PART-V
GOVERNMENT OF MEGHALAYA
MEGHALAYA LEGISLATIVE ASSEMBLY SYRRTARAT

NOTIFICATION


No.LB.44/LA/2020/3. — The Meghalaya State Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Bill, 2020 introduced in the Meghalaya Legislative Assembly on the 29th May, 2020 together with the statement of objects and reasons is published under Rule 71 of the Rules of Procedure and Conduct of Business in the Meghalaya Legislative Assembly for general information.

CHAPTER-I

PRELIMINARY

Short title, extent and commencement.

1. (1) This Act may be called the “The Meghalaya State Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2020.

(2) It extends to the whole of Meghalaya.

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

Definitions.

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

(a) “ad hoc buyer” includes a buyer to be registered under Section 79 of this Act;

(b) “Agricultural produce” includes all produce, whether processed or not, of agriculture, horticulture, aquaculture, sericulture, beekeeping and product of livestock, forest excluding trees grown on private land, specified in the schedule or declared by the Government by notification from time to time;

(c) “Agriculturist” means a person who is engaged in production of agricultural produce including rearing of livestock by himself or by hired labour or otherwise, including tenant;

(d) “agricultural” also includes association of farmers, by whatever name called, registered under any law for the time being in force and is engaged in aggregation of member farmers’ produce including livestock.

Explanation: If a question arises, as to whether any person is an agriculturist or not for the purpose of this Act, the decision of the Deputy Commissioner or Officer in charge of Land Revenue of the District by whatever name it may
be called in which such person is engaged in production of agricultural produce and/ or meaning of livestock shall be final. Further, the expressions of land holder and tenant shall have the meaning assigned to them in the respective Land Reforms Act of the States.

(4) "Managing Director" means a laboratory vena, as prescribed in the Rules, Bye-laws, guidelines or instructions, for testing of quality parameters as per the trouble parameters or grade-standards or any other parameters notified by the competent authority;

(5) "Board" means the "Meghalaya State Agricultural Marketing Board, established under Section 84 of this Act;

(6) "Buyer" means a person, who himself or itself or on behalf of any person or agent buys or agrees to buy agricultural produce including livestock in the market;

(7) "Bye-law" means subject to any rules made by State Government under the Act, the Market Committee may, in respect of principal market yard and sub-market yard(s) or market sub-yard(s) under its management, make Bye-laws for the regulation of business and conditions of trading therein;

(8) "Cold storage" in relation to Market Yard means cold storage declared as market sub-yard under Section 12 of this Act;

(9) "Commission agent" means a person who buys or sells agricultural produce including livestock on behalf of its principal, or facilitates buying and selling at primary and other level of transaction, on e-platform or any other mode of transaction and activities ancillary thereto, keeps it in custody and controls it during the process of its sale or purchase, and collects payment thereof, from the buyer and payout to the seller, and receives by way of remuneration a commission or percentage upon the amount involved in such transactions;

(10) "Delineated Market Area" means a geographical area notified under Section 5 for the purpose of election of the Members of Market Committee and undertaking marketing related development therein;

(11) "Director" means director of Horticulture in charge of Agricultural Marketing or any other officer, excepting Managing Director of State Agricultural Marketing Board, appointed by the State Government, to exercise and/or perform such of the powers or functions of the Director of Agricultural Marketing under the provisions of this Act or the Rules, so may be prescribed in notifications;

(12) "Direct marketing" in relation to agricultural produce, means direct wholesale, purchase of agricultural produce from the farmers by the processors, exporters, bulk buyers, etc. outside the principal market yard, sub-market yard, private market yard and market sub-yard under Section 13 of this Act;

(13) "District Council" means a Council under paragraph 2 of the Six Schedule to the Constitution of India.

(14) "Electronic trading" means trading of notified agricultural produce including livestock in which registration, auctioning, billing, booking, contracting, negotiating, information exchanging, record keeping and other connected activities are done electronically on computer network or internet;

(15) "Electronic trading platform" means electronic platform set up either by State Government or its agencies or a person licensed under Section 34 for conducting trading in notified agricultural produce including livestock through electronic media or by any means of communication in which registration, buying and selling, billing, booking, contracting and negotiating are carried out online through computer network or internet or any other such electronic device;

(16) "Export" means dispatch of agricultural produce including livestock outside India;

(17) "Fanner Consumer Market Yard" means market yard established under Section 11 of this Act;

(18) "Fanner-Producer Company (FPC)" means a company of farmer-producer members as defined in Section 5A of the Indian Companies Act, 1956, including any amendments thereto, re-enactment thereof and incorporated with the Registrar of Companies;

(19) "Government" means the State Government;

(20) "Government or Administration Agency" means State Agricultural Marketing Department or Directorate, State Agricultural Marketing Board (SAME), Agricultural Produce and Livestock Market Committee (APLMC) established or constituted under this Act;

(21) "Licensee" means a person granted under the provisions of this Act;

(22) "Licensee" means a person holding a licence issued under the provisions of this Act;

(23) "Livestock" means cow, buffaloes, bullocks, bulls, goats and sheep, and includes poultry, fish and such other animals, and products thereof, specified in the schedule;

(24) "Local Authority" means for the purpose of representation on the Market Committee in relation to an area within the local units, any Municipal Board, Town committee, the notified committee or Local authority for the area;

(25) "Managing Director" means Managing Director of the State
Agricultural Marketing Board or any other officer, excepting the Director of Agricultural Marketing, appointed by the State Government, to exercise and/or perform such of the powers and functions of the Managing Director or Chief Executive Officer or Secretary, or by whatever name it is called, of the State Agricultural Marketing Board;

(28) "Market Committee" means the Agricultural Produce and Livestock Market Committee established under the provisions of this Act or established under existing regulation;

(29) "Marketing" in relation to agriculture produce means all activities involved in the flow of agricultural produce from production point commencing at the stage of harvest till the same reaches the ultimate consumer or grading, processing, storage, transport, channels of distribution and all other functions involved in the process;

(30) "Market Sub-yard" means warehouse, silo, cold storage or other such structure or place declared to be market sub-yard or deemed to be market yard under Section 12;

(31) "Market Yard" in relation to delineated market area includes principal market yard, sub-market yard and market sub-yard in such delineated market area as notified by the State Government, and managed and operated by the Agricultural Produce and Livestock Market Committee;

(32) "Market Yard of National Importance" means a market yard as notified under Section 9 of this Act;

(33) "National Agriculture Market (NAM)" means an integrated market, without prejudice to any law for the time being in force, where buying and selling of notified agricultural produce including livestock and activities incidental thereto are carried out in India possessing marketing utility across time and space;

(34) "Notified Agricultural Produce and Livestock" means agricultural produce and livestock, specified in the Schedule to this Act;

(35) "Overpricing" in relation to a trader means the amount exceeding the value of the agricultural produce including livestock purchased at any point of time vice-versa to the amount of security deposited with or by the bank guarantee he has furnished to the Market Committee;

(36) "Owner" includes individual, co-operative society, Hindu Undivided Family, a company or firm or an association or a body of individuals, whether incorporated or not;

(37) "Petty Trader" in relation to agricultural produce means a non-licensure trader under this Act who carries on purchasing or selling of notified agricultural produce in the quantity not exceeding of such quantity as specified in this Act and notified by the State Government as retail;

(38) "Prescribed" means prescribed by Rules and/or Bye-laws made under this Act;

(39) "Private Market Yard" means a market yard established under Section 10 of this Act;

(40) "Process" in relation to agriculture produce means a person that undertakes processing of any notified agricultural produce on his own account or on payment of a charge;

(41) "Registration" means registration made under this Act for the purpose as specified;

(42) "Retail Sale" in relation to notified agricultural produce means, a sale not exceeding such quantity as specified in this Act and notified by the State Government;

(43) "Revolving Marketing Development Fund" means a non-rippable fund maintained by Director under Section 7(3)(c) of this Act;

(44) "Rules" means rules made under this Act by the State Government;

(45) "Seller" means a person who sells or agrees to sell agricultural produce including livestock for consideration of price;

(46) "Schedule" means the Schedule appended to this Act;

(47) "Silo" means site declared as market sub-yard under Section 12 of this Act;

(48) "Special Commodity Market Yard" means a market yard as notified under Section 8 of this Act;

(49) "State" means a State as specified in First Schedule to the Constitution of India;

(50) "Trader" means, a person who buys notified agricultural produce including livestock either for himself or as an agent of one or more persons for the purpose of selling, processing, manufacturing or for any other purpose, as the case may be, except for the purpose of domestic consumption;

(51) "Year" means the year as may be notified by the State Government;

(52) "Warehouse" in relation to Market Yards means warehouse declared as market sub-yard under Section 12 of this Act.
CHAPTER II

ESTABLISHMENT OF MARKETS

2. (1) The State Government may, by notification in the official gazette, declare its intention of regulating the marketing of such agricultural produce and livestock, in the State, as may be specified in the notification. The notification may be brought to the notice of the interested public by publishing in local language and English on widely circulated platforms, media like newspapers, websites and such other formats.

Provided that no area within the limits of a municipality shall be included for regulation under this Act except after consultation with the municipal board or the Municipal council, as the case may be.

(2) The notification under sub-section (1) shall state that any objections or suggestions which may be received by the State Government within such period as may be specified in the notification, not being less than thirty days, will be considered by the State Government.

(3) State Government may hold consultations with local bodies, and autonomous district councils, who own and operate such present livestock markets or basins or any other such markets for marketing of agricultural produce and livestock within their jurisdictional area, to bring such markets under the regulation of this Act, so as to develop these markets to sufficient function as a marketing platform nearest to the farm gate.

4. Subject to the notification made under Section 3 and after considering such objections and suggestions as may be received from any source before expiry of such period, the State Government may, by another notification, declare the whole State as one unified market area specified in the notification issued under Section 3 for the purpose of regulation of marketing of all or any of the kinds of agricultural produce and livestock specified in the notification issued under Section 3 under this Act.

Explanation: The area so declared shall be a single unified market area for the whole State for regulation of marketing of notified agricultural produce and livestock.

5. Subject to the procedure made in Sections 3 and 4, State Government may, by further notification, declare a geographical area for a Market Committee as a delineated market area for the purpose of election of the Members of such Market Committee and undertaking developmental activities therein.

Explanation: The Market Committee shall not regulate marketing of notified agricultural produce and livestock in its delineated market area. The Market Committee will enforce regulation on marketing of notified agricultural produce and livestock within the principal market yard, sub-market yard(s) and market sub-yard(s).

Alteration or

Amalgamation of delineated market area

and head office of agricultural produce

and livestock.

6. (1) Subject to the procedure specified in Sections 3 and 5, State Government may, at any time by notification, alter any delineated market area, any area or include therein an additional area or split one delineated market area in two or more such areas or amalgamate two or more such areas in one delineated market area, or may include any notified agricultural produce and livestock from regulation, or may allow any agricultural produce and livestock, hitherto not regulated, for regulation under this Act.

(2) After the alteration of delineated market area or items of agricultural produce and livestock, if any, under Section 6, it shall not be necessary for the Director to make any declaration under this section unless it is of the opinion that it is necessary to declare any area, hitherto not declared, as delineated market area of any Market Committee.

Principal market yard,

sub-market yard,

market sub-yard,

private market yard,

private market sub-

yard, former consumer

market yard, private

farmer-consumer

market and electronic

trading platform.

7. (1) In a State, there may be-

(a) principal market yard(s) managed by the Market Committees;
(b) sub-market yard(s) managed by the Market Committees;
(c) market sub-yard(s) managed by the Market Committees;
(d) private market yard(s) managed by a person, holding a licence under Section 30;
(e) private market sub-yard(s) managed by a person, holding a licence under Section 32.

(2) The State Government shall, as soon as possible after the issue of notification under Sections 3 and 5, by a notification, declare any ‘farm’ in the delineated market area as principal market yard or sub-market yard or market sub-yard or former consumer market yard, as the case may be, managed by a Market Committee, for the purpose of regulation of marketing of notified agricultural produce and livestock, either expressly or implicitly or physical, electronic or other such mode, under this Act.

Explanation: In this sub-section (2), the expression ‘farm’ shall include any structure, enclosure, open space facility, street including warehouse, silo, pack
house, cleaning, greening and processing unit vested in the Market Committee of the delicensed market area.

(a) The State Government may, by notification, declare a place, licensed under Section 73, to be a private market yard, private market sub-yard, private farmer-consumer market yard, as the case may be, for marketing of notified agricultural produce and livestock expressly or impliedly in physical, electronic or other such mode, under this Act.

Explanation: In this sub-section (1), the expression ‘place’ shall include any structure, enclosure, open space locally, street including warehouse, sheds, parks, house, cleaning, greening and processing unit vested in the person licensed for the purpose under this Act.

8. (1) State Government may designate any existing market yard established under sub-section (1) of Section 7 as “Special Commodity Market Yard” to establish and notify any market yard as “Special Commodity Market Yard” after consideration of such aspects as thoroughness of particular agriculture produce and livestock and special infrastructure requirements therefore. It may be—

(i) fruits, vegetables and flowers markets, including onion market, apple market, orange market and other such market;

(ii) cotton market;

(iii) medicinal and aromatic plants market;

(iv) livestock market including camel market, fish market, poultry market and other such market; and

(v) any other such markets.

(2) All provisions for and in relation to the Market Committee made in the Act shall be applicable mutatis mutandis to the Market Committee established for “Special Commodity Market Yard”.

9. State Government may designate and notify any existing market yard established under Section 7 (2) as “Market Yard of National Importance” or establish and notify any market as “Market Yard of National Importance” after consideration of such aspects as total throughput, value, upstream catchment area, downstream number of consumers served and special infrastructure requirements therefore:

Provided that the market yard handling not less than such annual tonnage or such annual value, as may be prescribed, may be considered for conferring the status as the “Market Yard of National Importance”.

Provided further that out of such annual tonnage or such annual value, 30 percent may arise from not less than two other States.

PART IV

Establishment of Private Market Yard

10. (1) Subject to such reasonable conditions and such fee as may be prescribed, the Director or the Officer authorised by him may grant a licence to a person to establish a private market yard, for trading of notified agricultural produce and livestock.

(2) The private market yard licence, or its management committee, by whatever name it is called, may register commodity agents and other market functionaries to operate in the licensed private market yard.

(3) The private market yard licence, or its management committee, may collect user charge on notified agricultural produce and livestock transacted in the private market yard, at the rate of user charge exceeding the rate as notified by the State Government.

(4) The private market yard licence holder shall contribute, of such user charge collection and registration fee, to the separate “Developing Marketing Development Fund” maintained by the Director at the rate in percentage at par with Market Committee.

(5) The Director will spend the money from such fund under sub-section (5) in development of common marketing infrastructure; skill development, training, research and planning financing and such other activities as will aid in creating an efficient marketing system in the State/country.

