extends to the whole State of Maharashtra.

(3) It shall come into force from such ²[date, as the State Government may, by notification in the *Official Gazette*, appoint.

2. In this Act, unless the context otherwise requires,—

(a) “ amenity ” includes development of plot of land, land development work of soil conservation, road bridge, any other means of communication, transport, supply of water to crops by construction of canals, field channels, irrigation works, supply of electricity, any other source of energy, street lighting, drainage, sewerage, fencing or compound, markets and such other convenience and infrastructures as the State Government may, specify to be an amenity for the purposes of this Act; Definitions.

(b) “ annual expenditure ” includes expenditure of recurring nature such as costs of inputs like water, fertilizer, pesticides, wages for the labour, maintenance expenditure for minor irrigation works, and compound and other incidental expenditure on the items relevant to development works undertaken by the Corporation or by the plot-holder and also includes such other items as the State Government may specify, from time to time, by general or special order in this behalf ;

(c) “ approved beneficiary ” means a person who is landless agricultural labour, or person from family below the poverty line and who is included in the list of approved beneficiaries by the Collector for the purposes of this Act;

¹ For Statement of Objects and Reasons see *Maharashtra Government Gazette*, 1982, Part V, Extraordinary, pages 390-391 ; for Joint Committee Report, See *Maharashtra Government Gazette* 1984, Part V, Extraordinary, pages 454-486.

² 1st June 1990 (vide G.N., A, A.H., D.D. and F.D., No. UDYAN. 1085/443/H-3, dated the 31st May 1990).

† This indicates the date of commencement of the Act.

(d) "capital expenditure" includes expenditure of non-recurring nature and on such items which create durable assets like land, land development, minor irrigation work, plantation material, construction of buildings and compound, or fencing, constructions of sheds, cost of training of personnel, expenditure on research or development and expenditure on amenities and also includes such other items as the State Government may specify, from time to time, by general or special order in this behalf :

Provided that, for the purposes of section 46, the expenditure incurred in construction of buildings for offices, staff quarters and laboratories including the laboratory equipments shall not be included in the capital expenditure;

(e) "Collector" means the Collector of the district, and includes any officer specially appointed by the State Government to perform the functions of a Collector under this Act;

(f) "Corporation" means the Maharashtra Horticulture Development Corporation established under section 3;

(g) "development", with its grammatical variations, means the carrying out any land development or carrying out of any farm building operations or the making out of any material change in any building or land, growing nurseries, planting, of horticultural crops, undertaking plant protection measures, processing of fruits vegetables, spices and other horticulture or agricultural produce; storing, warehousing and marketing of horticulture or agriculture produce obtained in the farm, introducing scientific management system of farm operations; and includes re-development and laying out of plots and sub-division of land into estates or farms, and also the provision of amenities; and 'to develop' shall be construed accordingly;

(h) "estate" means any area or a plot of land on which the Corporation carries out its development activities for the purposes of this Act;

(i) "farm" means any plot of land developed as a farm for the purposes of this Act;

(j) "farm building" means any structure or erection or part of a structure or erection which is located in the farm or outside the farm and is intended to be used for the following purposes :—

- (a) for the storage of agricultural implements, manure or fodder,
- (b) for the storage of agriculture or horticulture produce,
- (c) for sheltering cattle,
- (d) for residence of members of the family of the plot-holder, or
- (e) for any other purpose which is an integral part of his cultivating arrangement;

(k) the expression "farming society" shall have the meaning assigned to it Mah. in clause (12) of section 2 of the Maharashtra Co-operative Societies Act, 1960; XXIV and which is registered under the said Act; of 1961.

(l) "horticulture" includes any activity undertaken in respect of obtaining horticulture produce;

(m) "horticulture Produce" includes—

- (i) fruit, including fresh, dried or frozen fruit, or by-product of any of them,
- (ii) vegetables of any kind grown for human consumption,
- (iii) spices, nuts, etc.,
- (iv) flowers,
- (v) herbs, medicinal plants,
- (vi) seeds, plants, trees and other planting material in respect of any of the produce described in sub-clauses (i) to (v) ;

(n) "land-holder" means a person lawfully in possession of land whether such possession is actual or not;

(o) "marketing of horticulture produce" or " marketing of horticulture or agriculture produce" includes export of any such produce;

(p) "plot-holder" means a person who has been allotted plot of land in the farm or estate under section 43;

(q) "poverty line" means such level of the standard of living as the State Government may specify, from time to time, for the purposes of this Act;

(r) "prescribed" means prescribed by rules made by the State Government under this Act ;

(s) "regulations" means regulations made under section 72;

(t) "standard yield" means standard yield referred to in section 51 ;

(u) "surplus yield" means surplus yield referred to in section 52.

CHAPTER II

ESTABLISHMENT OF THE MAHARASHTRA HORTICULTURE DEVELOPMENT CORPORATION

3. (1) For the purposes of promoting and assisting in the rapid and orderly development of horticulture crops and produce thereof in the State of Maharashtra and for processing and marketing such produce the State Government may by notification in the *Official Gazette*, establish a Corporation to be called the Maharashtra Horticulture Development Corporation.

Establishment of Maharashtra Horticulture Development Corporation.

(2) Such Corporation established under sub-section (1) shall be a body corporate, having perpetual succession and a common seal, with power, subject to the provision of this Act, to contract, to acquire, hold and dispose of property, both moveable and immoveable, and to do all things necessary for the purposes of this Act, and may sue and be sued by its corporate name.

4. (1) The Corporation shall consist of the following members, that is to say—
- (a) The Minister for Horticulture;
 - (b) Secretary to Government in Horticulture Department, *ex-officio*;
 - (c) Director of Horticulture, Maharashtra State, *ex-officio*;
 - (d) Deputy Secretary to Government, Finance Department, *ex-officio* ;

Constitution of Corporation.

- (e) Deputy Secretary to Government, Agriculture and Co-operation Department (Agriculture), *ex-officio*;
- (f) Director of Marketing, Maharashtra State, *ex-officio* ;
- (g) Joint Director of Horticulture (Credit and Marketing), *ex-officio*;
- (h) Managing Director, Maharashtra State Co-operative Land Development Bank, *ex-officio* ;
- (i) Managing Director of the Corporation, *ex-officio*;
- (j) Representatives of the ¹[lead banks] not exceeding two, to be nominated by the State Government ;
- (k) One representative, nominated by the Government of India, Ministry of Agriculture, *ex-officio* ;
- (l) One representative from the Agricultural Universities, to be nominated by the State Government ;
- (m) Non-official members not exceeding eight, of whom at least one shall be from each revenue division other than Bombay division and two shall be from the Bombay division, to be nominated by the State Government.

