

DRAFT MODEL RULES

The State
Agricultural Produce Marketing
(Development and Regulation)
Rules, 2007

The ----- State Agricultural Produce Marketing (Development and Regulation) Rules, 2007

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(DRAFT MODEL RULES)

**The _____ State
Agricultural Produce Marketing (Development
And Regulation) Rules, 2007**

In exercise of the powers conferred by Section 109 of the _____ State Agricultural Produce Marketing (Development and Regulation) Act, _____, and in supersession of all the Rules on the subject made under the Act repealed by Section 111 of the said Act, the Government of _____ hereby makes the following Rules, for carrying out the purposes of the Act , and same are hereby published in the State Gazette for the information of General Public as required under Sub-section(1) of Section 109 of the said Act.

Chapter I

Preliminary

1. Short title, extent and commencement

- (i) These Rules may be called “The _____ State Agricultural Produce Marketing (Development and Regulation) Rules, 2007.”
- (ii) It shall extend to the whole of -----State.
- (iii) It shall come into force on such date as the State Government may notify.

2. Definitions

- (i) In these Rules, unless the context otherwise requires
 - (a) “**Act**” means “The _____ State Agricultural Produce Marketing (Development and Regulation) Act, 2003.
 - (b) “**Agreement Recording Authority**” means any Authority Designated by the State Government who shall record the contract farming agreement entered between the Contract Farming Sponsor and the Contract Farming Producer.
 - (c) “**Assessing Authority**” means the Secretary of Market Committee, while it shall be Director/Managing Director in case of private market, including E- market, direct purchase from agriculturist farmer, Consumer / Farmer Market and contract farming.
 - (d) “**Broker**” means an agent whose ordinary course of business is to negotiate and make contracts on payments of brokerage for purchase or sale of notified agricultural produce or livestock or products of livestock on behalf of his principal but does not include a servant of such principal whether engaged in negotiating or making such

contracts.

- (e) **“Form”** means a form appended to these Rules.
- (f) **“Forwarding Agent”** means a person or a group of persons of local grower-cum-traders or a transporter who, in consideration of commission, consolidates the agricultural produce from the producers in the market area and makes transport arrangement to forward the consolidated produce to commission agents, buyers, traders in the markets within or outside the State for sale.
- (g) **“Incidental Charges”** means the charges payable by the seller in lieu of the services rendered in connection with the handling of agricultural produce prior to the finalization of the bid at auction, such as unloading, stacking, cleaning and dressing charges and shall also include remuneration for weighing of agricultural produce before the finalization of bids at the auction or negotiation.
- (h) **“Licensing Authority”** means the authority to which an application for grant and/or renewal of licence is made under Section 45, 46 and 47 of the Act.
- (i) **“Office of Market Committee”** means the place where the headquarters of Market Committee is located.
- (j) **“Private Market”** means a Market for all or any of the kinds of Agricultural Produce specified in the notification issued under Section 3 of the Act, including an E-market managed by a person other than a Market Committee.
- (k) **“Registration Authority”** means an authority competent under Section 38 and 44 of the Act to register market functionaries.
- (l) **“Registration holder”** means a person holding a Registration Certificate issued under these Rules.
- (m) **“Secretary”** means the Secretary / Chief Executive Officer of an Agricultural Produce Market Committee.
- (n) **“Section”** means a Section of the Act.
- (o) **“Sponsor Registering Authority”** means any Authority Designated by the State Government for registering Contract Farming Sponsor.
- (ii) Words and expressions used in the Act and not defined in these Rules shall have the same meaning as assigned to them in the Act.

Chapter II

Publication, Etc., of Notifications Relating to Notified Areas

3. Manner of Publication of Notifications

- (1) Every notification under Section 3 declaring a notified area or excluding therefrom or including therein any area shall be published in the State Gazette.
- (2) Copies of such notification may be
 - (a) published in the Village Supplement of the District Gazette, if any, in the District concerned.
 - (b) displayed, by affixture in a conspicuous position, in the office of the Municipality, Zilla Parishad, Panchayat Samiti, and Gram Panchayat, / Village Panchayat of the village within whose jurisdiction, the area specified in such notification or any part thereof is situated.
- (3) No notification under Section 3 published in the State Gazette, shall deem to be invalid by reason only of the fact that copies thereof have not been published or displayed as provided in Sub-rule (2) above.

4. Upkeep of Copy of Act, Rules and Bye-laws

Market Committee shall keep a copy of the Act, and of the Rules and notifications made or issued thereunder and of its Bye-laws, open to inspection at its office free of charge.

Chapter III
Appointments, Composition and Elections to Market Committee

5. Appointment and Composition of Market Committee under Section 13 and Section 14(1) of the Act

- (1) Every Market Committee shall consist of the number of members as provided under Section 14 of the Act. However, at the time of formation of New Market Committee, State Government/Director/Managing Director shall appoint the Officer-Incharge or Market Committee-Incharge for a period of 2 years for its management.
- (2) Before the expiry of the period of 2 years of the Officer In-charge/Market Committee in-charge as provided under Sub-rule 1 above, the elections for the constitution of Market Committee shall be held as provided under Rule 6.
- (3) In addition to the conditions prescribed under Clause (i) Sub-section (1) of Section 14 a candidate for membership of Market Committee should possess following qualifications:
 - (i) He/She should be grower of agricultural produce, owner of livestock and livestock product in the notified area, for Agriculturist Constituency;
 - (ii) He/She should be ordinarily resident within the State of _____;
 - (iii) He/She should have attained the age of 18 years;
 - (iv) He/She should be of sound mind; and
 - (v) He/She has not been declared as insolvent or sentenced by criminal court, whether within or outside the State for an offence involving morale turpitude.

6. Election to Market Committee

(1) Fixation of date of election

Wherever a general election to a Market Committee or a Bye-election under Section 14 is to be held, the Director/Managing Director shall, by an order in writing, fix a date of such election and publish such order by affixing a copy thereof in the office of Market Committee and at a conspicuous place in the principal market yard in the market area. The Director/Managing Director in the said order may authorize an officer to work as an Election Officer.

The Election Officer shall draw and publish the Election Program of Market Committee giving details of various stages of election with the prior approval of Director/ Managing Director in the local News papers and display the same on the Notice Board of the concerned Market Committee and his office.

(2) Different list of Voters

For the purposes of Section 14 of the Act, there shall be in respect of a Market Committee three separate lists of voters as follows,

- (i) under Clause (i) of Sub-section (1) of Section 14 of the Act, a list of members of Managing Committees of Primary Agricultural Co-operative Societies and members of village Panchayats including Sarpanch, in the market area;
- (ii) under Clause (ii) of Sub-section (1) of Section 14, of the Act, a list of traders holding Licences/Registration in the market area; and
- (iii) under Clause (iii) of Sub-section (1) of Section 14 of the Act, a list of members of Managing Committees of Co-operative Marketing Societies situated in the market area.

(3) Persons qualified to vote

A person whose name is entered in a list of voters shall be qualified to vote at an election to which the list of voters relates, unless he has ceased to hold the capacity in which his name was entered in such list.

(4) Preparation of list of voters for general election

Whenever general election to a Market Committee is to be held:

- (i) the Director, Panchayati Raj /Local Self Government concerned shall furnish the full names of Sarpanch / members of Gram Panchayats in the market area with place of residence of each Sarpanch/member;
- (ii) every Primary Agricultural Co-operative Society in the market area shall communicate the full names of the members of its Managing Committee together with the place of residence of each member;
- (iii) Market Committee shall communicate the full names of the traders holding Licence / Registration in the market area together with the place of residence of each such traders; and
- (iv) every Co-operative Marketing Society shall communicate the full names of the members of its Managing Committee together with the place of residence of each such

member to the authorized Officer/Election Officer before such date as the Director/Managing Director may by order fix in that behalf.

Provided that the date to be so fixed shall not be later than sixty days before the date of the general election.

- (v) The Authorized Officer shall within seven days from the date fixed under Sub-rule (1) of Rule 6 cause to be prepared the lists of voters as required by Rule 5 on the basis of the information received under Sub-rule (1) of Rule 6 and, if necessary, after making such inquiry as he may deem fit.
 - (vi) Every list of voters shall show the full name, place of residence and the serial number of each voter.
- (5) Provisional and final publication of lists of voters
- (i) As soon as a list of voters is prepared under Sub-rule (4) of Rule 6, it shall be published by the Election Officer by affixing copy thereof at the office of Market Committee and at some conspicuous place in the principal market yard in the market area alongwith a notice stating that any person whose name is not entered in the list of voters and who claims that his name should be entered therein or any person who thinks that his name or the name of some other person has been wrongly entered therein or has not been correctly entered, may within fourteen days from the date of the publication of the notice, apply to the Authorized Officer for an amendment of the list of voters.
 - (ii) If any application is received under Sub-rule (5)(i), the Authorized Officer shall decide the same and shall cause to be prepared and published the final list of voters, after making such amendments therein as may be necessary in pursuance of the decision given by him on the application. The final list shall be prepared at least thirty days before the date fixed for nomination of candidates for the election.
 - (iii) Copies of the final list of voters prepared under this Rule shall be kept open for public inspection at the office of the Election Officer and at the office of Market Committee.
- (6) List of voters for bye-election
- The provisions of Sub-rules (5), (6), (7) and (8) of Rule 6 shall mutatis mutandis apply to the preparation of the relevant lists of voters for the purpose of a bye-election under Section 15.