(6) The private market licence shall formulate a Standard Operating Procedure (SOP) for conduct of business and activities ancillary thereto in the licensed private market yard.

Establishment of Farmer-consumer Market Yard

11. (1) Subject to such terms and conditions and fee, as may be prescribed, by the Director or the Officer authorized by him, may grant licence to a person to establish farmer-consumer market yard for marketing of specified agricultural produce in retail.

(2) Such farmer-consumer market yard may be established by a person by developing infrastructure, as may be prescribed, and at a place accessible to both farmers and consumers:

Provided further that the said Government in public interest may from time to time, by notification, excluding the person from collection of user charge.

Excluding Warehouse/Store/ Cold Storage or other such structure or place as market sub-yard.

12. (1) Save as otherwise provided in this Act, the State Government may, by notification declare warehouse, sheds, cold storage or other such structure or place as infrastructure and facilities as prescribed, to function as market sub-yard.

Explanation: In this sub-section (1), the expression ‘place’ under this sub-section shall include any structure, enclosure, open space, locally, street including park, house, cleaning.
[Extracts from the Gazette of Mysore] May 30, 2020

PART III

CHAPTER III

COST OF MARKET COMMITTEE

Establishment of Market Committee and its Incorporation.

14. (1) For every delineated market area, there shall be a Market Committee consisting of a Chairman and other Members.

(2) Every Market Committee established under this Act shall be a body corporate by the name as the State Government may, by notification, specify. It shall have perpetual succession and a common seal and may sue and be sued in its corporate name and shall, subject to such regulations as may be prescribed by or under this Act, in the manner and for the purpose of raising, acquiring, holding, leasing, selling or otherwise disposing of its immovable property, both moveable and immovable, and do all other things necessary for the purpose for which it is established.

Provided that no immovable or moveable property of the value of which exceeds the prescribed limits shall be acquired or disposed of by the Market Committee without the prior permission of the Board.

Provided further that the Board may, for the reason to be recorded in writing, revoke such permission before the completion of the acquisition or execution of the deed, as the case may be.

Provided also that Market Committee may, with the prior approval of the Board and after obtaining valuation certificate from the prescribed officer, enter into agreement with the owner of any land or building and purchase such land or building.

Provided that the Market Committee shall, in the Board's case, be the Local Authority.

(4) The Market Committee shall be invited by the Director, subject to the prescribed guidelines, considering their suitability and other considerations to the Director, be invited to the Board, for the purpose of laying down the terms for staff, establishment expenditure and other expenses required therefor.

Possession of property of Local Authority in Market Committee.

15. (1) The Market Committee may require a local authority to transfer to it any land or building belonging to the Local Authority which is situated within the delineated market area and which is immediately before the establishment of the market area was being used by the Local Authority for the purposes of the market and the Local Authority shall forthwith, within one month of the receipt of the requisition, transfer the land and or such building and land to the Market Committee.

(2) Any land or buildings transferred to the Market Committee under sub-section (1) shall cease to be subject to any condition or restriction or any lease or tenancy or any mortgage or any security or charge or restraint of any nature to which it is subject.
building, as the case may be, to the Market Committee on such terms as may be agreed between them.

(2) Where within a period of thirty days from the date of receipt of requisition by the Local Authority under sub-section (1) an agreement is reached between the Local Authority and the Market Committee under the said sub-section, the land or building required by the Market Committee shall vest in the Market Committee for the purposes of this Act and the Local Authority shall be paid such compensation as may be determined by the Deputy Commissioner under sub-section (4):

Provided that no compensation shall be payable to a Local Authority in respect of any land or building which had been vested in it by virtue of the provisions contained in the instrument relating to the Constitution of such Local Authority without payment of any amount whatsoever may be, for such vesting;

Provided further that any party aggrieved by the order of the Deputy Commissioner may within thirty days from the date of such order, appeal to the State Government.

(3) The Local Authority shall deliver possession of the land or building vested in the Market Committee under sub-section (2) within a period of seven days from such vesting and on failure of the Local Authority to do so, within the period aforesaid, the Deputy Commissioner shall take possession of the land or building and cause it to be delivered to the Market Committee.

(4) The Deputy Commissioner shall fix the amount of compensation for the land or building having regard to:

(i) the annual rent for which the building might reasonably be expected to be let from year to year;
(ii) the condition of the building;
(iii) the amount of compensation paid by the Local Authority for the acquisition of such land; and
(iv) the cost of the present value of any building erected or otherwise worked on the land by the Local Authority.

(5) The compensation fixed under sub-section (4) may, at the option of the Market Committee, be paid in lump sum or in reasonable number of equal instalments with interest thereon as the Deputy Commissioner may fix.

16. (1) When any land within the denned market area is required for the purposes of this Act, and the Board or the Market Committee is unable to acquire it by agreement, the State Government may, at the request of the Board or the Market Committee, as the case may be, proceed to acquire such land under the provisions of Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and on the payment of the said compensation awarded under that Act, by the Board or Market Committee and of any other charges incurred by the State Government in connection with the acquisition, the land shall vest in the Board or the Market Committee, as the case may be:

Provided that once a proposal is made by the Market Committee, it shall not be withdrawn by it except for such reasons as may be approved by the State Government.

(2) The Board or the Market Committee shall not, without the previous sanction of the State Government, transfer any land which has been acquired for the purpose by the Board or the Market Committee under sub-section (1) or sheet such land to a purpose other than the purpose for which it has been acquired:

Provided that the provisions used for principal market yard, sub-market yard or for the purpose of the Board shall not be deemed to be included in the limits of the Municipal Corporation, District Council, as the case may be.

Constitution of the First Market Committee

17. (1) The First Market Committee shall be constituted, for the first time for a delimitated market area declared after commencement of this Act, all the members thereof including Chairman, shall be nominated by the State Government. The First Market Committee so constituted may consist of Members including Chairman, not less than fifteen, which may include six to ten agriculturist members, as may be proportioned. Other five Members may be:

(i) four Members, one each from departments of agriculture or horticulture, cooperation, animal husbandry and veterinary and agricultural marketing of State Government;
(ii) one from cooperative marketing society; and
(iii) one from Local Authority of a place where the Market Committee is located.

Provided that the Chairman shall be nominated from amongst the agriculturist members.

(2) State Government or the Director shall, by an order, appoint a person to be the Officer-in-charge of the First Market Committee for a period not exceeding one year:

Provided that in the event of death, resignation, leave or suspension of the Officer-in-charge, a casual vacancy shall be deemed to have occurred.
In such office and such vacancy shall be filled, as soon as may be, by appointment of a person therein by the State Government and until such appointment is made, a person nominated by the Director shall act as Chairperson. The persons of Office in-charge shall co-terminus with the first Market Committee.

(3) The members including the Chairman of the first Market Committee constituted under sub-section (2) shall hold office for a period not exceeding one or two year, from the day of notification of constitution of the committee.

Provided that if a new Market Committee is constituted before the expiry of period mentioned, members including the Chairman shall cease to function on the date appointed for the first general meeting of the newly constituted Market Committee.

Provided further that the State Government or the Director may, on proper misconduct, even before expiry of the period aforesaid, dismiss any Member including the Chairman, in such event, a casual vacancy shall be deemed to have occurred and such vacancy shall be filled as soon as may be, by nomination of a person therein, in the case may be, by the State Government.

(1) Save as provided in Section 17, a Market Committee constituted for a term of five years from the date of notification of its constitution, shall consist of-

(a) a Chairman elected under Section 19;
(b) six to ten representatives of agriculturists possessing such qualifications, as may be prescribed, under the rules made thereunder;
(c) Provided that no agriculturist may be qualified to be elected or nominated as representatives of agriculturists of the second Market Committee unless he has sold his agricultural produce and livestock at least once in preceding one year, or five times in five years for subsequent Market Committee, in the principal market or sub-market point falling in the delimited market area;
(d) two representatives of traders residing in a delimited market area, possessing such qualifications, as may be prescribed, elected or nominated from amongst the licensed traders residing in such delimited market area;

Provided that no trader shall be a representative of more than one Market Committee at a time.

Provided that no trader shall be a representative of more than one Market Committee at a time.

(b) One representative of the licenced commissioner agent, possessing such qualifications, or may be prescribed, nominated from amongst the licence holder commission agents, granted by the Market Committee;

Provided that no commissioner agent shall be a member of no more than one Market Committee at a time;

Provided further that he is otherwise not disqualified for being so elected under the provisions of this Act or any other law for time being in force.

(c) One representative of the weighmen, hammer and other market functionaries, possessing such qualifications, as may be prescribed, elected from amongst the licence holder weighmen, hammer and other market functionaries, granted by Market Committee;

Provided that no weighmen, hammer and other market functionaries shall be a member of no more than one Market Committee at a time;

Provided further that he is otherwise not disqualified for being so elected under the provisions of this Act or any other law for time being in force.

(2) Every Market Committee will have following other committee Members-

(a) One representative of the co-operative marketing society functioning in the delimited market area who shall be elected by the managing committee of such society;

Provided that if more than one such society functions in the delimited market area, such member shall be nominated by all the members of the managing committee of such societies;

Provided further that nothing in this clause shall apply if the managing committee of any society stands superseded under the provisions of the State Co-operative Societies Act.

(b) An officer of the agriculture or horticulture, department of the State Government to be nominated by the State Government, Directorate of Agriculture or Horticulture;

(c) One representative of the District Council from the place where the Market Committee is located.
(1) Only Members under sub-section (1) shall have the right to vote.

(2) State Government may make rules for the preparation of voters' list and conduct of election.

(3) Every election and nomination of the Member shall be notified by the State Government in the official gazette.

No person may be Member of the Market Committee more than two terms.

19. (1) The Deputy Commissioner shall, by notification or otherwise, divide a delineated market area into as much number of constituencies equal to the number of the representatives of the agriculturist to be chosen from such area but not less than ten.

(2) In case of direct election for agriculturist Members to a Market Committee, reservation of seats for scheduled castes, scheduled tribes, other backward classes and women will be as per the Government policy, as may be prescribed.

Division of delineated market area for constituencies and reservation of seat.

20. (1) Every person—

(a) whose name is entered as land owner in the village land records or is a tenant as per the Madras Inheritance Land Reforms Act;

(b) who has completed the age of eighteen years; and

(c) whose name is included in the voter's list prepared under the provisions of this Act and the Rules made there under, shall be qualified to vote at the election of a representative of agriculturists; Provided that no person shall be eligible to vote in more than one constituency.

(2) No person shall be qualified to be elected as a representative of agriculturists unless:

(a) his name is included in the list of voters as agriculturist of the delineated market area;

(b) he is otherwise not disqualified for being so elected under the provisions of this Act or any other law for time being in force.

(3) No person shall be eligible for election for more than one Market Committee or constituency as the case may be.

Qualification to vote and be the representative of agriculturist.

21. Subject to the provisions of this Act, the Chairman, Members of the Market Committee shall be elected in the manner prescribed in the Rules. Such rules may provide also for preparation and maintenance of

the lists of voters and their qualification and disqualification, the payment of deposits and their forfeitures, reservation of seats and all matters connected thereto.

Provision for election.

22. Superintendence, direction and control of elections.

(1) Subject to the directions of the Director, the superintended, direction and control of the preparation of the lists of voters for and the conduct of all elections to the Market Committee, shall be vested in the District Collector.

(2) State Government shall make available to the District Collector such staff and Funds as may be necessary for the discharge of the functions and responsibilities conferred Deputy Commissioner under this Act.

(3) All expenditure in connection with or incidental to the election of Chairman and Members to the Market Committee shall be met from the consolidated fund of the State.

(4) Notwithstanding anything contained in any law for the time being in force, State Government or State Election Commission or any other body authorized by law may issue instructions relating to all matters connected with elections to the Market Committee including directions for cancellation of the calendar of events or postponement of polls.

23. Election of Chairman.

(1) Every person shall, unless disqualified under the provisions of this Act or any other law for time being in force, as the Chairman of the Market Committee, be qualified to be elected by direct election by the persons qualified to vote for the election of representatives of agriculturists under Section 20, traders, commission agents and other market functionaries under Section 18, provided that no person shall be eligible for election as Chairman unless he is qualified to be elected under Section 19.

(2) Reservation of seats for election of the Chairman for scheduled castes, scheduled tribes, other backward classes and women will be as per the Government policy as may be prescribed.

(3) No person shall be eligible to contest election simultaneously for office of the Chairman and a Member.

(4) If any delineated market area fails to elect a Chairman, fresh election proceedings shall be initiated to fill the office within six months.

Provided further that pending the election of Chairman under this sub-section, the officer authorized by the Director shall discharge all the functions of the Chairman.
Term of the office of Chairman and Members.

24. (1) The Chairman and elected Member shall, save as otherwise provided in this Act, hold office for terms of five years from the day of assuming the office or till the continuance of Market Committee, whichever is earlier.

(2) Notwithstanding anything contained in sub-section (1), a person who is a nominated Member of Market Committee by virtue of being a representative of co-operative marketing society, agriculture or horticulture department and District Council as the case may be, shall cease to be such member on his ceasing to be a Member of the managing committee of the society or District Council concerned by efflux of his term of office or otherwise, or re-nomination by the department, as the case may be.

Commencement of

term of office of
Chairman and
Members.

25. (1) The term of office of the Chairman and Members of the Market Committee shall commence on the date immediately after the expiry of the term of office of the outgoing office bearer of the Market Committee or on the date of first meeting of the committee concerned.

(2) When not less than half of the representative agriculturists, and not less than half of total Members in the Market Committee are available to function as Members after general election or at any time, the remaining Members of the Market Committee shall be deemed to be duly constituted or duly functioned, and such Market Committee shall be competent to exercise all the powers and perform all the functions of the Market Committee.

Resignation of Members.

26. A Member of the Market Committee other than an ex-officio Member may resign from his membership in writing delivered or caused to be delivered to the Chairman of the Market Committee who shall acknowledge the receipt of same and the said resignation shall become vacated on the expiry of fifteen days from the date of such resignation unless within such period such Member withdraws his resignation in writing addressed to the Chairman.

Resignation by
Chairman and vacancy
in his office.

27. (1) The Chairman may resign from his office at any time in writing addressed to the Director, ex-officio agricultural marketing, and the office shall become vacant on the expiry of fifteen clear days from the date of such resignation, unless within the said period of fifteen days he withdraws his resignation in writing addressed to the Director in charge of the agricultural marketing.

(2) During the vacancy caused by resignation, death, removal or otherwise in the office of the Chairman, such member of the Market Committee as the Director may appoint, shall exercise the powers and perform the functions of the Chairman till the Chairman is duly elected.

No confidence motion against Chairman.

28. (1) A motion of no confidence may be moved against the Chairman at a meeting specially convened for the purpose under sub-section (2), and if the motion is passed by a majority of the total Members of the Committee and not less than two-thirds of the Members present and voted, the Chairman shall cease to be the Chairman.