(2) The Minister for Horticulture shall be the Chairman of the Corporation. The State Government may, if it thinks fit, appoint one of the other members as Vice-Chairman.

Disqualifica-
tion for
membership
and removal
of member.

5. A person shall be disqualified for being nominated as a member, or continue to be such member, if he—
- (a) is an employee of the Corporation, not being the Managing Director, or
 - (b) is of unsound mind, and stands so declared by a competent Court, or
 - (c) is an undischarged insolvent, or
 - (d) is a person having pecuniary interest in the produce of the farm or the estate under the Corporation, or
 - (e) is convicted for an offence involving moral turpitude, unless such conviction has been set aside.

Term of
office and
conditions
of service of
members.

6. (1) The Vice-Chairman (if any) and the members nominated under clause (j), (l) and (m) of sub-section (1) of section 4 shall hold office for a period of five years from the date of their nomination; unless the State Government terminates their appointment earlier :

Provided that, whenever this period of five years expires and the Corporation is not reconstituted, the members aforesaid shall continue to hold their respective offices until the Corporation is reconstituted.

(2) A member of the Corporation who is nominated or who becomes member of the Corporation by virtue of holding any office, being the member referred to in clauses (a) to (i) and (k) of sub-section (1) of section 4 shall, notwithstanding anything contained in this Act, cease to be a member of the Corporation as soon as he ceases to hold that office.

(3) Any person nominated as member on one or more occasions shall, unless disqualified, be eligible for renomination.

¹ These words were substituted for the words "lead bank" by Mah. 18 of 1990, s. 2.

(4) The members of the Corporation holding office under sub-section (1) of section 4 shall be entitled to draw such honorarium or compensatory allowance for the purpose of meeting the personal expenditure in attending the meetings of the Corporation or of any committee thereunder or appointed in connection with the work undertaken by or for the Corporation as the State Government may, from time to time, determine.

7. (1) The Corporation shall meet at such times (but at least once in every calendar month and thirty days shall not intervene between its last meeting and the date appointed for its next meeting) and places as the Chairman may decide, and shall, subject to the provisions of sub-section (3), observe such rules of procedure in regard to the transaction of business at its meeting (including the quorum thereof) as may be laid down by regulations. Meetings of Corporation.

(2) The Chairman or, in his absence the Vice-Chairman (if any), shall preside at every meeting of the Corporation. If for any reason the Chairman and the Vice-Chairman (if any) are unable to attend any meeting, any member, elected by the members thereof present at the meeting, shall preside.

(3) A member, who is directly or indirectly concerned or interested in any contract, loan, arrangement or proposal entered into or proposed to be entered into, by or on behalf of the Corporation, shall at the earliest possible opportunity disclose the nature of his interest to the Corporation, and shall not be present at any meeting of the Corporation when any such contract, loan, arrangement or proposal is discussed, unless his presence is required by the other members for the purpose of eliciting information, but no member so required to be present shall vote on any such contract, loan, arrangement or proposal :

Provided that, a member shall not be deemed to be concerned or interested as aforesaid by reason only of his being a share-holder of a company concerned in any such contract, loan, arrangement or proposal.

8. (1) If a member—

- (a) becomes subject to any of the disqualifications mentioned in section 5, or
 (b) being a member other than *ex-officio* member tenders his resignation in writing to, and such resignation is accepted by, the State Government, or
 (c) is absent without the Corporation's permission from three consecutive meetings of the Corporation or from all meetings of the Corporation for three consecutive months,

Cessation of membership and suspension or removal of member.

he shall cease to be a member of the Corporation.

(2) The State Government may, by order, suspend from office for such period as it thinks fit, or remove from office any member of the Corporation, who, in its opinion,—

- (a) has refused to act, or
 (b) has become incapable of acting, or
 (c) has so abused his position as member as to render his continuance on the Corporation detrimental to the interest thereof or of the general public, or
 (d) is otherwise unfit to continue as member :

Provided that, a member shall not be suspended or removed from office unless he has been given reasonable opportunity to show cause against the order.

Member not disqualified from being chosen or for being members of State Legislature or local authorities.

9. Notwithstanding anything contained in any law for the time being in force, a member (including the Chairman or Vice-Chairman) of the Corporation or any of its committees shall not be disqualified for being chosen as, and for being, a member or councillor of the State Legislature or any local authority or any committee, board, or body of such Legislature or authority, merely by reason of the fact that he is a member of the Corporation or any of its committees.

Provision for inviting officers of Government and local authority etc., to assist or to advise.

10. (1) The Corporation or any of its committee may invite any officer of the Central Government, any State Government, any local authority or any organisation to attend its meeting or meetings as a special or permanent invitee for the purpose of assisting or advising it on any matter or matters. The officer so invited may take part in the proceedings, but shall have no right to vote.

(2) The officer so invited shall be entitled to draw such honorarium or compensatory allowance for the purpose of meeting the personal expenditure in attending the meetings of the Corporation or any of its committees as the Corporation may determine from time to time.

Filling up of casual vacancy of member.

11. Any vacancy of a member of the Corporation shall be filled as early as practicable, in like manner as if the appointment were being made originally.

Members to act during vacancy, acts, etc. of Corporation not to be invalidated by informalities.

12. (1) During any vacancy in the Corporation the continuing members may act as if no vacancy had occurred.

(2) The Corporation shall have power to act, notwithstanding any vacancy in the membership or any defect in the constitution thereof, or any defect or irregularity in the nomination of any person as a member thereof, or any defect or irregularity in any act done or proceeding taken under this Act or the regulations made thereunder not affecting the merits of the case; and such proceedings of the Corporation shall be valid notwithstanding that it is discovered subsequently that some person who was not entitled to do so sat or voted or otherwise took part in the proceedings or that some defect or irregularity as aforesaid existed.

Temporary absence of Chairman or members.

13. (1) If the Chairman or any other member of the Corporation is by reason of illness or otherwise rendered temporarily incapable of carrying out his duties, or is granted leave of absence by the Corporation, or is otherwise unable to attend to his duties in circumstances not involving the cessation of his membership, the State Government may appoint another person to act for him and carry out his duties and functions under this Act. Such person shall vacate office on the date when the member resumes his duties.

(2) If a Vice-Chairman has been appointed, in the absence of the Chairman, the Vice-Chairman shall be competent to carry out the duties and functions of the Chairman.

Officers and servants of Corporation.

14. (1) The State Government shall appoint a Managing Director and Chief Accounts Officer for the Corporation.