- (7) Fixing stages of election
- (i) An election shall be held between such hours and on such dates and at such place or places as may be fixed by the Director/Managing Director.
 - (ii) Not less than 40 days before the date fixed for the election under Sub- rule (4) of Rule 6, the Director/Managing Director shall publish a notice stating:
 - (a) the number of persons to be elected by the respective electorate,
 - (b) the date on which the place at which and the hours between which nomination papers shall be presented to the Election Officer, such date not being earlier than 14 days from the date of the publication of the notice,
 - (c) the date, the place and the time of scrutiny of nomination papers,
 - (d) the date on which, the place or places at which and the hours between which the votes shall be polled, and
 - (e) the date on which, the place at which and the hours between which the votes shall be counted.
- (8) Nominations
- (i) Each candidate for election shall, on the date fixed under clause (b) of Sub-rule (7) (ii) deliver to the Election Officer a nomination paper in **Form A**.
 - (ii) Every nomination paper shall be signed as proposer by a person qualified to vote at the election and the candidate shall sign a declaration on it expressing his willingness to contest the election.
 - (iii) The same person may sign, as proposer, as many nomination papers as there are vacancies to be filled. Each candidate shall be nominated by a separate nomination paper.
 - (iv) The Election Officer shall, on receiving a nomination paper, enter in the nomination paper its serial number and shall endorse thereon the date on which and the hour at which the nomination paper was delivered to him.
 - (v) Where the number of nomination papers signed by the same person as proposer exceeds the number of vacancies to be filled, those of the nomination papers which have been first received in the order of time up to the number of vacancies shall be deemed to be valid.

- (vi) Nomination papers received after the date and the time appointed under clause (b) of Sub- rule (7) (ii) shall be rejected.
- (9) Deposit for Nomination
- (i) At or before the time of the filing of a nomination paper to the Election Officer, each candidate shall deposit with the Election Officer a sum of one hundred rupees in cash for which the election officer shall give receipt. No candidate shall be deemed to be duly nominated unless the deposit referred to in this Rule has been paid.
- (ii) If a candidate withdraws his candidature in the manner and within the time specified in the Rule 6(14) or if his nomination is rejected under Rule 6(13), the deposit paid by him under Sub-rule (9) (i) shall be returned to him. If any candidate dies before the commencement of the poll, the deposit paid by him under Sub-rule (9) (i) shall be returned to his legal representative.
- (iii) If a candidate is not elected and the number of votes polled by him does not exceed one-fourth of the total number of votes polled divided by the number of members to be elected the deposit paid by him under Sub-rule (9) (i) shall be forfeited to Market Committee.
- (iv) For the purposes of Sub-rule (9) (iii), “the total number of votes polled” shall mean the total number of counted ballot papers.
- (v) The deposit paid by a candidate shall, if it is not forfeited under Sub-rule (9) (iii), be returned to the candidate, as soon as may be, after the publication of the result of the election.
- (10) Verification of Nomination
- On the presentation of a nomination paper, the Election Officer or an officer authorized by him shall verify the names of the proposer and other information given by the candidate in the nomination paper.
- (11) Publication of list of Nominations
- As soon as may be after the date fixed for the presentation of nomination papers, the Election Officer shall display on his notice board and on the notice board of Market Committee a list in **Form B** of all nominations received with a notice that the nomination papers shall be scrutinized on the date appointed under clause (c) of Sub-rule (7) (ii) at the place and hours specified in the notice.

(12) Scrutiny of Nominations

On the date fixed for the scrutiny of nominations of the candidates, one proposer of each candidate and one other person duly authorized in writing by each candidate may attend at such time and place as the Election Officer may appoint for the scrutiny of nominations and the Election Officer shall allow them to examine the nomination papers of all candidates.

(13) Disposal of objections and rejection of Nominations

(i) The Election Officer shall examine the nomination papers and shall decide on all objections which may be received by him pertaining to any nomination and may, either on such objection or on his own motion after such summary enquiry, if any as he may deem necessary, reject any nomination on any of the following grounds, namely:

- (a) that the proposer is a person whose name is not in the relevant list of voters, or
- (b) that the nomination has not been filed in accordance with these Rules ,or
- (c) that the candidate filing nomination does not fulfill the criteria laid down under Sub-rule (5)(iii).

(ii) The Election Officer shall endorse on each nomination paper his decision accepting or rejecting the same and if the nomination paper is rejected, shall record in writing his reasons for such rejection. The scrutiny of nominations and the decision of the Election Officer thereon shall be completed on the date fixed for this purpose and shall not be adjourned on any ground.

(14) Withdrawal of Candidature

(i) Any candidate may withdraw his candidature by notice in writing signed by him and delivered either in person by the candidate himself or by his proposers to the Election Officer, within three days of the date succeeding the date fixed for the scrutiny of nominations.

(ii) On completion of the scrutiny of nominations and after the expiry of the period within which candidate may withdraw his nomination under Sub-rule (i), the Election Officer shall prepare a list in **Form C** of persons, whose nominations are accepted and who have not withdrawn their candidature, and cause it to be affixed in some conspicuous place in his office, and in the office of Market Committee, not less than seven days before the date fixed for the election.

(15) Procedure of Election

- (i) If the number of candidates who are duly nominated and who have not withdrawn their candidature under Sub-rule (14) (i) exceeds that of the vacancies to be filled, a poll shall be taken and the election shall be by secret ballot.
 - (ii) If the number of such candidates is equal to the number of vacancies, all such candidates shall be declared to be duly elected.
 - (iii) If the number of such candidates is less than the number of vacancies, all such candidates shall be declared to be duly elected, and the remaining vacancy or vacancies shall be filled in accordance with the provisions relating to the elections of the members of Market Committee.
- (16) Assignment of symbols
- In the case of every contested election, the Election Officer shall assign to each candidate a distinguishing symbol.
- (17) Form of Ballot paper
- The Ballot paper for voting shall be printed in **Form D** and shall contain the names of the candidates in alphabetical order beginning with surname, together with the distinguishing symbol assigned to each candidate under Sub- rule (16). Provided that the names of candidates declared to be duly elected under Sub- rule (15)(ii)&(iii) shall not be entered in the Ballot paper.
- (18) Arrangements for holding the Election, etc.
- The Election Officer shall make arrangements of fixing of polling stations, appointment of Returning, Presiding and Polling Officers and also make such other arrangements as may be necessary for the smooth conduct and supervision of the election, scrutiny of the ballot papers and declaration of the results of the election. The Election Officer shall give publicity to the arrangements made by him for holding of the elections in Local Newspaper and display the same on the Notice Board of Election Officer and Market Committee.
- (19) Voting
- Every voter shall have as many votes as there are members to be elected on behalf of the electorate but no voter shall give more than one vote to any one candidate.
- (20) Procedure at election when equality of votes exists

If, when a poll has been taken at an election an equality of votes is found to exist between any candidates, the candidates shall be selected by lot drawn in the presence of the Election Officer.

(21) Death of candidate before poll

If taking of a poll has become necessary and before the poll is taken, a candidate who has been duly nominated dies, the Election Officer shall, upon being satisfied of the fact of the death of the candidate, countermand the poll and the election proceedings shall be commenced afresh in all respects as if for a new election.

(22) Intimation of the name of the representative of a Local Authority to the Election Officer

The Local Authority within whose jurisdiction the principal market yard is situated or, the person or Administrator appointed to exercise the powers and perform the functions of such Local Authority as the case may be, shall intimate in writing to the Election Officer the name of the person nominated as its representative before the date fixed in this behalf by the Election Officer.

(23) Filling in casual vacancies in Market Committee under sub-section (8) of Section 14
Any vacancy in a Market Committee under Section 14 shall:

- (i) where the vacancy is of an elected member, be filled in the same manner as that for a general election within a period of three months from the date on which the vacancy occurs; and
- (ii) where the vacancy is of a nominated member, be filled by nomination within a period of one month from the date on which the vacancy occurs.

(24) Publication of the names of elected and nominated members of Market Committee

The names of elected and nominated members of Market Committee shall be published in the Official Gazette by the Director/Managing Director as soon as possible after their election and nomination.

(25) Determination of the validity of election

- (i) If the validity of any election of a member of Market Committee is brought in question by any person qualified either to be elected or to vote at the election to which such question refers, such person may, within seven days after the date of the declaration of the result of the election, apply in writing:

(a) to the Director/Managing Director, if the election has been conducted by a person authorized by the Director/Managing Director, to perform the function of an Election Officer, and

(b) to the State Government, if the election has been conducted by the Director/Managing Director as an Election Officer.

(ii) On receipt of an application under Sub-rule (25) (i), the Director/Managing Director, or the State Government, as the case may be, shall after giving an opportunity to the applicant to be heard and after making such inquiry as he or she, as the case may be, deems fit, pass an order within 60 days from the date of receipt of such application confirming or amending the declared result of election or setting aside the election and such order shall be final. If the Director/Managing Director or the State Government as the case may be sets aside the election, a date shall be forthwith fixed, and the necessary steps be taken for holding a fresh election for filling up the vacancy of such member.

(26) Expenditure in connection with or incidental to such election

All expenditure incurred by the Election Officer in connection with or incidental to the election of members of Market Committee shall be payable by Market Committee as a sum due to the State Government. To enable the Election Officer to meet the expenditure on this account, he shall cause Market Committee to deposit the amount as advance equal to the estimated expenditure of election, on completion of elections and he shall provide detail accounts to the Director / Managing Director and Market Committee.