(2) For the purpose of sub-section (1) a meeting of the Market Committee shall be held in the prescribed manner within thirty days of the date of receipt of the notice of motion of no confidence. No ex-officio Member of the Market Committee shall move the notice of no confidence. The ex-officio Member shall not also have power to vote on "no confidence motion" brought.

(3) The Chairman shall not preside over the meeting but such meeting shall be presided over by an Officer which the Director may appoint for the purpose; however, the Chairman shall have the right to speak and other wise to take part in the proceedings of the meeting.

(4) If the motion of no confidence is not seconded as allowed by or if the meeting could not be held for want of quorum, no notice of any subsequent motion expressing vote of confidence in the same Chairman shall be made until the expiry of six months from the date of such scheduled meeting.

Leave of absence by Chairman and consequences of absence without leave.

29. (1) Subject to the Rules made in this behalf, every Chairman who absents himself from three consecutive meetings of the Committee, without leave of the Director in-charge of agricultural marketing, shall cease to be the Chairman on and from the date on which such third meeting is held.

(2) Leave under sub-section (1) shall not be granted for consecutive meetings of the Market Committee. Whenever such leave is extreme exigencies as prescribed in this Act is granted to the Chairman, the Market Committee shall elect or nominate such eligible members to discharge the duties and functions of Chairman of the Market Committee.

Refusal to hand over the charge to new Chairman.

30. (1) On election of the Chairman, the outgoing Chairman shall forthwith hand over the charge of his office to the successor in office.

(2) If the outgoing Chairman fails or refuses to hand over the charge of his office, under sub-section (1), the Director or any Officer authorized by him in this behalf may, with prior approval of the Director in-charge of agricultural marketing, by order in writing direct the outgoing
chairman, forthwith to hand over the charge of his office together with all records, funds and property of the Market Committee, if any, in his possession.

31. (1) Where the Director or Managing Director is satisfied that the books and records of a Market Committee are likely to be suppressed, tampered with or destroyed, or the funds and property of a Market Committee are likely to be misappropriated or misapplied, the Director or Managing Director may order for seizure and taking possession of the record and property of the Market Committee.

(2) On receipt of the Order under sub-section (1), the police officer not below the rank of Sub-Inspector of the local area shall enter and search any place where the records and property are kept or are likely to be kept and seize there and hand over possession thereof to the Director or Managing Director or the person authorized by him, as the case may be.

Establishment and Composition of Market Committee of NMR

32. (1) Save as provided under Section 14 (1), the State Government may, by notification, constitute a separate Market Committee for effective implementation of provisions of this Act for such market areas situated in the State which is or are considered as the Market Yard(s) of "National Importance" (NMR).

(2) All provisions for and in relation to the Market Committee, including nomination of Chairman and Members made in the Act, shall mutatis mutandis apply to the Market Committee constituted for "Market Yard of National Importance".

(3) Save as provided under Section 18, Market Committee of Market Yard of National Importance shall consist of:

(i) Chairman-1
(ii) Agricultural sin to ten including 1 Agriculturist one each from two other States where from period is received in the NMR (to be nominated by respective State Governments on receipt of request for such nomination received from the Govt. where NMR is located)
(iii) Trader holding the single unified license, resident of a delineated market area, possessing such qualifications, as may be prescribed, nominated from amongst the licensed traders resident of such delineated market area-1
(iv) Trader holding the inter-state trading licence nominated by State Government, as may be prescribed-1
(v) One representative of the licensed/registered commission agent as member, as may be prescribed-1
(vi) Agricultural Marketing advisor to the Government of India or his nominee not below the rank of Under Secretary to Government of India-1
(vii) Chief Executive Officer or the Municipal Commissioner of the area or Town Planner-1
(viii) Chief Clerk/Secretary to the Board or the authority exercising such powers as his nominee-1
(ix) Director or his nominee (by officiate) not below the rank of Under Secretary to the Government of India-1
(x) M.D., SAMR (by officiate) or his nominee not below the rank of Under Secretary to the Government of India-1
(xi) Executive Member to be appointed by the State Government, who shall function as the Secretary or Chief Executive Officer of Office of Market Committee of NMR-1

Appointment and Functions of Secretary of the Market Committee of NMR

33. The Secretary functioning as Chief Executive Officer of the Market Committee shall be appointed by the State Government from amongst the State’s Civil Service Officers at least with ten years of service or from the panel of professionals so maintained or on deputation from State Government with experience of ten years in agricultural marketing.

Executive Committee of NMR

34. (1) The Executive Committee for NMR will consist of:

(i) Chairman of NMR-1
(ii) Trader holding the single unified license of NMR-1
(iii) Director in charge of Agricultural Marketing or his nominee (by officiate) not below the rank of Under Secretary to Government of India-1
(iv) M.D., SAMR (by officiate) or his nominee not below the rank of Under Secretary to Government of India-1
(v) Executive Member of the Market Committee of NMR who shall be as the member Secretary to the Executive Committee-1

(2) In case of emergency, the executive committee may decide issues requiring approval of the Market Committee. However, such decisions shall be approved by the Market Committee within forty-five days from the date such decisions are taken. Failure in doing so or in event of disagreed of such decisions by the market committee, such decisions shall stand null and void, so that, any such decision shall be deemed to be an invalidity of anything previously done under that decision.
Provided that if the Market Committee makes any modifications in such decision, the decision shall have effect only in such modified from the date of such modification.

(3) The Executive Committee shall meet as often as necessary but at least once in a calendar month.

35. The Members of the Executive Committee shall hold the office during the pleasure of the State Government.

CHAPTER IV
CONDUCT OF BUSINESS AND POWERS AND DUTIES OF CHAIRMAN, SECRETARY AND MARKET COMMITTEE

Powers and duties of Chairman.

37. (1) Without prejudice to the powers conferred under any other provision of this Act, the Chairman of the Market Committee shall be the chief controlling and supervising officer of the Market Committee.

(2) The Chairman shall:
   (a) preside over the meetings of the Market Committee and the sub-committees and conduct business of such meetings;
   (b) watch over the financial, developmental and executive administration; and
   (c) in case of emergency, direct the execution of duty of any of his officers or the doing of any act which requires the sanction of the Market Committee.

Powers and duties of Vice-Chairperson.

38. The Vice-Chairperson of the Market Committee shall:
   (a) act as and whenever provided in this Act or the Rules, is the absence of Chairman, preside over the meeting of the Market Committee, and
   (b) exercise the powers and perform the duties of the Chairman pending the election of the Chairman or during the absence of the Chairman.

Meeting etc. of the Market Committee.

39. A Market Committee shall meet for the transaction of its business at least once in every month on such date and at such time, as the Chairman may determine.

Provided that the Market Committee may, in special circumstances meet at any time and at any place in the delineated market area, as may be prescribed.

40. One-third of the total number of Members of Market Committee shall form a quorum for transacting the business at a meeting of the Committee. The procedure of the meeting will be followed, as may be prescribed.

Powers and duties of the Market Committee.

41. (1) Subject to the provisions of this Act, it shall be the duty of the Market Committee:

   (i) to implement the provisions of this Act, the Rules and the bye-laws made thereunder in the principal market yard, sub-market yard(s) and market sub-yard(s) vested.

   (ii) to provide such facilities for marketing of notified agricultural produce including livestock therein as the Director/Managing Director or the State Government may from time to time direct.

   (iii) to perform such other acts as may be required in relation to the superintendence, direction and control of principal market yard, sub-market yard(s) and market sub-yard(s) or for facilitating marketing of notified agricultural produce including livestock therein, and for the purposes connected with the matters aforesaid, and for that purpose may exercise such powers and discharge such functions as may be provided for by or under this Act.

   (iv) to do all such other acts to bring about complete transparency in pricing system and transactions taking place in the principal market yard, sub-market yard(s) and market sub-yard(s) vested.

   (v) to maintain and manage the principal market yard, sub-market yard(s) and market sub-yard(s) vested in it within the delineated market area.

   (vi) to provide the necessary facilities for the marketing of notified agricultural produce including livestock within the principal market yard, sub-market yard(s) and market sub-yard(s) vested in it in the delineated market area.

   (vii) to grant or renew a licence to market functionaries, except traders, or refuse it to any.

   (viii) suspend or cancel licence granted/renewed to market functionaries, except traders, and supervise the conduct of the market functionaries and enforce conditions of licence.

   (ix) regulate or supervise the markets, including a section of notified agricultural produce including livestock in accordance with the provisions and procedure laid down under the Rules made under this Act or by-laws of the Market Committee.
(xi) regulate the making, carrying out and enforcement or cancellation of agreements of sale, assignment, delivery, payment and all other matters relating to the market of notified agricultural produce including livestock in the manner prescribed;

(xii) provide for the settlement of all disputes between the seller and the buyer arising out of any kind of transaction, including on line, connected with the marketing of notified agricultural produce including livestock and all matters ancillary thereto.

(xiii) promote Public Private Partnership for carrying out extension activities in its delineated market area viz., collection, maintenance and dissemination of information in respect of production, sale, storage, processing, prices and movement of notified agricultural products;

(xiv) take measures for the prevention of purchases and sales below the minimum support prices as fixed by the State Government from time to time;

(xv) levy, collect and receive rates, charges, fees and other sum of money to which the Market Committee is entitled;

(xvi) employ the necessary number of Officers and servants for the efficient implementation of the provisions of this Act, the Rules and the Bye-laws as prescribed;

(xvii) prosecute persons for violating the provisions of this Act, the Rules and the Bye-laws and compounded such offences;

(xviii) acquire land and dispose of any movable or immovable property, for the purpose of efficiently carrying out its duties;

(xix) impose penalties on persons who contravene the provisions of this Act, the Rules or the Bye-laws or the orders or directions issued under this Act, the Rules or the Bye-laws by the Market Committee, its Chairman or any Officer duly authorized in this behalf;

(xx) institute or defend any suit, prosecution, action, proceeding, application or arbitration and compromise such suit, action, proceeding, application or arbitration;

(xxi) handle the issues relating to pay, pension, allowances, gratuities, contribution towards leave allowance, provident fund of the officers and servants employed by the Market Committee in the manner prescribed;

(xxii) administer Market Committee Fund referred to in Section 62 and maintain the account thereof in the prescribed manner;

(xxiii) carry out publicity about the benefits of regulation, the system of fair买卖, facilities provided in the principal market yard, sub-market yard(s), through such means as posters, pamphlets, hoardings, cinema slides, film shows, group meetings, electronic media etc., or through any other means considered more effective or necessary and;

(xxiv) ensure payment in respect of transactions which take place in the principal market yard, sub-market yard(s) and market sub-yard(s) or at e-platforms to be made on the same day to the seller or in the maximum next day, if procedurally so required. In default of making the payment as aforesaid, provisions of Section 63(2) will apply. Same as provided in this clause, procedure of payment to the seller in case of returning will be made in accordance with Section 63(2).

(2) Without prejudice to the generality of the forgoing provisions, Market Committees may-

(i) take all possible steps to prevent adulteration of notified agricultural produce including livestock, fish, etc.;

(ii) set up and promote Public Private Partnership in management of the agricultural markets;

(iii) promote linking of consumers to farmers or their groups through appropriate digital technology;

(iv) regulate the entry of persons and vehicles, traffic in to the principal market yard, sub-market yard(s) and market sub-yard(s) existing in the Market Committee;

(v) inspect and verify scales, weights and measuring instruments in use in a market yard, sub-market yard and market sub-yard existent in it and also the books of accounts and other documents maintained by the market functionaries in such manner as may be prescribed;

(vi) arrange to obtain fitness (health) certificate from veterinary doctor in respect of animals, cattle birds etc., which are bought or sold in the principal market yard, sub-market yard(s) and market sub-yard(s);

(vii) recover the charges in respect of weights and measures (laden) and distribute the same to weights and measures (laden) (loaders or unloaders) if not paid by the purchaser or seller as the case may be;

(viii) collect and maintain information in respect of production, sale, storage, processing, prices and movement of notified agricultural produce and disseminate such information as directed by the Director or Managing Director or State Govt.;

(ix) reasonably act in the manner that traders do not hinder the agricultural produce and market functionaries may not form any cartel to perpetuate the interest of agriculturist-sellers.

(4) With the prior sanction of the Director or Managing Director, the Market Committee may undertake-

(i) construction of internal or connecting roads, godowns and other infrastructures in the principal market yard, sub-market yard(s) and delineated market area to facilitate marketing of agricultural produce including livestock and for the purpose give grant or advance Funds to the Board, or any other Department or undertaking of the State Government or any other agency authorized by the Managing Director;

(ii) maintenance of stocks of fertilizer, pesticides, improved seeds, agricultural equipments, inputs for sale and establish lab Testing Laboratories and
(ii) to provide on rent storage facilities for stocking of agricultural produce by agriculturists.

(3) To promote and encourage trading, Market Committees may establish regulatory systems, create infrastructure and undertake other activities and may render licenses.

(4) Market Committee may establish or allow to be established third parties as using or testing labs, and, therefore, constitute a committee, as may be prescribed, to promote as saying, grading and activities and services incidental thereto.

42. Appointment of sub-committee and delegation of powers.

Subject to such conditions and restrictions as may be prescribed, the Market Committee may appoint one or more sub-committees consisting of such members of the committee, as it may think fit, for the performance of any of its duties or functions, as it may think fit to appoint.

43. Power to borrow.

(1) The Market Committee may, with the previous sanction of the Managing Director, raise money from banks, financial institutions or issue debentures required for carrying out the purpose for which it is established on the security of any property vested in it or any fees or user charge recoverable by it under this Act.

(2) The Market Committee may, for the purpose of meeting the initial expenditure on lands, building, staff and equipments required for establishing the market, obtain a loan from the State Government or State Agricultural Marketing Board or other financial institution.

(3) The conditions subject to which money or loan under sub-section (2) shall be raised or obtained and the time within which the same shall be repayable shall be subject to the previous sanction of the State Government or Director or Managing Director.

44. Compounding of offences.

The Market Committee may accept from any person who has committed or is reasonably suspected of having committed an offence (other than compounding of section 46 against this Act) or the Rules or Bye-laws, made thereunder, by way of compounding of such offence—

(a) Where the offence consists of the failure to pay the excess of any fee or user charge, or other amount recoverable under this Act or the Rules or Bye-laws in addition to the fee or user charge or other amount so recoverable a sum of money not less than the amount of the fee or other amount and not more than five times the amount of fee or other amount by the maximum extent of rupees ten thousand.

(2) On the compounding of any offence under sub-section (1), no proceeding shall be taken or continued against the person concerned in respect of such an offence, and if any proceedings in respect of that offence have already been instituted against him in any court, the compounding shall have effect of his acquittal.