(2) The Corporation may,—

(a) with the previous approval of the State Government, appoint such number of Managers and Assistant Managers as may be necessary having regard to the workload of the estates or farms of the Corporation; and also

(b) appoint such other Officers and Servants, subordinate to the Officers mentioned in sub-section (1) and in clause (d) of this sub-section, as it considers necessary for the efficient performance of its duties and functions.

(3) The conditions of appointment and service of the officers and servants and their scales of pay shall—

(a) as regards the officers mentioned in sub-section (1), be such as the State Government may determine from time to time, and

(b) as regards the other officers and servants mentioned in sub-section (2), be such as may be determined from time to time by the Corporation with the previous approval of the State Government.

CHAPTER III

FUNCTIONS AND POWERS OF THE CORPORATION

15. The functions of the Corporation shall be—

Functions of
Corporation.

(i) generally to promote and assist in the rapid and orderly establishment growth and development of horticulture ;

(ii) in particular, and without prejudice to the generality of clause (i), to—

(a) establish and manage horticultural farms and estates;

(b) undertake works of providing amenities and development at such selected sites either jointly with landholders or other corporate bodies and institutions or with co-operative or local authorities or on agency basis in furtherance of purpose for which the Corporation is established and all matters connected therewith ;

(c) develop, aid, assist, promote, organise and finance, societies or public trusts having *inter alia* their objects as agriculture, horticulture or irrigation, with technical, financial and managerial assistance including providing infrastructure, inputs and any other assistance for the prosecution of their work and business and for enabling them to develop and improve their methods or techniques of production, management or manufacture of the horticulture produce or products thereof and processing and marketing such produce or products ;

(d) undertake crop planning in accordance with agro-meteorologic and soilmoisture retention data and the marketing opportunities ;

(e) manage and carry out farming operations in scientific system, such as minimum or appropriate tillage, plant density leading to optimal dense crop canopies, seed free environment, etc. ;

(f) provide or cause to be provided controlled release of fertilizer use of nitrification inhibitors, foliar feeding and use of low cost anhydrous ammonia ;

(g) introduce use of bacterial, algal and other microbial fertilizer and integrated nutrient supply involving an appropriate blend of organic, inorganic and biological source of fertilizer ;

(h) provide any or all types of irrigation facilities as may be practicable and scientific on farm management of water, including drip or sprinkler irrigation wherever necessary ;

(i) undertake carbon dioxide fertilisation for maximizing production in glass houses ;

(j) undertake integrated pest and disease management involving crop sanitation and agro-nomio, genetix biological and chemical methods of control; and use of hormones and growth (regulant) in fruit trees ;

(k) carry out organic recycling leading to crop-livestock, crop-fish and crop-live stock-fish integration ;

(l) produce, procure and distribute seeds, grafts, seedings or any other planting material for horticulture production and undertake any other activity related to or supplementary to this function ;

(m) arrange and provide any in-puts for crops to be taken on farms or estates ;

(n) undertake or arrange for storage, transport, processing and marketing of produce of the farms and estates either by setting up required facilities, hiring such facilities or in collaboration with any other organisation subject to such terms and conditions as the State Government may approve ;

(o) prepare annual plan and five year working development plan ;

(p) prepare annual budget ;

(q) prepare development projects in respect of the plots allotted under the provisions of this Act ;

(r) undertake any other activity entrusted by the State Government in furtherance of the objectives for which the Corporation is established.

General
powers of
Corporation.

16. Subject to the provisions of this Act, the Corporation shall have power—

(a) to acquire and hold such property, both moveable and immoveable as the Corporation may deem necessary for the purposes of this Act;

(b) to provide or cause to be provided common amenities and common facilities in farms and estates and to construct and maintain or cause to be maintained works and buildings therefor;

(c) to make available and allot plots of land in farms and estates on prescribed terms and conditions to the approved beneficiary or any person referred to in sub-section (2) of section 43 intending to take up horticultural (and in addition, agricultural) development as a vocation;

(d) to construct buildings for the housing of the plot-holders;

(e) to modify or rescind such allotments, including the right and power to evict allottees concerned on breach of any of the terms and conditions of their allotment;

(f) to constitute advisory Committees to advise the Corporation;

(g) to engage suitable consultant or persons having special knowledge or skill to assist the Corporation in the performance of its functions;

(h) subject to the previous permission of the State Government, to delegate any of its powers generally or specially to any of its committees or officers, and to permit them to re-delegate specific powers to their subordinates;

(i) to enter into and perform all such contracts as it may consider necessary or expedient for carrying out any of its functions;

(j) to provide or to make suitable arrangements for storage and transport of the horticulture and agriculture (if any) produce and for processing and marketing such produce;

(k) to promote and encourage the following farming systems, that is to say—

- (i) mixed cropping and intercropping,
- (ii) rain fed farming,
- (iii) multiple cropping in irrigated areas,
- (iv) multi-level cropping,
- (v) kitchen gardening;

(l) to help, guide and supervise the working of any farming society in implementation of horticulture development programmes undertaken by it, including providing infrastructure, inputs, financial and any other assistance necessary for the purpose; and

(m) to do all such other things and perform such acts and things as may be necessary for, or incidental or conducive to, any matters which are necessary for furtherance of the objects for which the Corporation is established.

17. All allotment orders, decisions, notices and other documents of the Corporation shall be authenticated by the signature of the Managing Director of the Corporation or any other officer authorised by the Corporation in this behalf.

Authenti-
cation of
documents
of Corpora-
tion.

18. The State Government may issue to the Corporation such general or special directions as to policy or exercising of the powers of performing the functions by the Corporation, as it may think necessary or expedient for the purpose of carrying out the purposes of this Act and the Corporation shall be bound to follow and act upon such directions.

Power of
State
Government
to issue
direction.

CHAPTER IV

FINANCE, ACCOUNTS AND AUDIT

19. All property, fund and other assets vesting in the Corporation shall be held and applied by it, subject to the provisions and for the purposes of this Act.

Application
of Corpora-
tion's
assets, etc.

20. (1) The Corporation shall have and maintain its own fund, to which shall be credited—

Funds of
Corporation.

(a) all moneys received by the Corporation from the State Government by way of grants, subventions, loans, advances or otherwise and from the loans raised under section 22;

(b) all fees, costs and charges received by the Corporation under this Act;

(c) all moneys received by the Corporation from the disposal of lands, buildings and other properties moveable and immoveable and other transactions;

(d) all moneys received by the Corporation by way of rents and profits or in any other manner or from any other source.

(2) The Corporation may keep current and deposit account with the State Bank of India or any other Bank approved by the State Government in this behalf.

(3) Such accounts shall be operated by such officers of the Corporation as may be authorised by it by regulations made in this behalf.