(27) Destruction of ballot papers

On the expiry of three months from the date of publication of the names of elected and nominated members of Market Committee under Rule 6(24) all the ballot papers may be destroyed in the presence of the Chairman, Vice-Chairman and Secretary of Market Committee.

7. Election of Chairman and Vice-Chairman

Soon after a Market Committee is constituted and non-official members are nominated thereon, the Director/ Managing Director/Officer authorized by him shall call meeting of Market Committee to be held on a date, at an hour and place appointed by him, for the purpose of electing Chairman and Vice Chairman from amongst the producer-

members and further authorize, if necessary, some other officer subordinate to him to preside over it.

8. Quorum for the election of Chairman and Vice-Chairman

- (1) The quorum to constitute a sitting of a Market Committee shall be one third of the total number of members with the exception of the sitting held to elect Chairman/Vice-Chairman or to consider a motion of no-confidence against the Chairman/Vice-Chairman, where it shall not be less than two-third of the total membership of Market Committee.
- (2) If at any time fixed for a sitting or if at any time during the sitting there is no quorum, the presiding-member shall either suspend the meeting until there is quorum or adjourn it to some future day.
- (3) The votes may be taken by voices or by show of hands. Only if any non-official member insists, the member- presiding shall have resort to secret ballot. For the conduct of secret voting the presiding member may adopt any procedure he considers fair, flawless and appropriate in the circumstances. In any case, the members shall first be duly advised about the details of the methodology.
- (4) In the event of equality of votes polled by the contesting candidates at the election of Chairman / Vice-Chairman, the election shall be decided by draw of lot in the presence of Presiding Officer.

9. Election Petition

- (1) In case, the election to the office of Chairman and Vice-Chairman of a Market Committee is disputed by any other non-official member of Market Committee, he may file an appeal to the Managing Director/Director within 30 days reckoned from the day on which the election result was declared, putting forth, the grounds of challenge.
- (2) The Managing Director/Director, after giving an opportunity of being heard to all the parties concerned and after making such enquiry, as he may consider appropriate, pronounce his judgment preferably within three months, and such decision shall be final .

10. Handing over charge to new Chairman or Vice-Chairman by the outgoing Chairman or Vice-Chairman

- (1) On the appointment of a new Chairman or Vice-Chairman, the outgoing Chairman or Vice-Chairman in whose place the new Chairman or Vice-Chairman has been

appointed shall forthwith hand-over charge of his office to such new Chairman or Vice-Chairman, as the case may be.

- (2) If the outgoing Chairman or Vice-Chairman fails or refuses to handover charge of his office as required under Sub-rule (1), the Director/Managing Director or any officer empowered by the Director/Managing Director in this behalf may, by order, in writing direct the Chairman or Vice-Chairman, as the case may be, to handover charge of his office and all records and property of Market Committee forthwith, if any, in his possession as Chairman or Vice-Chairman, to the new Chairman or Vice-Chairman.
- (3) In case of failure to comply with directions given by the Director/ Managing Director under Sub-rule (2) above, the Director/ Managing Director shall take action as provided under Section 18(1) and (2).

11. Resignation of office by Chairman or Vice-Chairman

The Chairman or Vice-Chairman may resign his office by giving in writing to Market Committee and to Director/ Managing Director. Except in a case where the person resigning delivers the notice of resignation personally to the Secretary, the Secretary shall on receipt of notice of resignation obtain confirmation from the person concerned as to its genuineness. A resignation delivered personally or confirmed as aforesaid shall take effect on and from the date on which the notice is placed before Market Committee.

12. Resignation or removal of a member of Market Committee

- (1) Any member other than the Chairman or Vice-Chairman may resign his office by giving notice to the Chairman and such resignation shall take effect on the date on which it is received by the Chairman. Such resignation of the member accepted by the Chairman shall be brought to the notice of the Director/Managing Director immediately and Market Committee in its next meeting.
- (2) Any member of a Market Committee may be removed by the Director / Managing Director:
 - (i) if he or she acts in a manner which in the opinion of the Director/ Managing Director is prejudicial to the working of Market Committee, or

- (ii) if he or she is convicted by a Court of Law for any one or more offences under the Act or any other Act or the Rules or Bye-laws made thereunder, unless a period of three years has elapsed from the date of expiry of such conviction, or
- (iii) if he or she becomes of unsound mind and stands so declared by a competent court, or
- (iv) if he or she is employed as a paid legal practitioner on behalf of Market Committee or as legal practitioner against Market Committee or as an officer or servant under the Act.

Explanation: For the purpose of this Sub-rule, a member of a Market Committee shall be considered by the Director / Managing Director to have acted in a manner, prejudicial to the working of Market Committee, if on the receipt of a report from the Chairman or any Officer working under Director/Managing Director supported by such evidence, if any, as may be produced, the Director / Managing Director are satisfied that:

- (i) he openly or secretly organized some or all traders against their assemblage at the competitive auctions of the notified agricultural produce, livestock or livestock products with a view to depress the market prices thereby forcing the sellers to part with their commodities at lower prices; or.
- (ii) he himself persuaded or organized others to persuade the sellers to sell their notified agricultural produce, livestock or livestock products in his premises or premises belonging to others without the channel of the market with a view to earning, without the notice or knowledge of Market Committee, for himself and others in whose premises the sales are to take place unauthorized allowances from such sales; or
- (iii) he himself or in collusion with others willfully disobeys or refuses to carry out, the provisions of the Act and of the Rules or the Bye-laws made thereunder which regulate the payment of Licence/Registration fees, market fees or any other fees or refuses to pay any arrears of amount due to Market Committee or sale proceeds of the notified commodities due to a seller or commission agent with a view to deprive Market Committee of its financial resources or with a view to force the sellers or commission agents to bargain with the sellers to the latter's advantage; or

- (iv) he himself or in connivance with others organizes strikes or helps in organization of strikes by weighmen, hamals, motor lorry drivers, cart man, or other functionaries of the market for gaining higher emoluments or any other concessions from Market Committee, buyers, sellers or commission agents.
- (3) (i) The Director / Managing Director shall, before taking action under Sub-rule (2), issue a notice calling upon the member of Market Committee concerned to show cause within such time as may be specified therein, not being less than fifteen days from the service thereof, why he should not be removed as a member of Market Committee and consider his reply thereto, if any, received from the member before the expiry of the time specified in the notice and also give an opportunity of hearing to the member concerned before giving the decision in the matter.
- (ii) The Director / Managing Director shall also send a copy of the notice referred to in Clause (i) to Market Committee concerned for information.

Chapter IV

Special Market /Special Commodity Market

13. Constitution of Market Committee for Special Market/Special Commodity Market.

(1) The State Government or Director/Managing Director may by notification under Section 4 and 19 declare a market as a Special Market/Special Commodity Market provided that the market;

- (i) caters almost exclusively to one or one group of commodity;
- (ii) supplies most of its arrivals to food processing industries or bulk buyers or to export trade i.e. a terminal market;
- (iii) major portion of arrivals or dispatches or both are from outside the State; and
- (iv) arrivals and dispatches are of such nature and quality that it requires special status.

(2) The Special Market/Special Commodity Market shall have a Market Committee and an Executive Committee as provided under Section 21 and 23. The Executive Committee shall function under overall supervision of Market Committee and shall take decisions on matters related to functioning and trading in the market, as authorized by Market Committee.

Chapter V

Conduct of Business, Powers and Duties of Market Committee

14. Control of Market Committee

- (1) (i) Market Committee shall have absolute control over the principal market and Sub-Yard established under that Market Committee. Market Committee, subject to these Rules and to the Orders issued by concerned authorities from time to time in this behalf, shall manage its affairs having due regard always to the best interests of the farmers and the trade in the notified agricultural produce.
- (ii) For exercising the above control effectively, Market Committee shall entrust the management of each market to an Assistant Secretary, if appointed or to a Supervisor, if no such Assistant Secretary is appointed. The Assistant Secretary or the Supervisor, as the case may be, shall manage the market under the direct supervision of the Secretary.
- (2) The market shall be open for trading at such hours as Market Committee may fix, from time to time.
- (3) Carts, vehicles and animals intended to transport notified agricultural commodities shall be kept or allowed to remain at such stands or places and for such time, as may be earmarked by Market Committee.
- (4) The notified agricultural produce intended for sale shall be exhibited at such places and in such manner and at such times as may be permitted by Market Committee.
- (5) The ingress and egress in the market area shall be permitted to such persons and at such times as Market Committee may deem proper.

Provided that no person Licensed or Registered under the Act shall be prevented from entering the market during any time, when it is open to the public.