45. Power to write off irrecoverable fee etc.

(1) The Market Committee may write off any fee or user charge or amount whatsoever due to it, whether under a contract or otherwise, or any amount payable is addition thereto with if in its opinion such a footing change or an amount is irrecoverable.

Provided that the Market Committees shall, before writing off any such fee or user charge, or amount obtain the sanction of the Managing Director, if the fee or amount exceeds rupees twenty-five thousand.

46. Power to remove encumbrance on market part.

Any officer or servant of the Market Committee, empowered by the State Government in this behalf, shall have power to remove any encumbrance in a severity in the principal market part, sub-market part(s) and market sub-part(s) vested in it and the expenses of such removal shall be paid by the person who has caused the said encumbrance, and shall be recovered in the same manner as arrears of land revenue.

47. Use of weighing instruments, weight and measure, their inspection.

(1) Only electronic weighing instruments which also satisfy the requirements of such weights and measures as are prescribed by the State Controller of Weight and Measure Act and the Rules made thereunder shall be used for weighing or measuring agricultural produce including livestock, as required in the principal market part, sub-market part(s), market sub-part(s), private market part(s) and farmer-consumer market part(s).

Provided that in transactions of sale and purchase of agricultural produce including livestock, as the case may be, electronic balance shall preferably be used.

(2) Weighting instruments, weights and measures kept by the committee under this section may at any time be inspected, examined and checked by the controller weighing and measures or his representative or any other officer duly authorised in this behalf by the Managing Director.


(1) Every contract agreement entered into by a Market Committee for the purchase, sale, lease, mortgage or other transfer of or acquisition of interest in immovable property shall, in writing, be executed on behalf of Market Committee jointly by its Chairman and the Secretary, with the sanction of the Market Committees, as may be prescribed.

(2) No contract other than a contract executed as provided in sub-section (1) shall be valid and binding on the Market Committee.
Act of Market Committee etc. not to be invalidated.

49. No act of Market Committee or of any sub-committee thereof or of any person acting as a Member, Chairman, presiding officer or any person acting in the capacity of the Secretary shall be deemed to be invalid by reason only of some defect in the constitution or appointment of any Market Committee, sub-committee, Members, Chairman, presiding officer or any person acting in the capacity of the Secretary or on the ground that they or any of them were disqualified for such office, or that formal notice of the intention to hold a meeting of the committee or of the sub-committee was not given duly or by reason of such act having been done during the period of any vacancy in the office of the Chairman or the Secretary or Member of such committee or sub-committee or for any other infirmity not affecting the merits of the case.

CHAPTER V

STAFF OF MARKET COMMITTEE

Secretary of Market Committee.

50. Every Market Committee shall have a Secretary, who shall be the chief administrator of the Market Committee administering principal market yard, sub-market yard(s) and market sub-yard(s) located in it and the custodian of all the records and property of the principal market yard, sub-market yard(s) and market sub-yard(s) in the delineated market area.

Provided that the Secretary should be graduate in agriculture or horticulture, agricultural economics or marketing or agribusiness and has also undergone minimum three months in-service training or such training undertaken after recruitment.

Provided further that the Director or Managing Director may maintain a panel of professionals, which may include professionals from open market for appointing to the post of Secretary in the Market Committee, as may be prescribed in the Rules. The Director or Managing Director shall have powers to appoint Secretary from the services of the State Government and on deputation also and such appointments shall be binding on the Market Committee.

Powers, functions and duties of the Secretary.

51. The Secretary shall exercise and perform the following functions and duties in addition to such other duties as may be specified in this Act, the Rules or the bye-laws, namely:

(i) to convene the meetings of the Market Committee and of all the sub-committees, if any, and maintain minutes of the proceedings thereof;

(ii) to attend the meetings of the Market Committee and of every sub-committee and take part in the discussions but shall not move any resolution or vote at any such meeting;

(iii) to take action to give effect to the resolution of the committee and of the sub-committees, and report on all actions taken in pursuance of such resolution to the committee or sub-committee as soon as possible;

(iv) to prepare the budget proposal;

(v) to furnish to the Market Committee such returns, statements, estimates, statistics and reports as the Market Committee may from time to time, require including reports regarding:

(a) fines and punishment levied and any disciplinary action taken against the Members of the staff and the market functionaries and others;

(b) turnover by any trader;

(c) contravention of the provisions of the Act, the Rules, the Bye-laws, the standing orders by any person;

(d) suspension or cancellation of license by the Chairman or the Director;

(e) administration of the Market Committee and the regulation of the marketing in the principal market yard, sub-market yard(s) and market sub-yard(s);

(f) to produce before the Market Committee such documents, books, registers and the like as may be necessary for the transaction of the business of the committee or the sub-committees, and also whenever called upon by the Market Committee to do so;

(g) to exercise supervision and control over the acts of all officers and servants of the Market Committee;

(h) to collect fees or user charge and other money leviable by or due to the Market Committee;

(i) to be responsible for all money credited to or received on behalf of the Market Committee;

(j) to make disclosures of all money lawfully payable by the Market Committee;

(k) to report to the Chairman or Managing Director or as may be prescribed in the Rules or the bye-laws, against an accountant, who shall be responsible for maintenance of books of accounts of the Market Committee and assist the Secretary in discharge of his duties and perform such duties as may be delegated to him by the Market Committee or the Secretary.

Appointment of Accountant.

52. The Director or Managing Director may, with such qualifications as may be prescribed in the Rules or bye-laws, appoint an accountant, who shall be responsible for maintenance of books of accounts of the Market Committee and assist the Secretary in discharge of his duties and perform such duties as may be delegated to him by the Market Committee or the Secretary.

Appointment of staff by the Market Committee.

53. (1) Every Market Committee may appoint such other Officers and servants as may be necessary and proper for the efficient discharge of its duties as prescribed by the Board:

Provided that no post shall be created save with the prior sanction of the Board.

(2) Subject to provisions in this Act and Rules, the Market Committee may make bye-laws for regulating the appointment, pay, leave, leave allowances, pensions, gratuities, contribution to provident fund and
other conditions of service of Officers and servants appointed under sub-
section (2) and for providing for the delegation of powers, duties and
functions to them.

(3) Notwithstanding anything contained in this Act or any Rules or Bar-
laws made thereunder, the Director or Managing Director may, subject to
the conditions specified in sub-section (4), transfer on deputation any
Office or servant of any Market Committee carrying a maximum scale of
pay as prescribed to any other Market Committee of the Revenue
Division and it shall not be necessary for Director or Managing Director to
consult either the Market Committee or the Officer or servant concerned
before passing an order of transfer on deputation under this sub-section.

(4) The Officer or servant concerned transferred under sub-section (3)
shall:
(a) have his seat on the post held in the parent Market Committee;
(b) not to be disadvantageous in respect of pay and allowances which he would have been entitled to, had he
continued in the parent Market Committee;
(c) been entitled to deputation allowances at such rate as the State
Government may be general or special order, specify, and
(d) be governed by such other terms and conditions including
disciplinary control as the Director or Managing Director may, by
general or special orders, specify.

CHAPTER VI
E-TRADING

Establishment and Promotion of electronic trading platforms.
5A. (1) No person shall establish and run any electronic trading platform
for trading in notified agricultural produce including livestock without obtaining
a licence under this section.
(2) Save as provided in sub-section (1), the State Government or its
agencies may, however, establish and run an e-trading platform for trading in
notified agricultural produce including livestock, as may be prescribed.

Grant or renewal of licence to establish electronic trading platform.
5B. (1) No person desirous of establishing an e-trading platform under section
5A shall apply to the Director or the Officer authorized by him in such
matter for a licence for establishing an e-trading platform and security or bank guarantee and
fulfilling such conditions, as may be prescribed.
(2) The application received under sub-section (1) for grant or renewal of
licence may be accepted or rejected for reasons mentioned in writing by the
licensing authority.

Provided that the application received under this section shall be liable to
be rejected on the following conditions:

(1) The e-trading platform managed and operated by a person or State
Government or its agencies, as the case may be, shall provide all
infrastructures and services connected to e-trading, as may be prescribed.
(2) The license or its management committee, may collect user charge on
sale transaction of notified agricultural produce including livestock on the
e-trading platform.

Provided that no user charge shall be collected from agricultural seller.
Provided further that the State Government in public interest may from time
to time, by notification, fix ceiling on the rate of collection of user charge.

(3) The e-trading platform licence shall contribute, of such user charge,
collection, to the separate "Revolution Marketing Development Fund"
maintained by the Director at the rate in percentage at par with APMC.
The fund shall be utilized for the purposes and in the manner mantiss
mandated in section 30(3) of this Act.

56. A license holder under section 79(3) for market sub-yard, desirous to link
to a platform of Government of India, may apply, through concerned State
Government, or its agencies, to the Department of Agriculture, Cooperation & Farmers’ Welfare, in the form and manner, as may be prescribed.

Integration of warehouse, silos, cold storages or other
such structure or space, declared as
market sub-yard or e-platform.
57. A license of private market yard, desirous of integrating with e-trading
portal, may apply through State government or its agencies to the Central
Government, as may be prescribed.

Integration of private market.
58. In order to evolve a unified National Agricultural Market and integrate
various e-platforms, the applications in the e-platforms should be inter
operable as per specifications and standards laid down by the Director or the
Authority designated there for.

Inter operability of e-trading platforms.
59. (1) Notwithstanding anything contained in this Act, payment of notified
agricultural produce including livestock traded on e-platform shall be
made same day of the sale transaction to the seller or in the maximum
next day. If not, the license holder violating prescribed provisions on electronic
trading, the payment to the seller may be made as prescribed in Rules and
By-laws.

Payment to the seller and maintenance of accounts.
(2) The license or APMC, as the case may be, shall maintain accounts of
all the transactions taking place on electronic platform and submit such
periodical reports and returns to the Managing Director or the authorized
Suspension or Cancellation of Licence of electronic trading platform:

60. The Director or Managing Director may, for the reasons to be recorded, specifying the breach of any provision of Act, rules, Bye-laws, instructions, orders, suspend or cancel the licence, granted under Section 55, by passing a pending order.

Provided that no order for suspension or cancellation of licence shall be passed without giving reasonable opportunity of being heard.

Dispute settlement:

(i) between or among licensees under Section 55(5); and
(ii) between or among licensees and dealers,

61. Any dispute arising between or among licensees, or between or among the licensees and APMK or State agencies, shall be resolved by the Director or the Officer authorized by him, in summary manner within thirty days, after giving the parties reasonable opportunity of being heard.

Dispute settlement with regard to intra-State trade – transaction:

62. In case of any dispute with regard to intra-State trade transaction or platform, the technical team shall be done at the level of management committee of the licensee or the Market Committee, as the case may be, through an administrative process, or through the process of conciliation and arbitration, or otherwise within seven working days, while in case of periodicals it shall be within three working days. The management committee or Market Committee, as the case may be, shall dispose of the matter by issuing speaking order.

Dispute settlement with regard to inter-State trade transaction:

63. In case of any dispute arising out of inter-State trade transaction or platform or any other such platform, the State Government can subscribe to become part of such Authority, which may be constituted by the Union Government or State Government under the existing law or any law to be framed therefor.

CHAPTER-VII REGULATION OF TRADING

Sale-transaction of notified agricultural produce and livestock:

64. (1) An notified agricultural produce including livestock shall ordinarily be sold in the principal market yards, sub-market yards and market sub-yards, licensed under this Act or not, private market yards or at the electronic trading platform:

Provided that the notified agricultural produce including livestock may be sold at other place also to a licence holder especially permitted in this behalf under this Act.

(2) In relation to agricultural produce, nothing in the sub-section (1) shall apply to the following and purchase where:

(i) sale is made to the producer himself to any person for his domestic consumption in quantity upto the limits prescribed under the rules;
(ii) brought for sale to be held local;
(iii) purchase and sale is made by a petty trader;
(iv) purchase is made by an authorized or price shop dealer from the Food Corporation of India, "The State Commodities Trading Corporation" or any other agency or institution authorized by the State Government for distribution of essential commodities through the public distribution system; and
(v) the transfer of such agricultural produce to a cooperative society for the purpose of ensuring an adequate return.

(3) Irrespective to livestock, nothing in the sub-section (1) shall apply on the business of purchasing or selling of livestock not exceeding such value, as may be prescribed.

(4) The price of the notified agricultural produce, including livestock, brought for sale into the principal market yard, sub-market yard, private market yards, market sub-yards shall be notified by tender list or open auction including e-auction or any other transparent system and no deduction shall be made from the agreed price on any account whatsoever from the seller.

(5) Negotiation or measurement or counting of all the notified agricultural produce including livestock as purchased shall be done by such a person and such system as is provided in the law or at any other place specified for the purpose by the Market Committee.

Terms and procedure of buying and selling:

65. (1) Except in the commercial transaction between two traders, any other person who buys notified agricultural produce including livestock in the principal market yard, sub-market yard and market sub-yards, shall execute an agreement in triplicate in such form, as may be prescribed in favour of the seller. One copy of the agreement shall be kept by the buyer; one copy shall be supplied to the seller and the remaining copy shall be kept in the record of Market Committee.

(2) (a) The price of the notified agricultural produce including livestock transacted in the principal market yards, sub-market yards, private market yards, market sub-yards or at an electronic platform shall be paid on the same day to the seller or in the maximum next day if procedurally so required. Payment on notified agricultural produce shall also be made to agricultural seller, if sold to the direct marketing license, on the same day thereof.

(b) If the purchaser does not make payment under clause (a), he shall be liable to make additional payment at the rate of one percent, per day, of the total price of the agricultural produce including livestock, payable to the seller within five days.

(c) If the purchaser does not make payment with additional payment to the seller under clause (a) and (b) above, within five days from the
day of such purchase, his license shall be deemed to have been cancelled on the sixth day and he shall not be granted any licence or permitted to operate under this Act for a period of one year from the date of such cancellation.

(1) Commission agent shall recover his or its commission from his or its principal trader as the rate not exceeding two percent ad valorem on transacted non-perishable agricultural produce; while in case of perishable agricultural produce, it shall not exceed four percent ad valorem on transacted produce, including all expenses as may be incurred by him in storage of the produce and other services rendered by him or it.

Provided that no commission shall be collected from farmer-merchant.

Lay out of market fee (single point lay out of market fee).

76. (2) The Market Committee shall levy and collect market fee from buyer in respect of notified agricultural produce including livestock bought by such buyer in the principal market yard or sub-market yard(s) or market sub- yard(s) other than those brought from outside the State or from within the State, at such rate as may be notified but not exceeding two percent ad valorem on transacted produce in case of non-perishable agricultural produce and not exceeding four percent ad valorem in case of perishable agricultural produce and livestock.

Provided that market fee specified under this section shall not be levied for the second time, in whatever name it is called, i.e., cess, user charge, service charge, etc., in any principal market yard, sub-market yard, market sub-yard, private market yard, electronic trading platform within the State provided that market fee at applicable rate has already been paid on the notified agricultural produce in any principal market yard, sub-market yard, market sub-yard, private market yard, electronic trading platform of the State and the evidence to this effect has been furnished, by the concerned person that market fee has already been paid as aforesaid in the State.