(4) Notwithstanding anything contained in sub-sections (2) and (3), the Corporation may keep on hand such sum as it thinks fit for its day to day transactions, subject to such limits and conditions as may be prescribed.

Grants, subventions, loans and advances to Corporation. 21. The State Government may, after due appropriation made by the State Legislature by law in this behalf, make such grants, subventions, loans and advances to the Corporation as it may deem necessary for the performance of the functions of the Corporation under this Act; and all grants, subventions, loans and advances made shall be on such terms and conditions as the State Government may determine.

Power of Corporation to borrow. 22. (1) The Corporation may, subject to such conditions as may be prescribed in this behalf, borrow money from the financial institutions or in the open market by issue of guaranteed or unguaranteed bonds, debentures, stocks or otherwise, for the purpose of providing itself with adequate resources.

(2) The maximum amount which the Corporation may at any time have on loan under sub-section (1) shall not be exceeding rupees ten crores, unless the State Government fixes a higher maximum amount for this purpose.

Acceptance of deposits by Corporation. 23. The Corporation may accept deposits on such conditions as it deems fit from persons, authorities or institutions, to whom allotment or sale of land or buildings is made or is likely to be made in furtherance of the objects of this Act.

Reserve and other funds. 24. (1) The Corporation shall make provisions for such reserve and other specially denominated funds as the State Government may, from time to time, direct. Such funds shall include the following funds, namely :—

- (a) stabilization funds, and
- (b) welfare fund.

(2) The management of the funds referred to in sub-section (1), the sums to be transferred from time to time to the credit thereof and the application of money comprised therein, shall, subject to the directions, if any, issued by the State Government in this behalf, be determined by the Corporation.

(3) None of the funds referred to in sub-section (1) shall be utilised for any purposes other than that for which it is constituted.

Power to spend. 25. (1) The Corporation shall have the authority to spend such sums as it thinks fit for the purpose authorised under this Act from out of the general fund of the Corporation referred to in section 20 or from the reserve and other funds referred to in section 24, as the case may be.

(2) Without prejudice to the generality of the power conferred by sub-section (1), for the purposes of section 15 or 16, the Corporation may, within its discretion, give grants, advances or loans to, or share expenses with, any local authority or public undertaking, within or without the area of its operation, towards expenses incurred or to be incurred by such authority or undertaking in the performance, in relation to any of its horticultural or agricultural farms or estates, of any of the statutory functions of such authority or undertaking, including expenditure incurred in the acquisition of land; and notwithstanding anything contained in any law for the time being in force, it shall be lawful for such authority to accept such grants, advances or loans or share in the expenses, subject to such terms and conditions as the Corporation may, from time to time, in consultation with such authority or undertaking, specify.

Budget and programme of work. 26. (1) The Corporation shall, by such date in each financial year as may be prescribed, prepare and submit to the State Government for approval an annual financial statement and the programme of work for the succeeding financial year and the State Government may, approve such financial statement and the programme of work of the Corporation, as submitted by the Corporation or with such variations as the State Government thinks fit.

(2) The annual financial statement shall show the estimated receipts and expenditure during the succeeding financial year in such form and detail as may be prescribed.

(3) The Corporation shall be competent to make variations in the approved programme of work in the course of the financial year provided that all such variations and reappropriations out of the sanctioned budget are brought to the notice of the State Government by a supplementary financial statement.

27. (1) The Corporation shall maintain books of accounts and other books in relation to the business and transaction in such form, and in such manner, as may be prescribed. Accounts and audit.

(2) The accounts of the Corporation shall be audited by an auditor appointed by the State Government, in consultation with the Comptroller and Auditor General of India.

(3) Within nine months from the end of the financial year or as soon as the accounts of the Corporation are audited, whichever is earlier, the Corporation shall send a copy thereof together with the copy of the report of the auditor thereon to the State Government.

(4) The State Government shall cause the accounts of the Corporation together with the audit report thereon forwarded to it under sub-section (3) to be laid annually before each House of the State Legislature, as far as possible before the expiry of the year next succeeding the year to which the accounts and the report relate.

28. (1) Notwithstanding anything contained in the last preceding section, the State Government may order concurrent audit of the accounts of the Corporation by such person as it thinks fit. The State Government may also direct a special audit to be made by such person as it thinks fit of the accounts of the Corporation relating to any particular transaction or class or series of transactions or to a particular period. Concurrent and special audit of accounts.

(2) When an order is made under sub-section (1), the Corporation shall present or cause to be presented for audit all such accounts and shall furnish to the person appointed under sub-section (1) such information as the said person may require for the purpose of audit.

CHAPTER V

APPLICATION OF CERTAIN PROVISIONS OF THE MAHARASHTRA LAND REVENUE CODE, 1966, THE BOMBAY GOVERNMENT PREMISES (EVICTION) ACT, 1955 AND NON-APPLICATION OF RENT CONTROL ACTS TO CORPORATION PREMISES

Mah. 29. The provisions of sections 50 to 54A (both inclusive) of the Maharashtra Land Revenue Code, 1966 shall *mutatis mutandis* apply to the lands vested in the Corporation as they apply to the lands vested in the State Government. Application of certain provisions of Land Revenue Code.

Bom. 30. (1) The State Government may, by notification in the *Official Gazette*, provide from such date as is stated therein that the Bombay Government Premises (Eviction) Act, 1955, shall apply to premises belonging to, vesting in, or leased by, Corporation as that Act applies in relation to Government premises, but subject to the provisions of sub-section (2). Application of Bombay Government Premises (Eviction) Act, 1955, to Corporation premises.

(2) On a notification being issued under sub-section (1), the aforesaid Act and the rules made thereunder shall apply to premises of the Corporation with the following modifications, that is to say—

(a) the State Government shall appoint an officer who is holding or has held office whether under the Government or the Corporation, which in the opinion of the State Government is not lower in rank than that of a Deputy Collector or an Executive Engineer, to be the competent authority for the purposes of the aforesaid Act ;

(b) references to " Government premises " in that Act and those rules shall be deemed to be references to premises of the Corporation, references to " the State Government " in sections 4, 5, 6 and 9 of that Act shall be deemed to be references to the Corporation.

Non-application of Rent Control Acts to Corporation premises. 31. The Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, Bom. other law corresponding thereto for the time being in force in any part to the State— LVII of 1947.

(a) shall not apply to any premises belonging to or vesting in the Corporation under or for the purposes of this Act ;

(b) shall not apply as against the Corporation to any tenancies or like relationship created by the Corporation in respect of any such premises ;

(c) but shall apply to any premises let to the Corporation.