15. Powers and duties of Market Committee

Market Committee shall :

- (i) Implement the provisions of the Act and of the Rules and Bye-laws made thereunder in the market area;
- (ii) Implement the directions given by the Government / Director/Managing Director from time to time, in the establishment and development of market;
- (iii) Maintain and manage the market yards;
- (iv) Provide necessary facilities for the marketing of notified agricultural produce in the market area;
- (v) Supervise the conduct of the market functionaries;
- (vi) Regulate the opening, closing and suspending of transactions in a market yard;
- (vii) Enforce the conditions of a licence/Registration;
- (viii) Regulate the preparation, execution and enforcement or cancellation of agreements of sales, the weighment, delivery, payment and all other matters relating to the marketing of notified agricultural produce;
- (ix) Provide for the settlement of all disputes between the seller and the buyer and others arising out of any kind of transaction connected with the marketing of a notified agricultural produce and all matters ancillary thereto;
- (x) Collect, maintain and disseminate information in respect of :
 - (a) sale prices and movement of notified agricultural produce;
 - (b) production, processing and storage of notified agricultural commodities; and
 - (c) any other relevant information .
- (xi) Take all possible steps to prevent adulteration and to promote grading and standardization of notified agricultural commodities;
- (xii) Levy, recover and receive fees, subscriptions and other sums of money to which Market Committee is entitled;
- (xiii) Employ necessary number of officers and servants for the efficient implementation of the provisions of the Act and of the rules or Bye-laws made thereunder;

- (xiv) Conduct the auction of notified agricultural produce strictly in accordance with the procedure laid down under these Rules or the Bye-laws of Market Committee;
- (xv) Ensure correct weightment of notified agricultural commodities;
- (xvi) Regulate the entry of persons and the vehicular traffic into the market yard;
- (xvii) Prosecute persons for violating the provisions of the Act or of the Rules and the Bye-laws including the compounding of offences;
- (xviii) Acquire, hold and dispose of any movable or immovable property for the purpose of efficiently carrying out its duties;
- (xix) Institute or defend any suit, action, proceeding, application or arbitration and compromise any such suit, action, proceeding, application or arbitration;
- (xx) Provide facilities, such as provision of adequate space for direct sales by a producer and assist a producer by preparing invoices and bills on his behalf when he sells his produce to a trader without employing a commission agent;
- (xxi) Direct purchase of notified agricultural commodities in the event of drastic fall in prices so as to avoid distress sale by producers;
- (xxii) Promote Public Private Partnership for carrying out market-led extension activities and services in its area viz collection, maintenance and dissemination of information in respect of production, sale, storage, processing, prices, arrivals and movement of notified agricultural commodities;
- (xxiii) Set up and promote Public Private Partnership in management of the Agricultural Markets;
- (xxiv) Take measures for prevention of purchases and sales below the Minimum Support Prices fixed by the Government from time to time;
- (xxv) Facilitate organization of Agriculturists into different commodity interest groups, self help group or similar groups and to impart training in market related knowledge and skills and to facilitate delivery of market-led extension services through them.
- (xxvi) Promote and encourage e-trading through the establishment of a regulatory system, creation of infrastructure, operationalization of computerized market nodes and undertaking of other activities by the Market Committee; and
- (xxvii) Undertake activities other than the above as stipulated under Section 26 (1), (2),

(3), and (4) of the Act.

Explanation: For the purposes of this Rule the Market Yard means the Principal Market Yard and the Sub-Market Yard established under Market Committee.

16. Powers and duties of Chairman and Vice-Chairman

- (1) The Chairman of Market Committee shall be the Chief Controlling and Supervising Authority of Market Committee. All officers and servants of Market Committee shall, subject to the provisions of the Act, the Rules and Bye-laws including the directions given by Market Committee, be subject to his control.
- (2) The Chairman shall:
 - (i) preside over the meetings of Market Committee and of every Sub-Committee thereof and conduct business at such meetings;
 - (ii) control the financial and executive administration of Market Committee;
 - (iii) exercise general supervision and control over the officers and servants employed in connection with the affairs of Market Committee (whether such officers or servants are Government servants or otherwise); and
 - (iv) in event of emergency, he may direct the execution or stop any work or any other act which generally requires the prior sanction of Market Committee.
- (3) The Vice-Chairman shall:
 - (i) in the absence of the Chairman, preside over the meetings of Market Committee;
 - (ii) exercise such powers and perform such duties of the Chairman as the Chairman may, from time to time, delegate to him; and

- (iii) exercise the powers and perform the duties of the Chairman during the absence of the Chairman on account of a vacancy in the office of the Chairman or otherwise.
- (4) In the absence of both the Chairman and Vice-Chairman, the member elected by the meeting shall preside over such meeting of Market Committee.

17. Meetings of Market Committee

- (1) Except for the meetings convened pursuant to the provisions of Sections 15 and 16 of the Act, a Market Committee may meet as often as be considered expedient considering the quantum of business before it but at least once in a month.
- (2) Notice of every meeting accompanied by list of business or agenda proposed to be transacted at such meeting, which shall be communicated by the Secretary to every member of Market Committee sufficiently in advance of the date fixed by the Chairman or in his absence by the Vice-Chairman of Market Committee.
- (3) Market Committee shall ordinarily meet within the premises of its office.
- (4) Save as otherwise provided in these Rules, the quorum to constitute a sitting shall be five non-official members.

Provided that sittings convened specifically to consider and pass the annual budget estimates shall require special majority of no fewer than seven non-official members.

Provided, further that the quorum in a Sub-Committee meeting shall be equal to one third of its membership.

- (5) If at any time fixed for a sitting, or if at any time during a sitting, there is no quorum, the Chairman shall either suspend the sitting until there is quorum during the day or adjourn the sitting to some future day.
- (6) When a sitting has been adjourned in pursuance of Sub-rule (5) on two successive dates fixed for the sitting of the Committee, no quorum shall be necessary for the third time to transact the same business.
- (7) Unless otherwise provided by these Rules, all matters at any sitting of Market Committee shall be determined by a majority of votes of the members present and voting. In case of equality of votes on any matter, the Chairman shall have a second or casting vote.

- (8) (i) Proceedings of every meeting shall be recorded in the Minutes Book, which shall be authenticated by the Chairman and the Secretary, of which a copy shall be supplied to every member after the meeting as soon as practicable. The Minutes Book shall be permanently preserved and shall remain in the personal custody of the Secretary, and at all reasonable hours shall be open to inspection by the Chairman/Members and the Director/ Managing Director, and any other officer authorized by him in this behalf. It shall not be treated as a public document and copies of the record of proceedings of any meeting entered therein shall be supplied by the Chairman to a person when so required by an order of a Court or on application made to the Chairman in this behalf, after collecting the necessary fees fixed therefor in its Bye-laws.
- (ii) Copies of the agenda and of resolutions of the meeting shall be sent to all members of Market Committee. On a requisition made in this behalf, a copy of the resolutions passed at a meeting shall be sent to the Officers of the other departments who have attended such meeting.
- (iii) If a member gives notice in writing seeking alteration in the Minutes on the ground that the record is not in conformity with the decision taken, the matter shall be placed before Market Committee in its next meeting for decision, and the decision thereupon shall be final and conclusive.

18. Persons entitled to attend meetings of Market Committee

- (1) The Director/ Managing Director shall be entitled to attend, speak in, and otherwise to take part in the proceedings of a sitting of Market Committee but shall not have the right to vote.
- (2) Officers of Marketing Department not below the rank of Assistant Director of Marketing, the District Collector or any of his subordinates, not below the rank of a Tehsildar duly authorized by him in writing shall be entitled to attend any meeting of Market Committee constituted for any notified area within his jurisdiction and to address Market Committee, on any matter but shall not be entitled to vote. The Chairman of Market Committee may request an officer of any other department connected with any notified agricultural produce to attend and address any meeting of Market Committee.

19. Member(s) not entitled to take part in certain proceedings

No member who has a personal, pecuniary or direct interest which may prejudicially affect the consideration of any of the matters to be decided in any meeting of Market Committee or by any Sub-Committee, shall be present at or participate or vote in the said meeting of Market Committee or Sub-Committee.

Explanation: A member shall be deemed to be interested in the matter in which he or any of his relations mentioned below, has, directly or indirectly, any personal or pecuniary interest: (a) wife/husband or children, (b) father or mother, (c) brothers, sisters, their wives/husbands or children.

20. Meetings of Market Committee not open to the public

The meeting of Market Committee shall not ordinarily be open to the public. However, persons of the public who are interested in attending a meeting can do so with the prior permission of the Chairman or the presiding member, but shall not be allowed to participate in the proceedings.

21. Authority to call a special meeting

On requisition by at least one half of the members of Market Committee, or, on his own motion, the Chairman of Market Committee may, if he is satisfied about exceptional circumstances, call a special meeting of Market Committee to consider matters of immediate importance.

22. Duties and powers of Secretary

- (1) There shall be a full time Secretary to Market Committee who shall function as Chief Executive Officer of Market Committee.
- (2) The Chief Executive Officer shall be appointed by Market Committee from the panel maintained by the Director/ Managing Director. The Director/ Managing Director shall draw upon such panel of the candidates which may include professionals from open market to be appointed as Chief Executive Officer as may be prescribed. The Director/ Managing Director shall have powers to appoint Chief Executive Officer from the services of the State Government/Board and such appointment shall be binding on Market Committee.
- (3) All employees of Market Committee shall be under his control, and all orders issued to them shall pass through him. He shall be competent to pass orders with regard to their

posting in the Principal Market Yard and Sub-Market Yards, (except in the case of Assistant Secretaries) according to the requirements of Market Committee and to grant casual leave to such employees. The Secretary shall work under the control of the Chairman.

- (4) The Secretary shall attend all meetings of Market Committee or Sub-Committee or a Joint Committee or an ad-hoc Committee, except a meeting wherein anything, pertaining to him or any of his relatives is to be considered.