Provided further that in case of commercial transactions between traders, the market fee shall be collected and paid by the seller.

Provided further that in case buyer is not licensed and seller is a farmer, the liability of payment of market fee shall be of commission agent, who will collect the market fee from buyer and deposit to the Market Committee.

(2) The Market Committee may levy and collect entrance fee on vehicles which may enter into market yard(s) at such rate as may be specified by the Board.

Provided that no such fee shall be levied and collected from agricultural - sellers.

Lay out of user charge by Market Committee.

82. (1) Notwithstanding anything contained in this Act, the Market Committee may allow trade even in those town(s) of the agricultural produce including livestock which is/care not notified for regulation under the Act or are not specified in the schedule to the Act for regulation.

(2) The Market Committee may collect user charge, as prescribed in the laws, for allowing trade as provided under sub-section(s), at the rate not exceeding two percent ad valorem in case of non-perishable transacted agricultural produce and not exceeding four percent ad valorem in case of perishable agricultural produce and livestock.

(3) Save as otherwise provided in this Act, there shall neither be regulation nor levying of applicable market fee on sale transactions of herbs and vegetables taking place outside the principal market yard, sub-market yard(s) and market sub-yard(s).

Power to grant exemption from market fee.

78. (1) The State Government may be notified and subject to such conditions and restrictions, if any, as may be specified therein, exempt in whole or in part any agricultural produce including livestock bought for sale or bought or sold in the principal market yards, sub-market yards and market sub-yards specified in such notification, from the payment of market fee for such period as may be specified therein.

(2) Any notification issued under sub-section(s) of this Section may be rescinded before the expiry of the period for which it was to have remained in force, and on such rescission such notification shall cease to be in force.

Grant or renewal of licence to market functionaries other than traders.

69. (1) Subject to the provisions of this Act and Rules made in this behalf, every person who, in respect of notified agricultural produce including livestock, desires to operate in the principal market yard or sub-market yard or market sub-yard as commission agent, weighsmen, measurers, nominal (leader - subordinate) or such other market functionaries, except trader, shall apply to the Market Committee for grant or renewal of licence in such form and such manner as may be prescribed.

(2) The Market Committee or its Chairman, if so authorised by the Market Committee may, on an application made under sub-section(s) and after making such inquiries as it deems fit, grant or renew the licence, or may refuse to grant or renew any such licence on the basis of one or more of the following reasons:

(i) The applicant is unfit or not fit.

(ii) The applicant has been declared delinquent under the Act or Rules made thereunder and fine laws.

(iii) The applicant has been found guilty under the Act.

(iv) Any class relating to Market Committee and/ or Board are unsuitable to act in their capacities.

(v) Any other reason(s), as may be prescribed.

(3) The Market Committee or its Chairman, if so authorised under sub-section (2) shall dispose of the application received under sub-section(s) within sixty days from such date when application is completed in all respects.
Explanation: The Market Committee shall, on application and the documents annexed therewith within five working days from the date of its receipt, grant or renew the licence within twenty working days from such date when application is found complete in all respects or may, after recording the reasons in writing therefor, refuse to do so.

(1) On expiry of a period of twenty working days as under sub-section(1), if the application has not been disposed of, it shall be deemed that the licence has been granted or renewed, as the case may be.

(2) The Market Committee or its Chairman, if so authorised may, for reasons to be recorded, specifying the breach of any provision of Act, Rules, By-laws, instructions, orders, suspended or cancel the license, granted under this section, by passing a speaking order.

Provided that no order for suspension or cancellation of licence shall be passed without giving a reasonable opportunity of being heard.

70. (1) There shall be a single licence applicable to the whole of the State, for the trade to be granted or renewed by the Director or Managing Director or the Officer authorised by him in such manner and in such form, as may be prescribed, to operate as trader in any principal market yard, sub-market yard, market sub-yard private market yard and sub-yard, e-trading platform or any other space identified for the purpose, in the State for the sale, purchase or distribution of agricultural and horticultural produce over a State wide single trader licence by the Director or Managing Director or the Officer authorised by him, within six months from the date of commencement of the State Agricultural Produce and Livestock Marketing Information and Facilitation Act, 2020. Until then, the existing trader licences granted by the Market Committees are deemed to have been the State wide single trader licences.

Explanation: Private market license or other such license or its management committee may, register the unified single trading licence holder issued by the Director or Managing Director or the Officer authorised by him, to allow to operate in such market yards.

(2) Any person desirous of obtaining or renewing a licence under sub-section(1) as trader, shall apply to the Director or the Officer authorised by him in form with reasonable fee, as may be prescribed.

(3) Subject to the provisions of this Act and the Rules made in this behalf, the Director or the Officer authorised by him, on an application under sub-section(2), after making such inquiries as deemed fit, may grant or renew the licence in the form and for such a period, as may be prescribed.

Provided that no withholding anything contained in this Act and the Rules, there shall be no consideration of domicile, compulsory requirement of purchase or collection centre and minimal quantity for grant/renewal of such licence.

Provided further that such license granted or renewed shall entail to the licensee to carry out trade of any kind i.e., primary or secondary or whatsoever without any discrimination.

(a) The licence issued by the Director or the Officer authorised by him under this section shall bear Uncode, as may be prescribed.

Suspension or Cancellation of unified single trading license granted or renewed under Section 70.

71. (1) The Director or the Officer authorised by him may, after such inquiry as he deems fit to make and after giving, in the prescribed manner, the licensee a reasonable opportunity of being heard, suspend or cancel a licence issued under Section 70 on any of the following grounds:

(a) that, the licence has been obtained through willful misrepresentation or fraud;

(b) that, the licensee himself or in collusion with other licensee(s) commits any act or omission from carrying on his normal business in the market with intention to willfully obstruct, suspend or stop the marketing of notified agricultural produce in any type of market and in consequence thereof, the marketing of notified agricultural produce has been obstructed, suspended or stopped;

(c) that, the licence is found to have contravened any of the provisions of this Act or the Rules or by-laws;

(d) that, the licence has been convicted in an offence punishable under this Act or Rules or regulations;

(e) that, the licence has become insolvent; or

(f) that, the licensee is not disqualified on grounds prescribed.

(2) Having been licence suspended or cancelled under this section, the holder of such licence shall forth with produce the same to the officer of the Director or the Officer authorised for being endorsed in the prescribed manner and shall not be entitled to any claim or demand of such suspension or cancellation for any compensation or refund of the whole or any part of the license fee or any of the other money.

Recognition of unified single trading licence granted/renewed for inter-state trade.

72. (1) Notwithstanding anything contained in this Act, the State may allow holder of unified single trading licence bearing Uncode, issued by any other State to undertake trade transaction within the geographical jurisdiction on e-platform or any other format including physical that may be in operation, as trader, as may be prescribed in Rules, By-laws or instructions under the Act.

(2) Such licence shall be liable to pay the market fee and other marketing charges as the new applicable in the State, where trade transaction has taken place, in the manner as may be prescribed.

(3) In case of contravention of any of the provisions of this Act, Rules, By-laws or instructions or orders, the Director, Managing Director or Market
Committee shall, after giving an opportunity to be heard, blacklist such licensees for trading purpose only within their respective jurisdiction, when a contravention has occurred, for a certain period or forever based on the gravity of breach or violation or provisions of this Act, Rules, bye-

laws or instructions or orders.

Explanation: The expression “blacklisting” for a certain period to be deemed to be suspended for such a period in the jurisdiction as under sub-section (5), while “forever” deemed to have been cancelled in the jurisdiction as under sub-section (5).

(4) The Director, Managing Director or Market Committee of the respective jurisdiction, where in the contravention occurs, may simultaneously submit a proposal detailing the facts and nature of contravention with evidence, to the concerned licence issuing State Authority for taking further appropriate action against the contravener.

79. (1) Any person who, under Section 73, desires to establish farmer market yard, or under Section 71, desires to establish consumer market yard, or under Section 72 to the decision of such a place being declared as market sub-yard, shall apply to the Director or the Officer authorized by him for grant or renewal of licence, as the case may be, in such form and in such manner and also for such period but not less than three years, as may be prescribed.

(2) An application for grant or renewal of licence, as the case may be, for private market yard or consumer market yard or market sub-yard under Section 74(1), shall be accompanied with such reasonable licence fee and security/bond/guarantee, as may be prescribed.

(3) An application received under sub-section (1) for grant or renewal of licence may be accepted or rejected for the reasons recorded inventing by the Licensing Authority.

Provided that the application received under this Section shall be liable to be rejected on the condition(s):

(i) that, the applicant is a minor or not above 18 years;
(ii) that, the applicant has been declared defaulter under the Act and rules and bye-laws made thereunder;
(iii) that, any dues relating to Market Committee and/or Board are outstanding against the applicant;
(iv) that, the concerned authority is satisfied that the applicant does not possess the infrastructural credentials, experience or adequate capital for investment or any other requirements as may be prescribed for establishment of a private market or farmer-consumer market yard; and/or
(v) for any other reasons, as may be prescribed.

(4) The licence granted or renewed under this section shall be subject to such terms and conditions, as may be prescribed, and the licence shall be bound to follow the terms and conditions of the licence as prescribed. The licence shall also follow the provisions of this Act and rules made thereunder.

74. (1) Subject to the provisions of Section 71, the Licensing Authority, in the case may be, may for the reasons to be communicated to the licence holder in writing, suspend or cancel the licence, if

(a) the licence has been obtained through willful misrepresentation or fraud, and/or
(b) the holder of licence or its representative or any one acting on his behalf with his expressed or implied permission, commits a breach of any of the rules, regulations and terms or conditions of licence, and/or
(c) the holder of licence himself or in combination with other licence holder commits any act or omission from carrying on his normal business in the market area with the intention of willfully obstructing, suspending or stopping the marketing of notified agricultural produce, and/or
(d) the holder of this licence has become insolvent, and/or
(e) the holder of the licence incurs disqualification, as may be prescribed, and/or
(f) the holder of the licence is convicted of any offence under this Act.

(2) No licence shall be suspended or cancelled under this section without giving a reasonable opportunity of being heard to the holder.

(3) Subject to the provisions of Section 71, the Licensing Authority shall communicate to the licence holder by speaking order to suspend or cancel its licence or grant or renewal under Section 71.

79. (1) Any person, including a Farmers’ Cooperative, Farmers’ Producer Organization (FPO) and Procure or Exporter under Section 12, desires to purchase agricultural produce directly from farmers outside the principal market yard, sub-market yard, market sub-yard, private market yard, shall apply to the Director or the Officer authorized by him for grant or renewal of licence, as the case may be, in such form and in such manner and also for such period, as may be prescribed.

(2) An application for direct marketing shall accompany such reasonable licence fee and security/bond/guarantee, as may be prescribed.

(3) The application received under Section 79(1) for grant or renewal of licence may be accepted or rejected for the reasons recorded inventing by the Licensing Authority.

(4) A direct marketing licence granted or renewed under this section shall be subject to such terms and conditions, as may be prescribed, and the
license shall be issued to follow the terms and conditions of the license as prescribed. The licensee shall also follow the provisions of this act and rules made thereunder.

S. 74. Subject to the provisions of Section 13, the Licensing Authority, who has issued the license, may suspend or cancel the license granted/issued under Section 75 in the cause and manner mutatis mutandis to Section 74.

S. 79. Any dispute arising between or among licensees for private market yard, farmer-consumer market yard, market sub-yard and direct marketing, or between or among licensees and APMMU (A) may be resolved by the Director or Managing Director or the Officer authorized by him, in a summary manner within thirty days, after giving the parties a reasonable opportunity of being heard.

S. 84. Registration of whole sale of fish buyer

79. (1) Any person desiring of whole sale buying either from the market yard or from outside the market yard, on day to day basis for own consumption even without valid license granted under Section 75, may register with the concerned Market Committee, in the form and in the manner, as may be prescribed:

(a) Such buyer will specify the place and day of purchase while excising the registration on afterward before purchase;

(b) In case of such buying undertaken in the market yard, the buyer shall be liable to pay Market fee at the applicable rate to the Market Committee and on buying undertaken outside the market yard, the buyer shall pay one-fourth of the applicable market fee to the Market Committee.

Provided that such wholesale purchases cannot be made more than three times in a month across the State.

S. 83. Bar of jurisdiction on Civil Courts.

85. (1) No Civil Court shall have jurisdiction to settle, decide or deal with any question or to determine any matter which is by or under this Act required to be settled, decided or dealt with.

(2) No court shall take cognizance of any offence under this Chapter, except upon a complaint by the Director or Managing Director or by any other Officer authorized to act in this behalf.

CHAPTER 10: BUDGET AND MARKET COMMITTEE FUND

S. 84. Preparation and sanction of budget.

61. (1) Every Market Committee shall prepare and pass the budget of its income and expenditure for the ensuing year in the prescribed form and shall submit it to the Managing Director for sanction before the prescribed date every year.

(2) The Managing Director shall sanction the budget with or without modification within one month from the date of receipt thereof. If the budget is not returned by the Managing Director within one month, it shall be presumed that the Director has consented.

(3) The Market Committee may sanction and cause to undertake execution of construction workout of its fund other than the permanent fund referred to in subsection (1) on the basis of the plans and designs approved by the Market Committee, in such manner as may be prescribed by the Board.

(4) No expenditure except payment of pension will be made out of pension fund.
(5) No expenditure shall be incurred by a Market Committee on any item if there is no provision in the sanctioned budget thereof unless it can be met by re-appropriation from saving under any other head. The sanction for re-appropriation may be obtained from the Managing Director provided that in case of re-appropriation from revenue heads under one major head, sanction for re-appropriation will not be required.

(6) A Market Committee at any time during the year for which its budget has been sanctioned, cause a revised or supplementary budget to be passed and sanction in the same manner as if it were an original budget.

(7) The Market Committee shall make provision in its budget for crediting the amount in to the permanent fund upto thirty percent of its gross receipt comprising of SMC fee and market fee and to the permanent fund as prescribed from time to time by the Managing Director. The expenditure from the permanent Fund shall be incurred except with the prior approval as per direction given by the Managing Director. No expenditure from this fund or from amount as provided under sub-section (1) of Section 82 shall be proposed in the budget referred to in sub-section (1).

(8) The Managing Director or Board while sanctioning for construction work may at its discretion direct that the execution of the work may be committed to any contractor or any other agency authorized by the State Government for this purpose.

Market Committee Fund.

R2. (1) Save as provided in sub-section (2) all money received by a Market Committee shall be paid in to a fund to be called "The Market Committee Fund" and all expenditure incurred by the Market Committee under or for the purposes of this Act shall be defrayed out of the said fund. Any surplus remaining with the Market Committee after such expenditure has been met, shall be invested in such manner as may be prescribed.