CHAPTER VI

ACQUISITION AND DISPOSAL OF LAND

Power to acquire land for purposes of this Act. 32. The State Government may, for carrying out the purposes of this Act, compulsorily acquire land under the Land Acquisition Act, 1894; as amended 1 of 1894. from time to time and the acquisition of any land for any of the said purposes shall be deemed to be a public purpose within the meaning of that Act.]

2 * * *

Disposal of land by Corporation. 40. (1) Subject to any directions given by the State Government under this Act, the Corporation may dispose of—

(a) any land acquired by the State Government and transferred to it, without undertaking or carrying out any development thereon; or

(b) any such land after taking or carrying out such development as it thinks fit, to approved beneficiaries; and other persons in accordance with the priorities mentioned in or under section 43 in such manner and subject to such terms and conditions, as it considers expedient for securing the purposes of this Act.

(2) The powers of the Corporation with respect to the disposal of land under sub-section (1) shall be so exercised as to secure, so far as practicable, that—

(a) where the Corporation proposes to dispose of by sale any such land without any development having been undertaken or carried out thereon, the Corporation shall offer the land in the first instance to the persons from whom it was acquired if they desire to purchase, it, subject to such requirements as to its development and use as the Corporation may think fit to impose ;

(b) persons who are raising agriculture or horticulture corps or carrying on other activities on any such land shall, if they desire to obtain such land belonging to the Corporation and are willing to comply with any requirements of the Corporation as to its development and use, have an opportunity to obtain such land.

¹ Section 32 was substituted for the Original by Mah. 18 of 1990, s. 3.

² Sections 33, 34, 35, 36, 37, 38 and 39 were deleted, *ibid.*, s. 4.

as is suitable to their reasonable requirements on terms settled with due regard to the price at which any such land has been acquired from them.

(3) Nothing in this Act shall be construed as enabling the Corporation to dispose of land by way of gift, mortgage or charge, but subject as aforesaid reference in this Act to the disposal of land shall be construed as reference to the disposal thereof in any manner, whether by way of sale, exchange or lease or by the creation of any easement, right or privilege or otherwise.

41. (1) Where any land-holder or owner of the land is voluntarily prepared to entrust his land to the Corporation, the Corporation may, subject to the previous approval of the terms and conditions by the State Government, secure such land in accordance with mutual agreement between the Corporation and such land-holder or owner. Such terms and conditions may include,—

(a) payment of compensation ¹[Which shall not be less than the amount of compensation payable for land, had it been acquired in accordance with the provisions of section 32], or

(b) such land-holder or owner shall, after such land is developed by the Corporation, be eligible for allotment of a plot, without payment of any contribution towards capital expenditure, in the said land in the farm or estate, irrespective whether he is an approved beneficiary or not, but the area of such a plot allotted to the land-holder or owner shall be,

(i) one hectare, if the total area of the land entrusted to the Corporation by him does not exceed 10 hectares; or

(ii) ten per cent. of the total area of land entrusted to the Corporation but not exceeding 2.5 hectares, if the total area of land so entrusted by him to the Corporation exceeds 10 hectares :

Provided that, land shall be obtainable from any person under this section irrespective of the fact whether such a person is a plot-holder of the Corporation or not :

Provided further that, the person obtaining such land shall hold it on such other terms and conditions as are applicable to other plot-holders in the farm or the estate and he shall not be entitled to enjoy any special or favourable rights or privileges *vis-a-vis* the Corporation.

(2) Any land handed over by the land-holder or owner to the Corporation shall vest in the Corporation, as the property of the Corporation, without any liability or incumbrances whatsoever.

42. The Corporation shall lay out plots of land in its farms or estates and each such plot may admeasure not less than one hectare or more than two and a half hectares. Such plot shall, subject to the provisions of sections 41 and 43, be allotted by the Corporation.

43. (1) The plots shall be allotted in prescribed manner and in accordance with the following priorities, that is to say—

(a) eligible land-holder under clause (b) of sub-section (1) of section 41 ;

(b) the approved beneficiaries from the village within which the land is situated ;

(c) the approved beneficiaries from the Tahsil within which the land is situated ;

(d) the approved beneficiaries from the district within which the land is situated.

¹ These words and figures were substituted for the words and figures "in accordance with the provisions of section 34" by Mah. 18 of 1990, s. 5.

(2) If sufficient number of approved beneficiaries are not forthcoming in any particular district the plot may be allotted by the Corporation to any person from that district according to the rules made in this behalf.

Plot holder to be co partner and owner of plot allotted to him. 44. Subject to the other provisions of this Act or the rules made thereunder or the other terms and conditions of allotment of plot under this Act, every allotment of a plot to a plot-holder shall be on the basis that the plot-holder shall be a co-partner in the land comprised in the plot with the Corporation until such time the plot-holder discharges his liabilities under Chapter VII and the plot-holder shall become the owner of such plot after he discharges such liabilities.

Terms and conditions for allotment. 45. Subject to the provisions of this Act, the allotment of plot to the plot-holders shall be on the terms and conditions as the Corporation may, with the previous approval of the State Government, determine and such terms and conditions shall include the following terms and conditions, that is to say,--

(a) development of the land as per the working development plan as drawn up by the Corporation and subject to the plot-holder's obligations to comply with the directions issued by the Corporation from time to time ;

(b) each plot-holder undertakes to abide by scheme of financing annual expenditure and capital expenditure as worked out by the Corporation from time to time ;

(c) each plot-holder shall himself work on the plot allotted to him and shall not sub-let the plot or hire the labour to substitute his own labour ;

(d) each plot-holder shall accordingly accept the work offered to him by the Manager or any other officer of the Corporation either in his own plot or any other plot within the same farm or estate.

CHAPTER VII

APPORTIONMENT OF ANNUAL AND CAPITAL EXPENDITURE AND STORAGE, TRANSPORT, PROCESSING AND MARKETING OF PRODUCE FROM FARMS AND ESTATES

Apportionment of expenses. 46. The Corporation shall, for the purposes of both annual and capital expenditures, apportion of each of its farms or estates the required fund for the development from its own fund. Each plot-holder in the farm or estate shall, subject to the provisions of this Act, bear the proportionate share in both annual and capital expenditure.

in the ratio of expenditure incurred in respect of his plot to the total expenditure on the land or the farm or estate as the Corporation may determine from time to time, and the plot-holder shall accordingly be liable to make payment thereof to the extent of the amount debited to his account by the Corporation including the amount of loan, if any, paid to him under clause (d) of section 16 :

Provided that, the actual payment by the plot-holder towards discharge of the aforesaid liability by him shall commence on the day after such gestation period as the Corporation may determine and declare in respect of the plot held by him.