Explanation: "Relative", for the purpose of this Sub-rule, shall mean:

- (a) Father, mother, wife / husband, son, daughter, brother and sister of the Secretary;
 - (b) Brother and sister of the father of the Secretary; and
 - (c) Father, mother, son, daughter, brother and sister of the wife or husband of the Secretary.
- (5) The Secretary shall advise Market Committee and its Chairman in the light of the provisions of the Act, Rules and Bye-laws framed under the Act and the directions of the Government or of the Director/ Managing Director issued from time to time and the previous decisions of Market Committee. His opinion shall be recorded in the proceedings of the meetings of Market Committee. The Secretary shall be responsible to send a copy of the proceedings of all the meetings of Market Committee to the Director/ Managing Director immediately, but in no case, later than three days from the date of the meeting.
 - (6) It shall be the duty of the Secretary to carry into effect the provisions of the Act, Rules and Bye-laws made under the Act and the instructions of the Government or of the Director/ Managing Director and the decisions of Market Committee and of the Chairman, consistent with the provisions of the Act, the Rules and the Bye-laws to effect maximum improvement in the market.
 - (7) The Secretary shall see that communications addressed to Market Committee by the Government and the Director/ Managing Director are dealt with promptly and efficiently.
 - (8) Subject to the provisions of Sub-rule (5), the Secretary shall be responsible for carrying on the day to day working of the office of Market Committee, maintenance of

accounts, punctual rendering of returns, monthly review of the progress made in the enforcement of the Act and the safe custody of the cash, the common seal, the Minutes Book and other records and assets of Market Committee.

- (9) The Secretary shall make an annual assessment of the work of the employees engaged in connection with the management of the affairs of Market Committee and shall submit to the Chairman of Market Committee who shall take this assessment into consideration while making final assessment of the work of such employees.
- (10) The Secretary shall ensure to publish and circulate from time to time the data of arrivals and rates of agricultural produces standard-wise brought in to the market area for sale as prescribed.
- (11) Any other activities as provided under Section 36 (1) of the Act.

23. Constitution of Sub-Committees

- (1) A Market Committee may constitute all or any of the following Sub-Committees for assisting it in the discharge of its functions,
 - (i) Executive Sub-Committee;
 - (ii) Staff Sub-Committee;
 - (iii) Finance and Works Sub-Committee; and
 - (iv) Disputes Sub-Committee.
- (2) Each of the aforesaid Sub-Committees shall, besides the Chairman of Market Committee consist of four other members appointed by Market Committee in the following manner:
 - (i) In the case of each of the Sub-Committees, other than the Disputes Sub-Committee, all the members shall be such as may be appointed by Market Committee from among the members thereof;
 - (ii) In the case of Disputes Sub-Committee, three members shall be members of Market Committee representing the growers of agricultural produce and owners of livestock and livestock products and one member shall be a member of Market Committee representing the persons Licensed / Registered under Section 44.

- (3) (i) Every Sub-Committee constituted under Sub-rule (1) shall have as its Chairman, the Chairman of Market Committee, who shall preside over the meetings of such Sub-Committee.
- (ii) (a) In the absence of the Chairman, the Vice Chairman of Market Committee, shall act as the Chairman of every Sub-Committee, except the Disputes Sub-Committee, and preside over its meetings.
- (b) In the case of the Disputes Sub-Committee, in the absence of its Chairman at any meeting, one of the members selected by lot shall preside over such meeting.
- (4) The Secretary shall also function as the Secretary of all the Sub-Committees.

24. Nature of disputes to be decided by the Disputes Sub-Committee and the procedure to be followed therefor

- (1) Save as otherwise provided under Section 38 (3) and 50 (i) and (ii) and Rule 41, and 42 and Rule 82(10), the Disputes Sub-Committee shall arrange for the settlement of disputes in regard to the quality or weight, as the case may be, of the agricultural produce, livestock or products of livestock or the price or rate to be paid therefor, the allowances for wrappings, dirt or impurities or the deductions for any cause or the payment of sale proceeds due to a seller or commission agent from a buyer or a commission agent or the time lag fixed in connection with such payment, arising between:
- (i) a buyer and a seller;
 - (ii) a buyer and a commission agent;
 - (iii) a commission agent and a seller; or
 - (iv) the agents of any of them.
- (2) The Disputes Sub-Committee shall appoint a panel of not less than five but not more than fifteen persons, known for their integrity, to act as arbitrators in the settlement of disputes referred to the Disputes Sub-Committee from among the agriculturists residing in the market area and the traders doing business in such area but not being the members of Market Committee.
- (3) Where any dispute of the nature referred to in Sub-rule (1) arises, it shall be reported to the Secretary by submitting an application in writing signed by either of the parties for the dispute together with such fees not exceeding Rs.100/-(Rupees One hundred

only) as may be fixed and notified by Market Committee for each such dispute and the dispute shall be decided in accordance with the following procedure:

- (i) The Secretary shall try to settle the dispute himself by hearing both the parties. In case the parties do not agree to the settlement suggested by him, he shall call upon each of the parties to select one arbitrator from the panel of arbitrators appointed under Sub-rule (2).
- (ii) The arbitrators so selected shall, after hearing the parties give their decision thereon. If there is no unanimity in the decision of the arbitrators, they shall refer the same to an umpire named by them from the panel of arbitrators aforesaid who shall, after considering the views of both the arbitrators, give his decision in the matter.
- (iii) If any of the parties to the dispute is aggrieved by the decision of the arbitrators or the umpire, he may prefer an appeal against such decision to the Disputes Sub-Committee whose decision therein shall be final and binding on both parties to the dispute and if any party defies the decision of the Disputes Sub-Committee Market Committee may cancel the licence/Registration of such party.
- (iv) The dispute shall, as far as possible, be decided on the spot and on the same day.
- (v) Market Committee shall maintain a full record of all the disputes reported and settled as aforesaid in a register in **Form E**.

25. Subscription for Market Intelligence

Market Committee may, with the approval of the Director/Managing Director, levy a subscription not exceeding Rs.50/- per annum, exclusive of postage, from every subscriber for copies of the market report published by Market Committee. Such subscription shall be paid in advance to Market Committee.

26. Publicity in favour of production and marketing of the notified agricultural produce, livestock or products thereof

Market Committee shall whenever its funds permit, subject to the prior approval of the Director/Managing Director provide staff for publicity (including demonstrations/exhibitions) for the improvement of the production and marketing of the notified agricultural produce.

27. Promotion of grading services

Market Committee shall undertake grading of notified agricultural commodities in accordance with the grade designations fixed under the Agricultural Produce (Grading and Marking) Act.1937 (Central Act 1 of 1937 as amended from time to time) or the State Agricultural Produce Quality Standards' Bureau or other grades fixed by Market Committee according to the Standards of Commercial Grading. Market Committee shall, with the previous sanction of the Director /Managing Director, appoint necessary staff required for such grading.

28. Prevention of adulteration of notified agricultural commodities

It shall be the duty of Market Committee to take all possible steps to prevent adulteration of notified agricultural commodities in the notified area and no person doing business in the notified area, shall cause adulteration of any notified agricultural commodity or sell or cause to be sold any adulterated commodity in the notified market area.

Explanation: For the purpose of this Rule, adulteration of notified agricultural commodities shall include, the mixing of varieties of different qualities of a commodity, mixing of sieved remains of commodities and mixing of earth, dirt or stones or any other extraneous matter with any notified agricultural commodities.

29. Travelling Allowance to the Members of Market Committee

- (1) Market Committee shall pay sitting fees, Travelling Allowance and other allowances to its Chairman, Vice-Chairman and members as laid down in its Bye-laws.

- (2) Market Committee shall not allow its Chairman, Vice-Chairman, members, officers or employees to incur any expenditure for performing journeys beyond its jurisdiction to any place within the State without the previous sanction of the Director/Managing Director or any Officer authorized by him in this behalf and to any place outside the State without the previous sanction of the Government.
- (3) Market Committee shall not incur any expenditure on any deputation sent by it to any place outside the State without the sanction of the Government and the number of members for any such deputation shall not exceeding three including the Chairman or Vice-Chairman.
- (4) Market Committee may pay an honorarium to its Chairman at the rate not exceeding Rs. 200/- per month, Rs. 150/- per month and Rs. 100/- per month where the annual income of Market Committee is Rs. 2 lakhs and above, less than Rs. 2 lakhs, but not less than Rs1 lakh and less than Rs.1 lakh, respectively subject to the availability of funds and with the prior approval of the Director/Managing Director.

30. Administration and Inspection of Market Committees

- (1) The Director/Managing Director shall control and co-ordinate the administration and proper working of Market Committees in the State.
- (2) (i) He shall inspect and may authorize any of his officers to inspect periodically the offices of Market Committees, markets, premises of the Licensees / Registration holders, etc., and issue such instructions, from time to time, for proper implementation of the provisions of the Act or of the Rules and Bye-laws made thereunder.

(ii) The Director/Managing Director may, himself inspect or cause to be inspected by an officer authorized by him, the accounts of a Market Committee or holds an enquiry into the affairs of Market Committee.
- (3) When the affairs of a Market Committee are enquired into, all members, officers and servants of Market Committee shall furnish such information and produce such

documents in their possession, relating to the affairs of Market Committee as the Director/Managing Director or the officer authorized by him may require.