(2) Any money received by the Market Committee by way of arbitration fee or as security for costs in arbitration proceedings relating to disputes or any other money received by the Committee by way of deposits, principal of interest due on such deposits of agricultural produce including livestock, or charges payable to market functionaries as required and such other money received by the Market Committee may be provided in the Rules or Bye-laws, shall not form part of Market Committee Fund, and shall be kept in such manner as may be prescribed.

(3) Save as otherwise provided in this Act, this amount to the credit of the Market Committee Fund and also other money received by the Market Committee shall be kept in a scheduled nationalized cooperative banks or in the nationalized banks or post office saving bank in or any other mode with the approval of the Managing Director.

Application of Market Committee Fund.

R3. (1) Subject to the provisions of Section 82, the Market Committee in order to discharge functions and perform duties entrusted to it under this Act, may use the Market Committee Fund. Without prejudice to generality of this provision the Market Committee Fund may be used for the following purposes, namely-

(i) The acquisition of a site or site for the market yard.
(ii) The establishment, maintenance and improvement of the market yard.
(iii) The construction and repairs of building necessary for the purpose of the market yard and for convenience or safety of the persons using the market yard.
(iv) The maintenance of standard weights and measures.
(v) The meeting of establishment charges including payment and contribution towards provident fund, pension and gratuity of the Officers and servants employed by a Market Committee.
(vi) Courts and advances to the employees of the Market Committee.
(vii) The payment of interest on the loans that may be raised for the purpose of development of the market yard(s) and other works as included in the work plan, and provisions of raising fund in respect of such loans.
(viii) The furnishing of information and dissemination of information relating to crop statistics and efficient marketing of agricultural produce and livestock.
(ix) Expenses incurred in auditing the account of the Market Committee.
(x) Payment of honorarium, travel allowance, sitting fee to Chairman and other Members accepting an ex-officio Member(s) of the Market Committee.
(xi) Contribution to Marketing Development Fund maintained by the Board and Revolving Marketing Development Fund maintained by Director.
(xii) Contribution to any scheme for development of agricultural marketing including transport & other logistics.
(xiii) To provide facilities for grading, standardization and quality certification services and activities incidental thereto.
(xiv) Payment of expenses on election under this Act in sequentias,
(xv) Incurring of all expenses on research, extension and training in development of marketing of agricultural produce including livestock.
(xvi) To incur expenses on promotion of pledge financing and managing credit.
(xvii) To create and promote on its own or through public private partnership infrastructure of post harvest handling of agricultural produce including livestock, cold storages, pre-cooling facilities, pack houses and all such infrastructure to develop modern marketing system.
(xviii) Any other purpose(s), connected with the marketing of agricultural produce including livestock under this Act wherein the expenditure of the Market Committee Fund is in the public interest subject to the prior sanction of the Managing Director.
CHAPTER IX

CONSTITUTION OF STATE AGRICULTURAL MARKETING BOARD

Establishment of the State Agricultural Marketing Board.

84. The State Government shall, for coordinating and undertaking the activities relating to development of markets and marketing infrastructure and services, and regulating the marketing of agricultural produce, appoint a State Agricultural Marketing Board and vest in it powers and perform such functions as are conferred or entrusted to it under this Act, establish and constitute the State Agricultural Marketing Board.

In corporation of Board.

85. The Board shall be a body corporate having perpetual succession and common seal and may sue and be sued in its corporate name and shall be competent to acquire and hold property both movable and immovable and to lease, sell or otherwise transfer any such property, to contract and to do all other things necessary for the purpose for which it is established.

Constitution of the State Agricultural Marketing Board.

86. The Board shall consist of a Chairman and such other Members as may be elected or appointed by the State Government.

Composition of the State Agricultural Marketing Board.

87. The composition of the Board shall be as follows:

1. Chairman—There shall be a Chairman of the Board of the rank of Agriculture Protection Commissioner, Commissioner and Secretary or Secretary to the Government of Meghalaya, Agriculture Department.

2. Members comprising Chairman of all Market Committees.

3. Other ex-officio members will be as follows:

(a) Prinicipal Secretary or Commissioners and Secretaries, Agriculture, Cooperation, Veterinary and Animal Husbandry, Community and Rural Development, Fisheries Departments.

(b) Agricultural Marketing Adviser to the govt. of India or his nominee not below the rank of Deputy Secretary to the Government of India.

(c) Representatives of the National Bank for agricultural and rural development not below the rank of Deputy General Manager.

(d) Managing Director, Meghalaya Cooperative Apex Bank Ltd.

(e) Registrar of Co-operative Societies.

(f) Director of Horticulture (a) Agricultural Marketing, Agriculture, Community Development, Fisheries, Animal Husbandry and Veterinary and Cooperation.

(g) Managing Director of State Marketing Board — Member Secretary.

Appointment of Managing Director, Officers and Servants of the Board.

88. (1) The Board shall have a Managing Director who shall be appointed by the State Government and he shall be the Chief Executive Officer of the Board.

(2) The Managing Director appointed under sub-section (1) shall also function as the ex-officio Secretary of the Board.

(3) The Board may appoint other Officers and servants as may be necessary for the efficient discharge of its duties and functions under this Act.

(4) The superintendence and control over all the Officers and servants of the Board shall vest in the Managing Director.

Term of Office of the non-official Members of the Board.

89. (1) The term of office of the non-official Members of the Board shall be for five years. However, the Members may hold their offices at the pleasure of the State Government.

Provided that the State Government may, if it thinks fit, remove any Member of the Board before the expiry of term of office.

(2) No person may be a Member of the Board exceeding two terms.

(3) The State Government may, on its own motion or on resolution passed by a majority of all Members and two-third of the Members of the Board present, remove a Chairman of the Board for misconduct or neglect of or in incapacity to perform his duties and on such removal he shall not be eligible to serve as a Chairman for a period of five years from the date of such removal.

Provided that no order of such removal shall be passed unless a reasonable opportunity to be heard has been given to the concerned.

Term of Office of Official Members.

90. (1) The tenure of an official Member of the Board shall come to an end as soon as he ceases to hold the office for which he was nominated.

(2) In the event of supersession of the Market Committee from where the Members(s) have been nominated on the Board, the concerned Member shall cease to be a Member on it.

Allowances to Members of the Board.

91. The Members of the Board other than an official Member shall be paid from the Marketing Development Fund for such sitting fee and allowances for attending its meetings and for attending to any other work as may be fixed by the State Government from time to time.

Filling of casual vacancy.

92. In the event of death or resignation or disqualification or removal of any Member of the Board or any vacancy arising otherwise before the expiry of his term of office, a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled, as soon as may be, by nomination by the State Government. The person so nominated shall hold such office for the unexpired term of his predecessor.
The Chairman and a Member of the Board may resign from respective post by tendering resignation to the State Government and the seat of such incumbent shall become vacant on the date of his resignation.

Provided that, a Member of the Board may resign from respective post by tendering his resignation to the State Government under intimation to the Chairman of the Board.

The person shall be a Member of the Board who-
(a) is or at any time has been, adjudged insolvent; or
(b) is, or has been convicted of an offence which, in the opinion of the State Government involves moral turpitude; or
(c) is of unsound mind and stands so declared by the competent court; or
(d) is a Director or Secretary, Manager or other salaried officer or employee of any company or firm having any contract with the Board or a Market Committee; or
(e) is, or at any time has been, found guilty under Section 158 and/or 125 of the Act; or
(f) has or showed, in the opinion of the State Government, his position as a Member, as to render his continuance on the Board detrimental to the interest of the general public.

The Board may appoint sub-committees consisting of three or more of its members which shall also include Chairman and the Managing Director, for the performance of any of its duties or functions or for giving advice on any matter incidental thereto and may delegate to such sub-committee any of its duties or functions as may be deemed necessary and, in the event of it being satisfied that the Board is not functioning properly, it may suspend the Board and, till such time as a new Board is constituted, make such arrangements for the exercise of the functions of the Board as it may think fit.

Provided that the Board shall be constituted within six months from the date of its suspension.

The Board shall, subject to the provisions of this Act, perform the following functions and shall have power to do such things as may be necessary or expedient for carrying out these functions:
(i) Coordination of the working of the Market Committees and other affairs thereof including programs undertaken by such Market Committees for the development of principal market yards, sub-market yards and market sub-yards; and also in delineated market areas.

(6) Undertakes State level planning of the development of agricultural produce including horticulture in principal market yards, sub-market yards and market sub-yards.

(7) Administers the State Horticulture Development Fund.

(8) Gives direction to the Market Committees in general or any Market Committee in particular with a view to ensuring improvement thereof.

(9) Any other functions specifically entrusted to it under this Act.

(10) Such other functions of like nature as may be entrusted to it by the State Government.

(2) Without prejudice to the generality of the foregoing provisions, such functions of the Board shall include:
(i) approval of the proposals for selection of new sites by the Market Committees for establishment of principal market yard or sub-market yard or market sub-yard;
(ii) approval of the proposals for constructing infrastructure facilities in the principal market yard, sub-market yard and market sub-yard; and also in delineated market areas;
(iii) supervision and guidance of the Market Committees in matters relating to the execution of the construction programme under taken by the Market Committees;
(iv) execution of all works chargeable to the Board’s account;
(v) maintenance of the accounts in such form as may be prescribed and get the same audited in such manner as may be laid down in the regulation of the Board;
(vi) publishing annually at the close of the year its progress report, balance sheet and statement of assets and liabilities; and send copies thereof to each member of the Board and the State Government;
(vii) set up separate Marketing Extension Cell in the Board for transfer of marketing technology and extension services. Board may also make necessary arrangements for awareness generation campaign on matters related to regulated marketing of an agricultural produce including livestock and development of marketing facilities therefor;
(viii) providing facilities for the training of officials and servants of the Board and assistance towards expenses for training personnel in agricultural marketing at all levels. Set up a Training cell with college or centres for training in agricultural marketing for various market functionalities, Market Committee members and farmers etc., in the State existing Board with necessary academic support from the Directorate of Marketing and Inspection of Government of India, a National level food grain agency;
(ix) provide facilities for binding of consignments to farmers or their groups through appropriate technology;
(x) help prepare budget for the ensuing year;
(xi) granting subsidies on loans to Market Committee for the purposes of this Act on such terms and conditions as the Board may determine;
(a) arranging or organizing seminars, workshops, exhibitions etc., on subjects related to agricultural marketing;
(b) doing such other things as may be of general interest to Market Committees or considered necessary for the efficient functioning of the Board;
(c) facilitating Market Committee in promoting grading and standardization of notified agricultural produce including horticulture, setting up of asaying labs and other infrastructure for on-line trading and activities incidental thereto;
(d) providing logistic support to promote on-line trading on-line to develop barrier market for notified agricultural produce including horticulture; and
(e) setting up an advisory committee with technical support of economists of Marketing and inspection to promote efficient marketing of notified agricultural produce and horticulture, including issues relating to grading, standardization, packaging, quality certifications, as may be prescribed.

Regulations 995. The board may, with the previous approval of the State Government, make regulations, not inconsistent with this Act and Rules made thereunder, for the administration of the affairs of the Board.

2. In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters:

(a) summoning and holding of meetings of the board, the time and date when such meetings are to be held, the conduct of business at such meetings and the number of persons necessary to form a quorum thereof;
(b) powers and duties of the officers and other employees of the Board;
(c) salaries and allowances and other conditions of service of officers and other employees of the Board and of officers of the Market Committees;
(d) management of the property of the Board;
(e) execution of contracts and assignments of property on behalf of the Board;
(f) maintenance of accounts and the preparation of balance sheet by the Board;
(g) procedure for carrying out the functions of the Board under this Act and;
(h) other matter for which provision is to be or may be made in regulation.

Marketing Development Fund 996. All money received by or on behalf of the Board shall be credited to a fund called “Marketing Development Fund.”

Parliamentary Inscriptions by the Board 1000. All payments incurred by the Board shall be deemed to have been incurred out of the “Marketing Development Fund.”

Contribution towards “Marketing Development Fund” 101. Every Market Committee shall pay to “Marketing Development Fund” maintained by Board in percentage up to twenty percent of its income derived from license fees and market fees, as may be prescribed, to meet the expenses of establishment of the Board and expenses incurred in execution of the functions assigned to the Board under this Act.

Borrowing by issue of bonds or stocks. 102. The Board may, for carrying out the provisions of this Act, borrow money from the State Government or may with the previous approval of the State Government-

(i) from any other agency or
(ii) from the debtor on the authority of any property vested in it under this Act or from its future income accruing to it under this Act, or the funds made thereunder:

Utilization of Marketing Development Fund maintained by the Board 103. (1) The Marketing Development Fund shall be utilized by the Board either on its own or through public private partnership for discharge of functions entrusted to the Board under this Act.

(2) Without prejudice to generality of this provision, the Marketing Development Fund may be utilized for the following purposes, namely:

(a) Payment of administrative expenses of the Board;
(b) Payment of travelling and other allowance to the Chairman and Members of the Board;
(c) Payment of legal expenses incurred by the Board;
(d) Gifting aid to financially weak Market Committees in the form of loan or grant for development purposes;
(e) Propaganda and publicity on matters relating to marketing of agricultural produce including horticulture;
(f) Training of the officers and staff of the Market Committees and Board and also to market functionaries and agriculturists;
(g) Organizing and arranging workshops, seminars, exhibition etc., on development of marketing;
(h) Promotion and construction of infrastructural facilities in the principal market port, sub-market port and market sub-port and in also commensurate market infrastructure facilities in the delineated market area.
(i) Undertaking skill development and paddy financing activities;
(j) Undertaking market survey and research, grading and standardization, quality assaying, quality certification of agricultural produce, on-line trading and other activities.
(k) Acquisition or construction or hiring by lease or otherwise of buildings or land for performing the duties of the Board.
(l) Internal audit of the Board and the Market Committees.
(m) Development of host bases and farmer-consumer markets for marketing of agricultural produce in the delineated market areas, and explore the possibility of developing such markets for
livestock also
and any other purpose, deemed necessary for execution of the
functions assigned to the Board under this Act or as directed by the
State Government.

Audit of accounts of the Board.

104. (1) The accounts of the Board shall be subject to audit under the State
Local Fund Audit Act or by a certified Chartered Accountant or by other
agency as the State Government deems fit.

(2) The Board may make arrangement for internal audit of accounts, as it
may deem fit.

(3) The annual accounts and balance sheet of the Board shall be prepared
by the Managing Director and all money accruing to or earned by the
Board from whatsoever source and all amounts disbursed or paid shall be
entered in the accounts.

(4) At the time of audit, the Managing Director shall cause to be prepared
all accounts, receipt, documents and other relevant papers which may be
called for by the audit officer for the purpose of the audit. An explanation
called for by such officer for the removal of any discrepancy shall be
immediately furnished by him.