47. In addition to the capital expenditure and annual expenditure to be apportioned on plot-holders, each plot-holder shall be liable to pay to the Corporation an amount equal to five per cent. of the annual expenditure and fifteen per cent. of the capital expenditure on the farm or estate towards service charges ;

Liability to pay service charges.

Provided that, the plot-holder who opts to share a net income with the Corporation in accordance with the provisions of section 50 shall not be liable to pay such service charges.

48. The plot-holders on the farms or estates shall also concurrently work on the development works of the Corporation and earn wages. The plot-holder will have first right to refuse the work on the farm or the estate, which may lead to the cancellation of allotment of plot to him and eviction from such plot in the farm or the estate.

Earning wages by plot-holders for work in farm.

49. Any plot-holder who refuses to work on farm or estate when work is offered to him, shall be served with a notice by the Manager or any other officer of the Corporation authorised by the Manager in this behalf terminating the allotment of plot :

Refusal to work by plot-holder.

Provided that, no such action shall be taken against the plot-holder, where—

(i) such a plot-holder has reasonable and valid grounds for not accepting the work and the Manager or the authorised officer is satisfied about the existence of such grounds ;

(ii) the plot-holder has put in work at least for 15 days, out of the total number of days in a month when work has been offered in the same calendar month.

50. For ensuring the discharge of liability of the plot-holder under sections 46 and 47 by the plot-holder the Corporation shall have the right to adjust or recover the dues of the plot-holder from the wages or sale proceeds of the horticulture or agriculture produce of the plot-holder :

Adjustment and recovery of amounts from plot holders.

Provided that, Corporation may, grant an exemption to the plot-holder from making payment of the dues under sections 46 and 47 in lieu of the plot-holder agreeing to contribute fifty-one per cent. of the net income from the standard yield and twenty per cent of the net income from the surplus yield per annum to the fund of the Corporation for the period of thirty years after the gestation period as determined by the Corporation under section 46:

Provided further that, the Corporation shall deduct from the amount of sale proceeds the sums to be credited to the reserve or denominated funds under the provisions of section 24.

- Standard yield.** 51. A farm or an estate shall be organised for growth and production of one or more major crops of horticulture produce. Initial project report or subsequent annual or term production plan shall indicate the input and output data indicating the expected yield of these crops. Such an yield shall be known as standard yield which shall be fixed before the commencement of each farming year or season in advance, and include the yield from all the horticulture produce in the farm or estate.
- Surplus yield.** 52. With the prior approval of the Corporation, a plot-holder shall be free to undertake growth and production of suitable crops other than major crops of horticulture produce after using the land comprised in his plot as per the project report for major crops. Similarly a plot-holder may undertake on farm or off-farm ancillary occupations based on, or supplementary to the operations in the project report. Any yield derived from such crops other than major crops or ancillary occupations shall be known as surplus yield and will not include yield from horticulture produce.
- Accounting of income from yields.** 53. The accounts of income and expenditure for both standard yield and surplus yield shall be maintained by the Corporation, for each of the plot-holder for each year.
- Obligation to undertake storage, transport, processing, etc. of produce.** 54. It shall be the duty of the Corporation to undertake the storage, transport, processing and marketing of horticulture produce or agriculture produce (if any), that is, both standard yield and surplus yield from the plots in the farms or estate and the plot-holder shall not enter into any transaction directly with any other person for storage, transport, processing or marketing of any such produce.

CHAPTER VIII

UNUTILISED SURPLUS LANDS IN FARMS OR ESTATES

- Six monthly report on utilization of land.** 55. (1) With a view to ascertaining whether any farm or estate developed by the Corporation has been fully utilised for horticultural purposes or not, the State Government may direct the Corporation to submit a six-monthly report containing the following information in respect of such area, namely :—
- (a) the total number of plots and the area of each plot in the farm or estate;
 - (b) the number of plots allotted and delivered under the provisions of the Act;
 - (c) un-utilised area of land in each farm or estate giving details of quality of soil and potential of farm development ;
 - (d) details of utilization of land allotted, both for major and minor crops ;
 - (e) details of any other on farm activity undertaken by the plot-holder on the plot ;
 - (f) the period for which the area of land in the farm or estate remained un-utilised from the date of delivery of possession to the plot-holder and the reasons therefor as stated by the plot-holder.
- (2) Upon receipt of such directions, the Corporation shall serve notices to the plot-holders in the farm or estate calling upon them to furnish to it the information in the prescribed form and when so called upon each plot-holder shall be bound to furnish true and correct information required within one month from the date of receipt of such notice by him.

(3) For the purpose of enabling the Corporation to determine whether there is any un-utilised portion of any plot in the farm or estate and whether such portion is capable of development, it shall be lawful for any officer of the Corporation either generally or specially authorised by it in this behalf, and for its servants and workmen, at all reasonable hours—

(i) to enter upon and survey the plot ;

(ii) to set out the boundaries of the un-utilised portion of the plot ; and

(iii) to do all other acts necessary for the purposes aforesaid.

(4) If the Corporation is satisfied that any plot-holder has not utilised any portion of land in his plot in accordance with the project report of the farm within one year of his entry in the plot and the un-utilised portion is capable of development, the Corporation may, notwithstanding anything contained in any contract or in any law for the time being in force, before the expiry of such period, or from the date of receipt of such report, as may be prescribed, issue to the plot-holder a notice to show cause why such un-utilised portion or whole of the plot should not be withdrawn from him.

(5) When any such notice under sub-section (4) is issued, the Corporation shall give a reasonable opportunity of being heard to the plot-holder and it shall be open to the plot-holder to appear and object to such withdrawal of plot on the ground that the un-utilised portion is required by the plot-holder himself for the purpose of further development of his plot and that he has already taken effective steps for utilising such portion.

Explanation.—For the purpose of this sub-section, the expression “ effective steps ” shall mean—

(i) the plot-holder has prepared the necessary project report in respect of the proposed expansion of his plot indicating the requirements of such expansion ; and

(ii) (a) the plot-holder has approached a financial institution for raising required finance ;

(b) the plot-holder has placed his demand for inputs with the Corporation.

(6) If after giving such plot-holder a reasonable opportunity of being heard, the Corporation is satisfied that the holder of the plot has failed to utilise or is not likely to utilise the un-utilised portion of land in the plot within a reasonable period ; and such un-utilised portion can be used for accommodating another approved beneficiary, the Corporation may, notwithstanding anything contained in any contract or in any law for the time being in force, for the purpose of enabling the Corporation to properly discharge its functions of promoting rapid growth and development of horticulture by accommodating another approved beneficiary on such un-utilised portion, withdraw the plot by cancelling the allotment and re-allot such a plot or portion thereof to another approved beneficiary or person in accordance with the provisions of section 43 and upon such re-allotment of plot to some other such approved beneficiary or person the former plot-holder shall deliver the possession of the plot or the portion thereof, as the case may be, to such approved beneficiary or person.