31. Submission of References and Proposals to the Government by Market Committee

All references and proposal from a Market Committee intended for sanction by or for information or approval of the Government shall be sent to the Director/Managing Director who shall forward such references or proposal to the Government with his remarks.

32. Penalty for disobedience of orders of Market Committee

Any person entering or attempting to enter the market when directed not to do so by an officer of Market Committee or disobeying the instructions of any such officer of Market Committee in regard to the places where carts and other vehicles loaded with the notified agricultural produce, livestock or products of livestock and animals may stand or in regard to the roads by which and in regard to the time at which they may proceed, shall be punishable with fine which may extend to ten rupees in the case of first offence and to fifty rupees in the case of every subsequent offence.

33. Bye-laws of Market Committee

Market Committee shall make Bye-laws under Section 110 (1), consistent with these Rules and Model Bye-laws framed by the Director/Managing Director to regulate its own procedure and to specify the conditions of trading in the notified market area. The Bye-laws shall, inter-alia, provide for:

- (1) the procedure regarding issue of passes;
- (2) the method of disposal and hearing of complaints;
- (3) the levy of licence/Registration fees;
- (4) the levy of market charges;
- (5) the regulation of the duties of commission agents and other traders, sellers, brokers, weighmen and other licensed / registered persons of a market;
- (6) the time lag allowed for submission of copies of sale record and storage select or voucher to the office of Market Committee by the commission agent and the late fee chargeable after due date;

- (7) the fixing of percentage of refraction and tare weight;
- (8) the refund of the excess deductions made from the sale proceeds due to the seller and the recovery of the over payment made to the seller;
- (9) fees for supply of copies of records of proceedings of the meetings;
- (10) procedure for the conduct of auction of notified agricultural produce, livestock or products of livestock;
- (11) requiring the Director/Managing Director or any other person authorized by him to call the meetings of Market Committee, fixing a quorum for the meeting of the Committee and the procedure to be followed at such meetings;
- (12) appointment of Sub-Committees, powers and duties to be delegated to Sub-Committee and meeting, quorum and procedure thereof;
- (13) recruitment of staff and conditions of their services including salaries to be paid to them;
- (14) rate of entrance fee to be collected under Section 42 and refund thereof;
- (15) the form of an application for the grant and renewal of a licence /Registration, manner of refunding licence / Registration fee, agreement to be executed before the grant of a licence/Registration solvency banks or third person's guarantee, and issue of a duplicate copy of a licence which is lost, destroyed or mutilated;
- (16) determining the quantity of declared agricultural produce for the purpose of retail sale and personal consumption;
- (17) the form for a weighment slip, accounts slip and bill to be issued under these Rules;
- (18) functions and duties of a Chairman, Vice-Chairman, Chief Executive Officer, members, officers and servants of a Market Committee and of market functionaries operating in the market area;
- (19) prevention of unauthorized persons from operating in the market area in any market therein;
- (20) issue of badges under these Rules;
- (21) rates of charges provided under the Act;
- (22) hours of trading and holidays;
- (23) payment of expenses of arbitration under Sub-Section (2) of Section 58 and fee to be levied along with application for settlement of dispute;
- (24) rate of sitting fees, traveling allowance and other allowances to Chairman , Vice-Chairman , members of Market Committee;

- (25) maintenance of records, registers and account books by Licensees/Registration holders and submission of returns by them to Market Committee;
- (26) charges for grading of notified agricultural produce;
- (27) price of forms to be supplied to licensed/registered market functionaries under these Rules;
- (28) inspection of copies of the Act and Rules, Bye-laws and notification issued thereunder;
- (29) preservation and destruction of records;
- (30) manner and period of preservation of bills;
- (31) charges for weighment on a weighbridge;
- (32) regulation or supervision or to conduct the auction or sale of notified agricultural produce;
- (33) manner and extent of security to be taken from officers and servants of a Market Committee;
- (34) manner of giving notices for giving effect to the provisions of the Act, the Rules and the Bye-laws;
- (35) conditions of trading and marketing in the market area including any matter for which Bye-laws are required to be made under these Rules or for giving effect to the provisions of the Act and these Rules; and
- (36) any other provisions as indicated under Section 110 (1).

34. Amendment to Bye-laws of Market Committee

- (1) Subject to the provisions of this Rule, the Bye-laws of Market Committee may be amended, altered or abrogated by passing a resolution at a meeting of Market Committee held for that purpose.
- (2) Market Committee shall give due notice under intimation to the Director /Managing Director in accordance with its Bye-laws to all the members for considering any amendment, alteration or abrogation of Bye-law.
- (3) Any amendment, alteration or abrogation of a Bye-law shall be deemed to have been duly made, if a resolution to that effect is passed at a meeting by majority of the members present and voting and duly approved by the Director/ Managing Director as provided under this Rule.

- (4) Whenever the Director /Managing Director passes an order in exercise of his powers under Sub-Section (1) of Section 96 directing the framing of Bye-laws or amending the existing Bye-laws, Market Committee shall incorporate the text of the new Bye-laws made or the text of the amendment to the existing Bye-laws in the Bye-laws of Market Committee, subject to the result of the appeal if any, filed before the State Government, within thirty days. In case of failure of Market Committee to incorporate such amendment within the stipulated time, the amendments ordered by the Director/Managing Director shall be deemed to have been incorporated in the Bye-laws. The Secretary of Market Committee shall submit the amended Bye-laws to the Director/Managing Director, immediately.
- (5) After the resolution is passed, a copy thereof shall, within a period of two months from the date of the meeting at which the resolution was passed, be furnished to the Director/Managing Director along with
- (i) two copies of the relevant Bye-laws in force with amendment proposed to be made in pursuance of the resolution together with reasons justifying such amendment, alteration or abrogation;
 - (ii) four copies of the text of the Bye-laws as it would stand after amendment signed by the Chairman or in his absence by the Vice-Chairman and Secretary of Market Committee; and
 - (iii) such other information as may be required by the Director/Managing Director.
- (6) On receipt of a copy of the resolution and other particulars referred to in Sub-rule (4), the Director/Managing Director shall examine the amendment, alteration or abrogation proposed by Market Committee and if he is satisfied that the amendment, alteration or abrogation is not contrary to the Act, or the Rules and is in the interest of Market Committee and regulation of marketing of the notified agricultural produce, he may communicate his approval to the amendment, alteration or abrogation as required by Sub-section (1) of Section-96 of the Act. The amended Bye-laws shall come into force on receipt of the communication of its approval to Market Committee by the Director / Managing Director.

- (7) Where the Director/Managing Director is of the opinion that the proposed amendment alteration or abrogation may be approved subject to any modification, he may indicate to Market Committee such modification after explaining in writing his reasons therefor. The Bye-laws as modified shall be deemed to have come into force as soon as, the modification is adopted by Market Committee in the next meetings.

35. Powers of sanction of Prosecutions

- (1) No prosecution shall be instituted for any breach of any of these Rules without the previous sanction of Director / Managing Director. No prosecution shall be instituted against a licensed/registered person until he has been given an opportunity of explaining his conduct and then only under the special orders of Market Committee passed at a special meeting of which notice shall be given to all members.
- (2) Notwithstanding anything contained in Sub-rule (1), the Director/Managing Director or any officer authorized by him may, if he is satisfied that the prosecution is not lodged in spite of sanction given by him, or it is unduly delayed, he may himself institute a prosecution for any offence under these Rules.

36. Exercise the powers to write off irrecoverable amounts

Before exercising the powers to write off irrecoverable amounts under Section 31, Market Committee shall consider the issue in a meeting and satisfy itself that the amounts due cannot be recovered either because the person is not traceable or has become insolvent or the officer entrusted to collect such amounts has reported that the recovery is not possible.

37. Compounding of offence by Market Committee

- (1) An Officer of Market Committee who finds that a person including any market functionary has committed or is reasonably suspected of having committed an offence (other than contravention of Section 39) under the provisions of the Act, or Rules or Bye-laws made thereunder shall report the fact together with the record, if any, in this behalf, to the Secretary of Market Committee.

- (2) The Secretary shall place the report submitted under Sub-rule (1) received under sub-rule (1), before Market Committee. Market Committee may, after consideration of the report, serve a notice on the person who has committed or is reasonably suspected of having committed the offence calling upon him within the time specified in the notice to explain why proceeding should not be taken against him or to state whether he is prepared to compound the offence.
- (3) If the person is prepared to compound the offence, Market Committee shall order the person to appear before it, within the time specified by Market Committee and after giving him an opportunity of being heard, compound the offence as provided under Section 30.

38. Penalty for contravention of the provisions of this Act / Rules / Bye-laws

The Secretary, Market Committee and in respect of case relating to Secretary, the Director / Managing Director or person authorized by him shall file the case in the court of the Magistrate not below the rank of Judicial Magistrate First Class (JMFC), with all the documentary evidences of the offence having committed by the concerned and the JMFC shall have authority to try these offense.

Chapter VI

Contract Farming

39. Registration of Contract Farming Sponsor

- (1) As provided under Section 38(1) the Contract Farming Sponsor for getting himself registered shall make an application in writing to _____, to be called as the Sponsor Registering Authority hereunder (the registering authority in this regard may be the officer in-charge of Agriculture/ Agricultural Marketing / Co-operation Department at District/Division/State level as the State Government may finally be decided to be mentioned here), in **Form F** along with the documents prescribed in that Form, with a fee of rupees five hundred per year per district paid by Challan in the Government treasury.
- (2) On examination of the application made under Sub-rule (1) and after ascertaining the payment of necessary fee for Registration, the Sponsor Registering Authority concerned shall record the particulars of such application in the register maintained in **Form G** and dispose of the application within a period of thirty days from the date of receipt of the application and the Registration shall be given in **Form H**.