(5) The accounts when audited shall be printed. The copies of accounts and
audit report with comments thereon shall be placed before the Board.

Delegation of powers.

105. (1) Subject to the provisions of this Act, the Board may by general or special
order, delegate to the Managing Director or Member Secretary or sub-
committee appointed by it or to any officer of the Board such of the powers
and duties under the Act, as it may deem fit.

(2) The Chairman or the Member Secretary of the Board may delegate its
power under this Act to any Officer of the Board.

Supervision and control of the Chairperson or
Chief Executive.

106. (1) The Chairperson of the Board shall preside over the meeting.

(2) Subject to the superintendence of the Board, the general control and
direction over all the offices and servants of the Board shall be vested
with the Chief Executive of the Board.

Functions and powers of the Managing Director.

107. The Managing Director shall:

(i) exercise supervision and control over officers and servants of the
Board in matters of executive administration, keeping accounts
and records and disposal of all questions relating to the service of
the employees as per procedure prescribed;

(ii) appoint officers and staff of the Board as per direction and
procedure prescribed by the Board;

(iii) incur expenditure from the Marketing Development Fund on the
sanctioned heads of work;

(iv) in case of emergency, direct the execution or stoppage of any work
and doing of any act which requires the sanction of the Board;

(v) prepare annual budget of the Board;

(vi) arrange for internal audit of the Board;

(vii) arrange for the meetings of the Board and maintain records of the
proceedings of the meetings of the Board as per procedure
prescribed;

(viii) take such steps as deemed necessary for execution of the decision
of the Board;

(ix) inspect the construction work undertaken by the Market
Committees either from their own funds or loans and/or grants
provided by the Board or any other agency and take corrective
measures;

(x) report, such acts either of the Market Committees or of the Board
which are contrary to the provisions laid down under this Act or
Rules and Bye-laws made thereunder, to the State Government;

(xi) take such steps as deemed necessary for effective discharge of the
functions of the Board.

Conduct of business of the Board.

108. (1) The Board shall meet for the transaction of its business at least once in
every three months at such a place and at such times as the Chairman may
determine.

(2) Save as otherwise provided in sub-section (1) the provisions of chapter
II shall mutatis mutandis apply for the conduct of the business of the
Board.

(3) All proceedings of the Board shall be authenticated by the signature of
the Chairperson, Member Secretary/Managing Director and all other
officers or other instruments issued by the Board shall be authenticated by
the signature of the Chairperson, Member Secretary/Managing Director or
such other officer of the Board as may be authorised in this behalf by
regulation.

The Board shall conduct the business in a manner prescribed under the
Rules.

Powers of Chairman of the Board.

109. The Chairman of the Board shall exercise such powers as may be
prescribed.
CHAPTER IX
APPOINTMENT OF DIRECTOR AND ITS POWER AND FUNCTIONS

Appointment of Director 136. The State Government may, by notification, appoint an Officer to exercise or perform some or all of the powers or functions of the Director of Agricultural Marketing under the provisions of this Act and the Rules made thereunder.

Provided that Director of Agricultural Marketing shall not concurrently hold the office of Managing Director of the Board.

Power and functions of the Director of Agricultural Marketing 137. (1) Subject to the provisions of this Act, the Director may exercise such powers and perform such functions other than those prescribed for the Managing Director of the Board under this Act, which would enable proper execution of the provisions of this Act. The State Government may delegate any or all the regulatory powers vested in it under the Act or Rules to the Director.

(2) In particular and without prejudice to the generality of the provisions of the section 136, the functions of the Director may include-

(i) grant or renewal, and suspension or cancellation of license granted to the person for establishing and/or operating private market yards, sub-market yards, etc., trading platforms, direct marketing and
(ii) grant or renewal and suspension or cancellation of unified single trading license for the Market.

Resolving Marketing Development Fund 138. (1) The Director shall maintain a separate "Marketing Development Fund" to account the receipt realized as contribution from members of private market yards, sub-market yards, trading platform, direct marketing and from such other contribution including Market Committee.

(2) Every Market Committee shall contribute five percent of its income

(iii) block listing the operation of inter-state trading licence within the State jurisdiction issued by another State.

(iv) supervision on the Market Committees for effective execution of provisions of the act and rules made thereunder relating to transaction of agricultural produce including foresee taking place in the principal market yard, sub-market yard and market sub- yards;

(v) enforcement of regulation in the delineated market areas;

(vi) launch of prosecution for committing the violation(s) of the Act and Rules made thereunder;

(vii) suggestion to the State Government for undertaking amendments to the Act and Rules for effective execution of the Objectives of the Act;

(viii) approval of the bye-laws framed by the Market Committee under this Act and Rules;

(ix) identifying person(s) or organization for conducting the audit of accounts of the Market Committee and Board.

(x) computing the approval of the budget of the Market Committee;

(xi) accord sanction to the creation of post of officers and staff of the Market Committee;

(xii) appointment and transfer of the personnel of the State Agricultural Marketing services, if any, and act as the cadre controlling authority for them;

(xiii) taking steps for timely and proper conduct of the elections of the Market Committee and Board and activities connected thereto;

(xiv) acceptance of resignation of the Chairman of the Market Committee;

(xv) to act as dispute resolution authority for the licensees of private market yard, farmer-consumer market yard, private market yard, sub-market yard, electronic platform and direct marketing and holder of single unified licence and inter-state trading licence;

(xvi) to act as appellate authority from any person aggrieved by an order passed by the Market Committee;

(xvii) approval of the resolution passed by the Market Committee;

(xviii) removal of Chairman or members(s) of the Market Committee in the manner as may be prescribed; and

(xix) to inspect issue to be requested accounts and offices of the Market Committee, if so required.
demned from licence fees and market fees, as may be prescribed, to “Developing Marketing Development Fund” maintained by Director.

133. (1) The Director will, in addition to the powers conferred by this Act, have powers to do any acts, to make, any rules and to appoint any person to perform the function of the Director.

(2) The Director, to discharge such duties and perform such functions as may be conferred on him by law, shall have powers and shall be deemed to be public servants for the purposes of the law for the time being in force for regulation of public servants.

134. (1) Any person who contravenes any provision of this Act, or of any rule or bye-law made thereunder, shall be punishable with simple imprisonment for a term which may extend to six months or with fine which may extend to five thousand rupees or with both.

(2) Provided that in the case of a continuing contravention of the provisions of section 134, he shall be liable to be punished with a fine which may extend to two hundred rupees for every day during which the contravention is continued after the first conviction.

135. Whenever any person is convicted of any offence punishable under this Act, the Magistrate shall, in addition to any fine which may be imposed, receive security and pay over to the State Committee, the amount of fines or any other sum which has been paid or which is payable as penalty or any sum which has been paid or which is payable for the contravention of any of the provisions of this Act or of any rule of the bye-laws made thereunder or in any of the bye-laws, and in his discretion, also recover and pay over to the State Committee, costs of the prosecution.

CHAPTER XI

PENALTIES

7. No court shall take cognizance of any offence punishable under this Act, or of any rules or the bye-laws made thereunder, except on the complaint made by the Director or Office authorized in this behalf by the Chairman, Secretary of the Market Committee or any person duly authorized by the Market Committee in this behalf.

CHAPTER XII

CONTROL

137. (1) On his own motion, the Managing Director or any Officer authorized by him, may:

(a) inspect the account and statements of Market Committee;

(b) call for any return, statement, accounts or report which he may think fit to require such committee to furnish,

(c) require the attendance of any person, or any evidence or any book or document relating to the business of the Market Committee, or

(d) require the return of any book or document relating to the business of the Market Committee, or

(e) make written reply to him within a reasonable time stating the reason for doing or not doing such thing.

(2) When the affairs of a Market Committee are investigated under this section or in the proceedings of any Market Committee are examined by the Managing Director under Section 134, the Chairman, Secretary and all other Officers and Members of such Committee shall submit a report to the Managing Director for examination.

(3) The report of the Chairman and members of the Market Committee shall be submitted to the Chairman of the Market Committee and the Managing Director by the end of the next session after the expiry of the term of the previous session.

5. (a) Any person who contravenes any provision of this Act, or of any rule or bye-law made thereunder, shall be punishable with simple imprisonment which may extend to six months or with fine which may extend to five thousand rupees or with both.

(b) Provided that in the case of a continuing contravention of the provisions of section 134, he shall be liable to be punished with a fine which may extend to two hundred rupees for every day during which the contravention is continued after the first conviction.

(c) Whenever any person is convicted of any offence punishable under this Act, the Magistrate shall, in addition to any fine which may be imposed, receive security and pay over to the State Committee, the amount of fines or any other sum which has been paid or which is payable as penalty or any sum which has been paid or which is payable for the contravention of any of the provisions of this Act or of any rule of the bye-laws made thereunder or in any of the bye-laws, and in his discretion, also recover and pay over to the State Committee, costs of the prosecution.
and records of a Market Committee are likely to be tampered with or destroyed or the funds or property of a Market Committee and liable to be misappropriated or misapplied, the Managing Director may issue order directing a person duly authorized to be in writing to seize and take possession of such books and records, funds and property of the Market Committee and the (Officer) of the Market Committee responsible for the custody of such books, records, funds and property shall give delivery thereof to the person so authorized.

Powers of the Director to remove Chairman or a Member of the Market Committee:

138. (1) The Director may remove Chairman in consultation with the State Government and Members of Market Committee in consultation with the Chairman and Members of the Market Committee, if:
(a) has been guilty of misconduct or gross negligence of duty as Chairman or Member;
(b) is not to hold the qualifications necessary for being a Chairman or Member.

(2) No order of removal under sub-section (1) shall be passed unless the person concerned has been given reasonable opportunity of being heard in respect of the allegations made against him.

(3) The Director may suspend any Chairman or a Member of a Market Committee in the manner and for reasons similar to subsection (1), who has been served with notice under sub-section (1) or sub-section (2) as the case may be, and against whom a complaint has been received or who commits irregularities after the service of such notice, for period from the date of receipt of complaint or the date of notice of irregularities by the Director to the first decision taken in his case.

Supervision of Board:

139. Where the State Government is of the opinion that the Board has failed in the performance of its functions or discharge of its duties or has exceeded or abused the powers conferred on it by or under this Act, it may, by notification in the Gazette, supersede the Market Committee.

Provided that no order of supervision shall be passed unless the State Government gives to the Board a reasonable opportunity of being heard in respect of the allegations made against it.

Supervision of the Market Committee:

140. Where the Director, on his own motion or after considering the submission of the Managing Director, is of the opinion that a Market Committee has failed in the performance of its functions or discharge of its duties or has exceeded or abused the powers conferred on it by or under this Act, the Director may, on prior consultation with the State Government, by notification in the Gazette, supersede the Market Committee.

Provided that no order of supervision shall be passed unless the Director has given a reasonable opportunity to the Market Committee of being heard in respect of the allegations made against it.

Consequence of supervision of Market Committee:

141. Upon publication of the notification superseding a Market Committee under Section 139, the following consequences shall ensue:

(i) The Chairman and all the Members of the Market Committee, as with effect from the date of publication of the notification, be deemed to have vacated their offices.

[i] The State Government or the Director shall direct that the steps be taken for constitution of a new Market Committee under Section 17 and 18 and as a new Market Committee under Section 17 is constituted or finally held, the Director or retiring Director shall make such arrangements for carrying out the functions of the Market Committee as it may deem fit for the period not exceeding six months and may, for that purpose, direct that all the functions, powers and duties of the Market Committee and the Chairman, under this Act, shall be performed, exercised and discharged by such person or authority as the Director may appoint in this behalf and such person or authority shall be deemed to be the Market Committee or Chairman, as the case may be.

Consequence of suspension of Board:

142. Upon publication of the notification superseding a Board under Section 139, the following consequences shall ensue:

(i) The Chairman and all the Members of the Board shall, as with effect from the date of publication of the notification, be deemed to have vacated their offices.

[i] The State Government shall direct that steps be taken for constitution of a new Board under this Act and fill such time as a new Board under Section 65 is constituted or finally held, the State Government shall make such arrangements for carrying out the functions of the Board as it may deem fit, for the period not exceeding six months and may, for that purpose, direct that all the functions, powers and duties of the Board and the Chairman, under this Act, shall be performed, exercised and discharged by such person or authority as the State Government, may appoint in this behalf and such person or authority shall be deemed to be the Board or Chairman, as the case may be.

Power of Director to direct Market Committee for amending the law:

143. (1) If it appears to the Director, that it is necessary or expedient in the Interest of agricultural marketing to make any (law or laws) or in amend any existing (law or laws), he may, by order, direct the Market Committee concerned to make such law or amend existing law(s) within such time as he may specify in such order:
Provided further that no such order shall be passed under sub-section (1) without giving a reasonable opportunity of being heard to the parties affected thereby.

(2) The State Government, may suspend the execution of the decision taken on order passed by the Market Committee, Director or Managing Director, pending exercise of its powers under sub-section (1).

Liability of Chairman, Members and employees for loss, waste or misappropriation etc.

126. (1) If in the course of enquiry or inspection under Section 117 or in the course of audit under this Act, it is found that any person who is or was entrusted with the management of Market Committee or any deceased, past or present Chairman, Member, Officer in charge of Market Committee, or any other officer or employee of Market Committee or an Officer of the State Government has made or directed by assenting or consenting or participating in an affirmation of any or any proceeding related thereto, any payment or application of any money or other property belonging to, or under the control of such committee to any purpose contrary to the provisions of this Act or Rules or by his deeds made thereunder or has caused any or all by gross negligence or misconduct has misappropriated or fraudulently received any money other property belonging to the Market Committee, the Director or Managing Director may, on his own motion or on the application of the Market Committee, require himself or any officer subordinate to him duly authorised by him by or on its behalf to investigate in the conduct of such person within two years from the date of report of audit, enquiry or inspection as the case may be.

(2) If on enquiry made under sub-section (1), the Director or Managing Director is satisfied that there are good grounds for an order thereunder, he may, if in his opinion the case so requires, direct the person or authority, under whose immediate charge the person, to ensure that the person is placed as the case may be

Provided that no order under this sub-section shall be made unless the person concerned has been given a reasonable opportunity of being heard in the matter.

Provided further that the liability of a legal representative of the deceased shall be to the extent of the property of the deceased which is inherited by such legal representative.

(2) Any person aggrieved by an order made under sub-section (1) may within thirty days from the date of communication of the order to him, appeal to the State Government and the Order of the State government shall be final and binding.

Provided that in computing the period of limitation the time required for obtaining a copy of the order appealed against shall be excluded.
(6) No order passed under subsection (1) or sub-section (3) shall be called in question in any Court of Law.

(7) Any order made under sub-section (1) or sub-section (3) shall, on the application of the Director or Managing Director, bereft of any Debts or having local jurisdiction in the same manner as if it were a decree of such Court, or any sum directed to be paid by such Order may be recovered as a sum of land revenue.