(7) If any person refuses or fails to deliver such possession under the last preceding sub-section, the Corporation may take possession of the land, and may for that purpose use such force as may be necessary.

CHAPTER IX

SUPPLEMENTARY AND MISCELLANEOUS PROVISIONS

Transfer of Government lands to Corporation. 56. (1) For the furtherance of the objects of this Act, the State Government may by notification published in the *Official Gazette*, upon such conditions as may be agreed upon between that Government and the Corporation, place at the disposal of the Corporation any lands vested in the State Government :

[Provided that, the State Government shall not place at the disposal of the Corporation any lands which are notified and included in a reserved forest.]

(2) After any such land has been developed by, or under the control and supervision of the Corporation, it shall be dealt with by the Corporation in accordance with the regulations made, and directions given by the State Government in this behalf.

(3) If any land placed at the disposal of the Corporation under sub-section (1) is required at any time thereafter by the State Government, the Corporation shall replace it at the disposal of the State Government upon such terms and conditions as may be mutually agreed upon.

Unrestricted entry of Corporation in lands allotted to beneficiary. 57. (1) (i) Within any area of farm or estate taken up for development under section 15 or 16, the Corporation or its officers and agents ; and

(ii) for the purposes of (a) carrying water or electricity from a source of supply to or (b) constructing any drains, channels, pathways for carrying smooth working of the activities of the farm or estate through any intervening plots, any person authorised in this behalf by the Corporation (hereinafter in this section referred to as "the authorised person"), may lay down, place, maintain, alter, remove or repair any water supply, or electricity lines, channels or other appliances or apparatus in, on, under, over, along or across any land in such areas.

(2) The Corporation or the authorised person may at any time enter upon any land in any such area and in such event the provisions of sections 58 shall *mutatis mutandis* apply.

Power of entry. 58. Any officer of the State Government, any member or officer of the Corporation, and any person either generally or specially authorised by the Corporation in this behalf, may enter into or upon any land or building with or without assistants or workmen for the purposes of—

(a) making any inspection, survey, measurement, valuation or enquiry of such land or buildings ;

(b) examining works under progress and ascertaining the course of water and drains ;

(c) digging or boring into the sub-soil ;

(d) setting out boundaries and intended lines of work ;

(e) marking such levels, boundaries and lines by placing marks and cutting trenches ;

(f) constructing minor irrigation work necessary for the water supply to the farm or estate ;

(g) for applying any inputs required for development ;

(h) for the purposes of taking or obtaining of the agriculture or horticulture produce ;

(i) for the purposes of taking any measures or development of plant protection ;

(j) for plucking the fruits from the trees, etc. ;

(k) doing any other thing necessary for the efficient administration of this Act :

Provided that, no such entry shall be made except between the hours of sunrise and sunset and without giving reasonable notice to the plot-holder or his family member present on the plot.

59. The State Government may, by notification in the *Official Gazette*, nominate any officer of the Corporation to be a controller or licensing authority under any law for the time being in force relating to the procurement or distribution of any commodity in respect of the development operation by the Corporation and no such nomination shall be called into question merely on the ground that such officer is not an officer of the State Government.

60. All sums payable by any person to the Corporation or recoverable by it by or under this Act and all charges or expenses incurred in connection therewith shall, without prejudice to any other mode of recovery be recoverable as an arrear of land revenue on the application of the Corporation.

61. (1) All notices, orders and other documents required by this Act or any rule or regulation made thereunder to be served upon any person shall, save as otherwise provided in this Act or such rule or regulation, be deemed to be duly served—

I of 1956. (a) where a person to be served is a company, the service is effected in accordance with the provisions of section 51 of the Companies Act, 1956;

(b) where the person to be served is a firm, if the document is addressed to the firm at its principal place of business, identifying it by the name and style under which its business is carried on, and is either—

- (i) sent under a certificate of posting or by registered post, or
- (ii) left at the said place of business;

(c) where the person to be served is a statutory public body or a corporation or a society or other body, if the document is addressed to the Secretary, Treasurer or other head officer of that body, corporation or society at its principal office, and is either—

- (i) sent under a certificate of posting or by registered post, or
- (ii) left at that office;

(d) in any other case, if the document is addressed to the person to be served and—

- (i) is given or tendered to him, or
- (ii) if such person cannot be found, is affixed on some conspicuous part of his last known place of residence or business or is given or tendered to some adult member of his family or is affixed on some conspicuous part of the land or building to which it relates, or

(iii) is sent under a certificate of posting or by registered post to that person.

(2) Any document which is required or authorised to be served on the plot-holder may be addressed "the plot-holder" of that plot in the farm or estate without further name or description, and shall be deemed to be duly served—

(a) if the document so addressed is sent or delivered in accordance with clause (d) of sub-section (1); or

(b) if the document so addressed or a copy thereof so addressed is given or tendered to some person on the land or building or, where there is no person on the land or building to whom it can be delivered, is affixed to some conspicuous part of the land or building.

(3) Where a document is served on the firm in accordance with this section, the document shall be deemed to be served on each partner.

(4) For the purpose of enabling any document to be served on the owner of any property, the occupier (if any) of the property may be required by notice in writing by the State Government or the Corporation, as the case may be, to state the name and address of the owner thereof.

Public notices how to be made known.

62. Every public notice given under this Act or any rule or regulation made thereunder shall be in writing over the signature of the officer concerned and shall be widely made known in the locality or in the farms or estates to be affected thereby by affixing copies thereof in conspicuous public places, within the said locality or the said farms or estates, or by publishing the same by beat of drum, or by any other means that the officer may think fit.

Notice period for performance.

63. Where any notice, order or other document issued or made under this Act, or any rule or regulation made there under requires anything to be done for the doing of which no time is fixed in this Act or the rule or regulation, the notice, order or other document shall specify a reasonable period of time for doing the same or complying therewith.

Furnishing of returns, etc.

64. (1) The Corporation shall furnish to the State Government such returns, statistics, reports, accounts and other information with respect to its conduct of affairs, properties or activities or in regard to any proposed work or scheme as the State Government may from time to time require.

(2) The Corporation shall in addition to the audit report referred to in section 27 furnish to the State Government an annual report on its working as soon as may be after the end of each financial year in such form and detail as may be prescribed, and a copy of the annual report shall be placed before the State Legislature as soon as may be after it is received by the State Government.