40. Contract Farming Agreement between Contract Farming Producer and Contract Farming Sponsor

- (1) The Contract Farming Agreement between the Contract Farming Producer and the Contract Farming Sponsor shall normally be in **Form I**. However, the Contract Farming Producer and the Contract Farming Sponsor shall be at liberty to mutually decide the terms and conditions of the Contract Farming Agreement, which shall not be contrary to the provisions of the Act and the Rules.
- (2) Contract Farming Sponsor shall submit within fifteen days of execution of agreement, the original copy of the Contract Farming Agreement entered with the Contract Farming Producer for taking into account to the-----, to be called as Agreement Recording Authority hereunder (Agreement Recording Authority may be the Secretary of Market Committee or an Officer In-charge of the Agriculture/ Agricultural Marketing/ Cooperation Department at the block /taluka/ mandal level as decided, to be

mentioned here, by the State Government), who shall acknowledge the same and record the same in Register maintained in his office in **Form J**.

41. Dispute Settlement Authority of Contract Farming

Any dispute arising out of the Contract Farming Agreement shall be referred to for settlement to the _____, to be referred as the Dispute Settlement Authority hereunder (the Taluka/Block/Mandal Level Officer of Agriculture / Agricultural Marketing / Cooperation Department concerned with regulation of Agricultural Marketing as the State Government may finally be decide, to be mentioned here), by making an application in writing accompanied with a court-fee stamp of Rs 20/- (Rupees twenty only) for the purpose of settlement of dispute. The Dispute Settlement Authority, after verification of the documents and after giving the reasonable opportunity of being heard to the concerned parties shall give his decision within a period of thirty days.

42. Appeal against the decisions of the Dispute Settlement Authority

Any person who is aggrieved by the decision of the Dispute Settlement Authority under Rule 41 may, within a period of thirty days from the date of such decision, file an appeal to the District officer of Department Concerned to which the Dispute Settlement Authority belongs accompanied with a court-fee stamp of Rs 50/- (Rupees fifty only) and copy of such decision appealed against. The appellate authority, after giving reasonable opportunity of being heard to all the concerned parties and after verifying the concerned record and documents, shall decide the appeal within a period of thirty days from the date of receipt thereof and the decision given by the appellate authority shall be final.

43. Purchase of Produce under Contract Farming Agreement

The Agricultural Produce under the Contract Farming Agreement may be purchased any where by the Contract Farming Sponsor and no market fee of Market Committee shall be leviable on this produce. If the Contract Farming Sponsor has purchased the produce with an intention to export or processing, then he shall inform to the Registering Authority, the same in **Form K**. The Contract Farming Sponsor shall submit a declaration to the Sponsor Registering Authority, that he is exporting or processing the produce within a period of ninety days from the date of purchase.

44. Contract Farming Sponsor prohibited from raising permanent structure on Contract Farming Producers' land

Notwithstanding anything contained in the Contract Farming Agreement, Contract Farming Sponsor is prohibited from raising any permanent infrastructure of any kind or creates any leasehold rights or charge of whatever nature on the Land of the Contract Farming Producer.

45. Objective of Contract Farming Agreement

The Contract Farming Agreement shall be entered by the Contract Farming Sponsor exclusively, for the purchase of the agricultural produce from the Contract Farming Producer and it shall be construed to mean only as such for all purposes.

46. Period of Contract Farming Agreement

The minimum period of Contract Farming Agreement shall be for one crop season, and the maximum period shall be as may be mutually decided between the sponsor and the producer.

47. Recovery of loans and advances given by the Contract Farming Sponsor to the Contract Farming Producer

Recovery of loans and advances given by the contract farming sponsors to the contract farming producer shall be recovered only from sale proceed of the agricultural produce and in no case by sale of the land regarding which the Contract Farming Agreement has been entered into.

48. Submission of Annual Accounts by Contract Farming Sponsor

A Contract Farming Sponsor shall submit annual accounts in **Form L** before 30th June every year, to the District Level Officer concerned with regulation of Agricultural Marketing in respect of all transaction undertaken by him during the previous financial year.

Chapter VII

Regulation of Trading

49. Application for Registration or renewal of Registration under Sub-Section (1) of Section 44 of the Act and Fees Chargeable therefor

- (1) any person desiring to register or renew a Registration under Sub-Section (1) of Section 44 shall make an application in **FORM M**
 - (i) Provided that every such application shall be accompanied with such fees, which shall not exceed Rs. 525/- (Rupees five hundred and twenty five only), as may be provided in the Bye-laws of Market Committee;
 - (ii) Provided further that a person residing outside the notified area and desiring to operate in a notified area of a Market Committee for specific transactions which shall be less than 10 in number in a year may be granted a special Registration on payment of such fees which shall not exceed Rs. 20/- (Rupees twenty only) as may be provided in the Bye-laws of Market Committee;
 - (iii) Provided also that every application for renewal of Registration shall be accompanied with such fees which shall be half of the fees fixed for Registration.
- (2) Provided also that where a trader registered in one Market Committee desires to effect purchase or sale in the jurisdiction of another Market Committee, he may apply to Director / Managing Director for Registration in **FORM N** with information mentioned in the said form alongwith fees of Rs 50/- (Rupees fifty only) per market area .Director / Managing Director on receipt of such application together with required information and fees may grant Registration to the applicant for carrying out trade in more than one market area in **FORM N 1** . The concerned Registration holder shall be required to submit returns of purchases of agricultural produce made by him every month to the concerned Market Committee and shall have to pay the market fee on the purchases of agricultural produce made in the respective market area to the concerned Market Committee every month.

- (3) A Market Committee may exempt from the provisions of Sub-section (1) of Section 44 any person who on any single day carries on the business of purchasing or selling any notified agricultural produce for domestic consumption and or not exceeding such quantity as Market Committee may by Bye-laws determine as retail sale.

50. Registration to operate as Commission Agent, Trader, Broker, Carting or Clearing Agent, etc., in notified market area

- (1) No person shall operate within a notified market area as commission agent, trader, broker, carting or clearing agents, warehouseman, weighman, measurer, surveyor, lorry owner, cartman, hamal or such other market functionaries except under and in accordance with the conditions under which he is registered with Market Committee:

Provided that no person who is in the service of any other person, or who does any other business, excluding the market functionaries of a Private Market or Consumer/ Farmers Market, direct marketing Licensees and the members or functionaries of Commodity Exchanges, shall be eligible to hold a Registration as a commission agent, trader, broker, warehouseman, weigh man, measurer, surveyor, cartman, carting or clearing agent.

Provided that no Registration with Market Committee shall be needed for the market functionaries for operating in a Private Market or Consumer/ Farmers Market and for direct marketing permitted by the Director / Managing Director under a license.

- (2) Any person desiring to obtain a Registration or renew his Registration under Sub-rule (1) shall make an application in **Form M** together with such fees not exceeding the maximum specified below or as may be provided in the Bye-laws of Market Committee.

	Registration for	Maximum fee per Annum for obtaining or renewing Registration
1.	Commission Agent/ Trader/Broker	Rs. 125
2.	Carting or clearing agent	Rs. 100
3.	Warehouseman	Rs. 150
4.	Weigh men, measurer or surveyor	Rs. 100
5.	Lorry owner	Rs. 100

6.	Cart Man	Rs.	10
7.	Hamal	Rs.	5

Provided that Market Committee may, in the case of Hamal, decide not to collect any Registration fee.

51. Power of Market Committee to Grant or Renew Registration

- (1) Market Committee shall, within fifteen days of the receipt of the application for grant or renewal of Registration under Rule 49 or Rule 50 either issue or renew a Registration in **Form O** as the case may be or reject the application therefore giving reasons for such rejection.
- (2) (i) An application for the renewal of a Registration shall be made at least thirty days before the date on which the Registration is due to expire.

Provided that where any such application is not made as aforesaid, but before the date of expiry of the Registration, Market Committee shall on payment of a late fee at a rate equivalent to 10 per cent of the prescribed licence fees for the delay of first fifteen days and 25 per cent till the total delay of 30 days may grant or renew the Registration.

Note 1: While calculating the late fee, a fraction of a rupee which is less than half shall be omitted and a half or more shall be rounded off to the next higher figure.

Note 2: Market Committee may waive the late fee for reasons to be recorded in writing.

- (ii) Every renewal of Registration granted under this Sub-rule shall take effect from the date following that on which the Registration expired.
- (3) Every Registration made or renewed under this Rule shall expire on the last day of the financial year, for which it was issued. Full fees shall be payable even for a part of the year.

52. Issue of duplicate Registration by Market Committee

Market Committee, may issue a duplicate Registration on payment of a fee at the rate of half of the Registration fee but not less than Rs. 5/- (Rupees five only), if it is satisfied that original copy of Registration order issued by it has been lost and accidentally destroyed.