Power of the State Government to amend schedule.

127. The State Government may, by notification, add to or amend or delete any of the items of agricultural produce and livestock specified in the Schedule and thereupon the schedule shall be deemed to have been amended accordingly:

Provided that no notification shall be issued under this section without publishing in the Gazette previous notices of not less than thirty days as the State Government may consider reasonable of its intention to issue such notification.

Power of the State Government to give direction.

128. (1) The State Government may give directions to the Board and Market Committee.

(2) The Board and the Market Committees shall be bound to comply with the directions issued by the State Government under subsection (1).

Recovery of sums due to Board or Market Committee.

126. Any sum due to a Market Committee or the Board on account of any charge, costs, expenses, fees, rent and any other account under the provision of this Act or any Rule or Bye laws made thereunder shall be recoverable in the same manner as arrears of land revenue.

Chairman, Members, Officer and Servants etc of Market Committee and Board to be public servants.

130. The Chairman, the Members, Secretary, other Officers and servants of a Market Committee and the Chairman, the Members, the Officers and other servants of the Board shall be deemed to be public servants within the meaning of Section 21 of the Indian Penal Code, 1860 (No. 45 of 1860).

Delegation of power by State Government.

121. (1) The State Government may delegate to the Board or any Officer of the State Government not below the rank of Deputy Director in the State.

(2) The Officer so delegated under this section may sub-delegate any of his powers to any Officer of the State Government not below the rank of Deputy Director in the State.

Bar to suit & protection to person acting in good faith.

132. No suit, prosecution or proceeding in respect of anything done in good faith or intended to be done under this Act or Rule or Bye laws made thereunder, shall be against the Director or Managing Director or Officer of the State Government or against the Board or any Market Committee or against any officer or servant of the Board or any Market Committee or against any person acting under and in accordance with the directions of the Director or Managing director, such officer, or such committee.

Bar to suit in absence of notice.

133. Notwithstanding anything contained in any section of any Act, no suit shall be instituted against the Board or any Market Committee, until the expiration of two months from after notice in writing stating the cause of action, name and place of abode of the intending plaintiff. Dated such suit shall be dismissed unless it is instituted within six months from the date of the accrual of the alleged cause of action.

Duty to local Authority to give information and assistance.

124. (1) It shall be the duty of every local Authority to give all the necessary information to the possession of or under the control of its officers to the Market Committee or its officers authorized in that behalf relating to the movement of notified agricultural produce in or out of the area of the local authority, free of any charges.

(2) It shall also be the duty of every local Authority and its officers and staff concerned with the Collecting of levies, fines, taxes, etc., to give all the possible assistance to any officer of the Market Committee in exercising his powers and discharging his duties under this Act.

Act not to be invalidated by informality, vacancy etc.

135. No act done or proceeding taken under this Act by the Board, by a Market Committee or a sub-committee appointed by the Board shall be invalidated merely on the ground of

(i) any vacancy or defect in the constitution of Board or sub-committee,

(ii) the validity, or otherwise, in the appointment of a person acting as a member thereof, or

(iii) any defect or irregularity in such Act or proceeding, not affecting the substance.

CHAPTER XIII

RULES AND BYE-LAWS

Power to make Rules

130. (1) The State Government may, after previous publication, make Rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such Rules may provide for

(i) declaration of “Special Commodity Market Yard(s)” and “Market Yard(s) of National Importance” (SMY) based on annual throughput and income and infrastructure under Section 8 and 9 respectively and constitution of Market Committee therefor;

(ii) classification of Market Committee based on annual throughput and income and infrastructure under Section 10 (5).
(a) procedure for constitution of the first Market Committee and subsequent Market Committees, including qualifications of representatives under Section 31(1);
(b) election for Chairman, Vice-Chairman, agricultural Members and other Members of the Market Committee and reservation of seats hereof;
(c) meeting of Market Committee, terms of Chairman, quorum and powers and duties of Market Committee;
(d) appointment of sub-committees and delegation of powers under Section 42, mode of making contract under Section 48 and appointment of Secretary of Market Committee under Section 50;
(e) the periodical inspection of all weights and measures and the weighing and measuring instruments in use in markets and
(f) powers, functions and duties of the Secretary of Market Committee under Section 51, appointment of accountant and staff of Market Committee, their pay, allowances and pension etc.;
(g) fixation of quantity of goods under clause (a) of sub-section (2) of Section 64;
(h) the procedure for recovery of market fees, fine for evasion of market fees and manner for assessment of market fees in default of furnishing return;
(i) procedure for grant or renewal and suspension or cancellation of license to market functionaries, other than traders, under Section 66;
(j) procedure for grant/renewal and suspension/cancellation of unified single trading license for interstate trade under Section 73 and its bi-annual;

(a) procedure for grant or renewal of licenses to set up private market yard, human-consumer market yard, market sub- yard, electronic trading platform and for direct marketing and suspension/cancellation thereof;
(b) procedure and condition for registration of wholesale arachic buyers;
(c) procedure and terms and conditions for declaring warehouse, silos, cold storage or other such structures or space as market sub-
yard;
(d) the procedure for the persons by which and the forms in which copies of documents and entries in the books of the Market Committee may be certified and the charge to be levied for the same of such copies;
(e) the trade allowance which may be made or received by any person in any transaction in the notified agricultural produce in a
market yard;
(f) manner of dispute settlement between or among the licensees and between/camong the licensees and Market Committee;
(g) facilities for the settlement of any dispute between a buyer and seller of notified agricultural produce and his contractors or their
agents, including disputes regarding the quality or weight of the
articles, payment in respect of the price of goods sold and the allowance for wrapping, containers, box, boxes or inclusions or deductions for any cause by mediation, arbitration or otherwise;
(h) the proportion of stocks and estimates for works prepared to be constructed partly or wholly at the expense of the Market
Committee, and the grant of sanction to such plans and estimates;
(i) the form in which the accounts of a Market Committee shall
be kept, the audit and publication of such audit and the inspection of audit and memoranda of the accounts and books of such
committee;
(j) the preparation and submission for sanction of the annual
budget and the report and returns to be furnished by a Market Committee and issues related to maintenance of accounts of Board
under Section 67(2)(v);
(k) the time during which and the manner in which a trader or
conversion agent shall furnish such returns to a Market Committee;
(l) procedure for setting up of assaying labs including in private
sector and preparation of quality certification system. Constitution of Committee with technical member of Directorates of Marketing & Inspection to promote quality certification system;
(m) provide necessary infrastructure and logistic support for e-
trading platform;
(n) the keeping of records of arrivals and prices of agricultural produce by Market Committees and other licensees;
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[2] market financiers, other than traders, who shall be required to take licenses;

[3] enabling and regulating provisions relating to e-trading and ancillary and services/intermediary services;

[4] any other matters for which the rules are to be made under this Act or it may be necessary to frame Bye-laws for effectively implementing the provisions of this Act and the rules made thereunder.

(3) No Bye-laws under sub-section (2) shall take effect until it has been confirmed by the Director or Managing Director.

(4) In making any Bye-laws, the Market Committee may direct that a breach thereof shall be punishable with fine which may extend to two thousand rupees and where the breach is a continuing one with further fine which may extend to two hundred rupees for each day after the first during which the breach is provided to have been persisted.

CHAPTER IV

REPEAL AND SAVING

Repeal and savings. 138. (1) The Meghalaya State Agricultural Produce Marketing (Regulation) Act 1980 is hereby repealed.

(2) Notwithstanding such repeal—

(i) The repeal shall not affect the previous operation of any enactment so repealed, and anything done or action taken including any appointment, delegation or reservation made, notification, under Rule, direction or notice issued, Bye-laws framed, market area, markets, sub-markets and quarantine, licence granted, loss incurred and collected, instruments executed, any fund established or constituted by or under the provisions of any such enactment shall in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act and shall continue in force until and until superseded by anything done or any action taken under this Act.

(3) The State Government may, by notification, make such provisions as—

(i) for making amendment to, addition to and adaptations of the Bye-laws, notifications and orders issued under the repealed enactment and

(ii) for specifying the authority, officer or person who shall be competent to exercise such functions exercisable under any of the repealed enactment or any rules, notifications and orders issued thereunder as may be mentioned in the said notification.
(ii) Unless the State Government otherwise directs, the Market Committee referred to in clause (i) and the Chairman and members thereof shall continue until the expiry of their term under the repealed Act or till a Market Committee is constituted in accordance with the provisions of this Act, whichever is earlier.

(iii) The issue of a direction under clause (ii) of sub-section (ii), the provisions of Section shall apply as from the date specified in the direction as if the Market Committee stood dissolved on that date.

130. If any difficulty arises in the implementation of any provisions of this Act, the Governor, in his or her discretion, may, by order not inconsistent with the provisions of this Act, do anything which appears to him or her to be necessary or expedient for the purpose of removing the difficulty.

STATEMENT OF OBJECTS AND REASONS

Agriculture like any other enterprise can sustain, only when it can generate net positive returns to the producer. A market is a place, where a produce is transacted and price per unit is determined, resulting in the total value that a farmer-producer fetches. Thus, value returns improves upon a farmer’s income, agricultural markets and marketing efficiency become critical. In the light of the Government’s vision to double farmers’ incomes by 2022, it entails an urgent need to revisit the existing market structure of the country and bring in a more competitive marketing environment.

This combined with improved levels of productivity and reduced cost of cultivation/production can drive agricultural growth, farmers’ welfare, productive employment and economic prosperity in rural areas of the country. Organized wholesale marketing of the country is promoted through a network of regulated markets set up under the provisions of the Agricultural Produce Marketing (Regulation) Act. These market structures aimed at regulation and attainment of transparency in transactions, with a view to transmitting remunerative prices to the farmer-producer. Overtime, however, these markets have largely been rendered restrictive and monopolistic, failing well below the intended objectives. Further, the existing regulatory framework does not support free flow of agricultural produce and direct interface of farmers with the processors/exporters/bulk buyers/end users, and in sequel has led to a large number of intermediaries who may or may not be adding any value along the value chain. This is neither advantageous to the farmers nor serves well the interests of the consumers. The profile of India’s farm produce is changing. It is getting more cosmopolitan with higher levels of outputs in the domain of horticulture, dairying, poultry and fisheries, besides of course increasing quantity of cereals, pulses and oilseeds. Since the onset of economic liberalization of the country in 1991, that nation has also been experiencing sizable changes in its transport and communication infrastructure besides penetration of internet and smart phones in the rural areas and greater technology friendlyness amongst the youth, who dominate the demographic. With increasing purchasing power, mobility and changes in tastes and preferences, the consumers abetted by greater information and awareness are beginning to demand quality and differentiated products at rational prices. The restrictive and monopoly-centric agricultural market structure as exists in the country today is not capable of permitting the producers to harvest the economic advantages of place, time and form of their agricultural commodity.

2. These constraints can be overcome by replacing the current market structure and its regulatory framework by a more liberal and progressive law that allows free competition, promotes transparency, facilitates flow of commodities across space and time and encourages operation of multiple marketing channels by market players. What is needed is a barrier-free unified agricultural market for the country. The structure of indian agriculture is changing and the sector is diversifying around cereals, pulses, obloed, commercial crops like cotton, horticultural crops, livestock, fisheries, poultry etc. It is, therefore, appreciated that a re-worked and comprehensive Act is adopted, that is promotional and facilitative in unifying the fragmented markets. What also needs to be appreciated is that pecuniary amendments leading to patchy improvements will not serve the purpose of a growing Indian economy. The nation’s economy is more integrated with the global economy, than any time before. The provisions of the Model APMC Act, 2003 and Rules 2007, therefore, need a comprehensive overhaul.
3. While the Model Act, 2003 and Rules, 2007 have contributed substantially over the last 14 years in opening the shut doors to alternate marketing channels, many short comings were visible, as the Union Government set out to operationalize electronic National Agricultural Market (e-NAM) in 2015. The Ministry's constant interaction with the States and UTs and a review with them at the NIT-Raipur level recognised the need for a Model Act, that can serve as a template to enact new legislation and engender comprehensive market reforms in the agriculture sector. Following this, the Department of Agriculture, Co-operation & Farmers’ Welfare in the Ministry of Agriculture & Farmers’ Welfare constituted a Committee on Marketing Reforms on 17th August, 2016 under the Chairmanship of Dr. Ashok Dwari, Addl. Secretary in the Department.

4. In view of the above, the Committee has found it appropriate to formulate "The Meghalaya State Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2020" as a Model APMC Act encompassing a host of reforms that addresses the diverse and complex segments of a large sector like Agriculture. If States adopt this Model, it has definite potential of becoming a game changer in agricultural marketing scene. The salient features of the Model APMC Act, 2020 are:

(i) Abolition of fragmentation of market within the State by removing the concept of notified market area in so far as enforcement of regulation by Agricultural Produce and Livestock Market Committee (APLMC) is concerned (State level single market).
(ii) Full democratization of Market Committee and State Marketing Board.
(iii) De-intermediation of food supply chain by integration of farmers with processors, exporters, bulk-retailers and consumers.
(iv) Clear demarcation of the powers and functions between Director of Agricultural Marketing and Managing Director of State Agricultural Marketing Board with the objective that the former will have to largely carry out regulatory functions, while the latter will be mandated with developmental responsibilities under the Act.
(v) Creation of a conducive environment for setting up and operating private wholesale market yards and farmer consumer market yards, so as to enhance competition among different markets and market players for the farmer’s produce, to the advantage of the latter.
(vi) Promotion of direct interface between farmers and processors/exporters/bulk buyers/end users so as to reduce the price spread bringing advantage to both the producers & the consumers.
(vii) Enabling declaration of warehouses/stock/cool storages and other structures/structure or space as market sub-yards to provide better market access/market linkages to the farmers.
(viii) Giving freedom to the agriculturists to sell their produce to the buyers and at the place & time of their choice, to whomsoever and wherever they get better prices.
(ix) Promotion of e-trading to enhance transparency in trade operations and integration of markets across paragraphs.
(x) Provisions for single point levy of market fee across the State and unified single trading licence to realise cost-effective transactions.

(ii) Rationalization of market fee & commission charges.
(iii) Provision for Special Commodities Market yard(s) and Market yard(s) of National Importance (NII).
(iv) Providing a level playing field to the licensees of private market yard, private market sub-yard, electronic trading and direct marketing via e-NAM, the APMCAct and removing the conflict of interest that the latter are likely to practise, if both development and regulatory functions are centered in the same authority.

Hence, this Bill.

BANTEDEO DHINGRAH, Minister, Agriculture Department.

ANDREW SIMONGS, Commissioner & Secretary, Meghalaya Legislative Assembly.

FINANCIAL MEMORANDUM

There will be no additional expenditure involved from the Consolidated Fund of the State of Meghalaya for implementation of the provisions of the Bill.