Default in performance of duty.

65. (1) If the State Government is satisfied that the Corporation has made a default in performing of any duty or obligation imposed or cast on it by or under this Act, the State Government may fix, a period for the performance of that duty or obligation and give notice to the Corporation accordingly.

(2) If, in the opinion of the State Government, the Corporation fails or neglects to perform such duty or obligation within the period so fixed for its performance, it shall be lawful for the State Government, to supersede and reconstitute the Corporation as it deems fit.

(3) After the supersession of the Corporation and until it is reconstituted, in the manner laid down in Chapter II, the powers, duties and functions of the Corporation under this Act shall be carried on by the State Government or by such officer or officers or body of officers as the State Government may appoint for this purpose, from time to time.

(4) All property vested in the Corporation shall, during the period of supersession, vest in the State Government.

Dissolution of Corporation.

66. (1) Where the State Government is satisfied that the purposes for which the Corporation was established under this Act have been substantially achieved so as to render the continued existence of the Corporation in the opinion of the State Government unnecessary, the Government may, by notification in the *Official Gazette*, declare that the Corporation shall be dissolved with effect from such date as may be specified in the notification, and the Corporation shall be deemed to be dissolved accordingly and upon such dissolution the members (including the Chairman and the Vice-Chairman, if any) shall vacate their respective offices.

(2) From the said date--

(a) all properties, funds and dues which are vested in, or realisable by, the Corporation shall vest in, or be realisable by, the State Government;

(b) all liabilities which are enforceable against the Corporation shall be enforceable against the State Government.

67. Whoever--

(a) whether at his own instance or at the instance of any other person, undertakes or carries out development or works in the plot allotted to him, contrary to the terms and conditions under which he holds the plot under this Act, Offences and penalties.

(b) uses the plot contrary to the terms and conditions under which he holds the plot under this Act, or in contravention of the provisions of any regulations made or direction given in that behalf, or

(c) obstructs the entry of a person authorised under section 58 to enter into or upon any land or building or molests such person after such entry or obstructs the lawful exercise by him of any power conferred by or under this Act, shall, on conviction, be punished,—

(i) when the offence is under clause (a), with fine which may extend to ten thousand rupees;

(ii) when the offence is under clause (b), with fine which may extend to five thousand rupees;

(iii) when the offence is under clause (c), with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both;

(iv) when the offence is continuing one under any of the provisions of this section, with a further daily fine not exceeding one hundred rupees during the continuance of the offence.

68. (1) No court shall take cognizance of any offence punishable under this Act except on the complaint of, or upon information received from the Corporation or some person authorised by the Corporation by general or special order in this behalf. Cognizance of offences.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, it shall be lawful for the Metropolitan Magistrate or the Magistrate of the First Class to pass on any person convicted of an offence under this Act, a sentence of fine as provided in clause (a) read with paragraph (i) of section 67, in excess of his powers under section 29 of the said Code. 1974.

69. (1) The Corporation or any person authorised by the Corporation by general or special order in this behalf may, either before or after the institution of the proceedings, compound any offence made punishable under this Act. Compounding of offences.

(2) Where an offence has been compounded, the offender, if in custody, shall be discharged and no further proceedings shall be taken against him in respect of the offence compounded.

70. (1) The State Government may, if it thinks fit, delegate any of its powers, under this Act except the power to make rules, to any of its officers by a notification in the Official Gazette. Delegation of powers of State Government or of Corporation.

(2) The Corporation may, with the previous approval of the State Government, delegate any of its powers under this Act to any officer of the State Government or to any of its officers and to permit them to re-delegate specific powers to their subordinates, by general or special order in this behalf.

Power to
make rules.

71. (1) The State Government may, by notification in the *Official Gazette*, and subject to the condition of previous publication, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) under section 20, the limits and conditions as regards the sum to be kept on hand for day to day transactions, by the Corporation;

(b) under section 22, the conditions subject to which the Corporation may borrow;

(c) under section 26, the date by which the annual financial statement and programme of work shall be submitted by the Corporation to the State Government and the form and the manner of preparing such statement;

(d) under section 27, the form and the manner in which the books of accounts and other books shall be maintained by the Corporation;

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(f) under section 43, prescribe the manner and terms and conditions subject to which the plots would be allotted;

(g) under section 55, the form in which the plot-holders shall furnish the information;

(h) under section 64, the form of, and the details to be given in, the annual report;

(i) the fees which may be charged by the Corporation;

(j) any other matter which has to be, or may be, prescribed by rules.

Power to
make
regulations
by
Corporation.

72. The Corporation may, with the previous approval of the State Government, make regulations consistent with this Act and the rules made thereunder, to carry out the purposes of this Act, and without prejudice to the generality of this power, such regulations may provide for—

(a) under section 7, the time and place of meetings of the Corporation and the procedure to be followed in regard to the transactions of business at such meetings;

(b) under section 20, the officers of the Corporation who may operate its accounts;

(c) under section 56, the manner in which Government lands transferred to the Corporation shall be dealt with by the Corporation after development;

(d) the additional terms and conditions subject to which lands or plots and estates may be held or used;

(e) any other matter which has to be, or may be, provided by regulations.

Rules made
under
section 71
and regula-
tions under
section 72
to be laid
before both
Houses of
State
Legislature.

73. All rules and regulations made under this Act shall be laid, as soon as may be, after they are made, before each House of the State Legislature, while it is in session for a total period of thirty days, which may be comprised in one session or in two successive sessions, and if, before expiry of the session before which they are laid or the session immediately following, both the Houses agree in making any modification in the rules or in the regulations or both the Houses agree that the rules or the regulations should not be made, and notify their decision to the effect in the *Official Gazette*, the rules or the regulations, as the case may be, shall, from the date of publication of such decision in the *Official Gazette*, have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification

or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under the said rules or regulations, as the case may be.

74. No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Act or any rule or regulation made thereunder. Protection of action taken in good faith.

75. All members, officers and servants of the State Government, or the Corporation, as the case may be, shall, when acting or purporting to act in pursuance of any of the provisions of this Act or rules or regulations made thereunder, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code. Members, officers, etc. to be public servants.

76. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law. Effect of provisions of Act.

77. If any doubt or difficulty arises in giving effect to the provisions of this Act the State Government may, by order, make provision or give such direction, not inconsistent with the express provisions of this Act, as may appear to it to be necessary or expedient for the removal of the doubt or difficulty: Power to remove doubts and difficulties.

Provided that no such order shall be made after the expiry of the period of two years from the date of commencement of this Act.