53. Suspension or cancellation of Registration by Market Committee

(1) Market Committee may, by a resolution passed in a meeting or by circulation and approved by a majority consisting of not less than five of its members, cancel or suspend the Registration granted to any commission agent or trader or any other person or organization under Sub-section (1) of Section 44 of the Act, if it is satisfied that ;

(i) the Registration has been obtained through willful misrepresentation or fraud; or

(ii) the holder thereof or any servant or anyone acting on his behalf with his express or implied permission commits a breach of any of the terms or conditions of the Registration or the provisions of these Rules or the Bye-laws of Market Committee;

or

(iii) the holder of the Registration in combination with other holders of Registration commits any act or abstains from carrying out his normal business in the market with the intention of willfully obstructing, suspending or stopping the marketing of any notified agricultural produce in the market area in consequence whereof the marketing of such notified agricultural produce has been obstructed, suspended or stopped; or

(iv) the holder of the Registration has become an insolvent; or

(v) the holder of the Registration is convicted of any offence under the Act.

(2) Provided that Market Committee shall not take action aforesaid, without giving a show cause notice and opportunity of being heard to the person concerned.

Provided further that the Chairman, Market Committee may suspend the Registration of a person holding Registration under Section 44, or Rule 51 if he is satisfied that the

person so registered has violated any of the provisions of the Act and there is a prima-facie case against the concerned person for action as provided under Rule 53 (1) above, for a period not exceeding 15 days. The Chairman of the Committee shall place the matter before Market Committee for ratification and action if any, as contemplated under Rule 53 (1) within a period not exceeding 15 days.

54. Appeal against the orders of cancellation or suspension of Registration by Market Committee

- (1) An appeal from the orders of Market Committee shall be preferred within a period of sixty days from the date of communication of such orders, before the Director/Managing Director. The Director/Managing Director shall, on receipt of such appeal, call for all the relevant registers and records from Market Committee, make or cause such enquiry as he deems necessary and pass orders either confirming or cancelling the orders of suspension or cancellation of the Registration.
- (2) The Director/ Managing Director may suspend the execution of the order pending decision in the matter under Sub-rule (1) in respect thereof.

55. Method of sale of notified agricultural produce

All the notified agricultural produce brought into a market for sale shall be conducted by Market Committee by open auction or tender system. The notified agricultural produce shall be exhibited for sale, auction and weighment in the manner as laid down in the Bye-laws of Market Committee.

56. Unit of Price Quotations of notified agricultural produce

The unit of price quotations in respect of sale of notified agricultural produce, livestock or products of livestock shall be the unit of metric weight, or metric measure or the number as specified in the Bye-laws of Market Committee.

57. Sale and Trade Practices of notified agricultural produce

- (1) Market Committee shall provide facilities for direct sale between a seller and buyer in the market. The seller shall be free to sell his notified agricultural produce, livestock or products of livestock either directly or through licensed/registered commission agent or any other person licensed/registered for the purpose.

- (2) It shall be the responsibility of the buyer to take delivery of the notified agricultural produce, livestock or products of livestock immediately after its weighment/measurement or counting as the case may be in the market in its naked form and make payment thereof forthwith on the same day.

58. Control over Weighment, Measurement or Counting of notified agricultural produce

- (1) All the weighments, measurement, or counting, as the case may be, of the notified agricultural produce, livestock or products of livestock purchased or sold in the market and those under storage, processing or export in the notified market area shall be conducted under the control of Market Committee through licensed/registered weighmen who shall render the accounts of the same to Market Committee as may be specified.
- (2) Any person contravening the provisions of this Rule shall be punishable with fine which may extend to Rupees one thousand.

59. Use of only Authorized Weights and Measures

Only such weights and measures as conform to the metric weights or metric measures and their multiples and sub-multiples thereof shall be used in transactions governed by the Act, in the notified market area.

60. Test of Scales, Weights and Measures, Weighments, Measurements and Counting by authorized officer of Market Committee

Any officer or employee of Market Committee authorized by it in this behalf, may, at any time and without notice, examine and test any scale, weight or measure used, kept or possessed in any place within the limits of the notified market area and inspect, examine and test the weighment measurement or counting, as the case may be, of any notified agricultural produce, livestock, or products of livestock within the limits of the notified market area.

61. Set of Metric Weights and Measures to be kept by Market Committee

Market Committee shall keep at least one set of metric weights and scales which shall, during the office hours of Market Committee, be available to the public for comparison with their own metric weights and scales.

62. Counter Balancing in Weighment

A weight equivalent to that of the bag, tin or other packing material, which contains the notified agricultural produce or products of livestock and the rope or twine used for the packing thereof shall be added to the weight side of the scale in order to counter balance the weight of such bag, tin or other packing material and the rope or twine placed on the weighing side of the scale.

63. Production of scales, measures and weights for inspection

Every person who is granted a licence/Registration under Sub-section (1) of Section 44 shall on order by any person authorized under Rule 60 declare every scale, measure or weight kept or possessed by him or by any person or persons under his authority and control and produce them for examination at such time and in such place as may be required and shall allow the person authorized under Rule 60 to examine and test the same.

64. Report on incorrect Scales, Measures and Weights

If on examination under Rule 60 or Rule 63 any scale, measure or weight is found to be unauthorized or to be incorrect, the matter shall be reported by the Secretary of Market Committee to the concerned Government Officer in-charge of the administration of the weights and measures for such action as is deemed necessary by him in the circumstances of the case.

65. Commission agent or buyer to pay sale proceeds to the seller promptly

When the notified agricultural produce, livestock or products of livestock is sold through a commission agent, he shall pay the sale proceeds of the notified agricultural produce, from his own account to the seller on the same day of its sale after deducting charges payable by the latter as permissible under the Bye-laws of Market Committee and recover the same from the buyer.

Provided that when any notified agricultural produce, livestock or products of livestock is sold directly by the seller to the buyer, the latter shall pay the sale proceeds to the seller immediately on same day after the weighing, measurement or counting is done through Market Committee. He shall be entitled to lift the notified agricultural produce, livestock or products of livestock only after payment of sale proceeds.

66. Issue of sale slip by Commission Agent

Every commission agent shall effect payment in accordance with the sale slip prepared and shall issue the original copy of the sales slip to the seller, duplicate copy of the same to the buyer, triplicate copy of the same to the office of Market Committee and the fourth copy duly signed or marked with the thumb impression of the seller in token of having received the net amount of the sale proceeds. Such copy of the sale slip shall be retained by the commission agent himself for a period of two years from the date of actual payment to the seller or till such time as the accounts including this voucher have been audited by the authorized officer, whichever is earlier.

67. Issue of storage slip by Commission Agent

Where any notified agricultural commodity is brought to the commission agent to conduct its sale in the market or to transport it to other market or export at a latter date, the later shall arrange for its storage on his own account pending such sale or transport thereof, and he shall issue the storage slip in the manner specified in the Bye-laws of Market Committee.

68. Commission Agent to arrange storage facilities

It shall be the responsibility of the Commission Agent to arrange for the storage of the notified commodities and its insurance against theft, fire, floods, rains, or any natural calamity, if desired by the seller pending its sale in the market or export thereof, at a later date.

Provided that where a seller assembles any notified agricultural commodity in the market by direct sale, Market Committee besides providing all facilities for such sales, may provide temporary storage for unsold stocks for a period not exceeding one week,

if so desired by the seller and also undertake such insurance on his behalf and recover such amounts as may, from time to time, be determined as specified in the Bye-laws.

Provided further, that where a notified commodity is stored and not removed within a week, the said notified agricultural commodity may be dealt with as specified in the Bye-laws of Market Committee.

69. Fixation of Trade allowance and Deductions

- (1) No licensed/registered trader, commission agent, broker or weighman shall demand, take or retain any allowance or unpaid for sample in regard to any transaction entered into in the notified market area. Any person demanding taking or retaining such allowance or unpaid for sample or in any way facilitating or conniving or demanding or taking or retaining of such allowance or unpaid for sample shall be punishable with fine which may extend to Rs 1000/- (Rupees one thousand only).

Explanation: A sample which it is intended to pay for on weighment is not an unpaid for sample within the meaning of this Rule.

- (2) No fees or contribution on account of charity shall be levied on or paid by any seller in respect of the auction sale of his notified agricultural commodity in the notified market area or its storage, weighment measurement, processing or export in the notified area and any person demanding, taking or deducting such fees in the voucher or storage slip or in any way facilitating or conniving or demanding or taking or deducting such collection directly or indirectly in respect of any notified agricultural commodity in the notified area shall be punishable with fine which may extend to Rs 1000/- (Rupees one thousand only).
- (3) Where a Market Committee is of the opinion that any trader or commission agent in the notified market area has made any collection in excess of what is allowed in the Rules or in the Bye-laws, Market Committee shall by a resolution passed in a meeting, authorize any Officer not below the rank of an Assistant Secretary to direct the trader or commission agent to produce before him the voucher, the account books, relevant

records and documents for inspection and to furnish any other information and to explain contents thereof.

- (4) The Officer authorized by Market Committee in this behalf, after examination and inspection of the records and after such enquiry as may be necessary may determine the amount collected in excess or unauthorized on the basis of the transactions, appearing in the traders' or commission agents' accounts books as the case may be and on the basis of enquiry made, he shall issue a notice to the trader or commission agent concerned calling upon him to show cause within seven days from the service thereof why the said amount collected in excess or unauthorized shall not be recovered from him. The authorized officer after duly considering the reply thereto, if any, received from the trader or commission agent, before the expiry of the time specified in the notice, shall direct that he shall pay the excess amount collected within a period of 15 (fifteen) days by Demand Draft and obtain receipt thereof in token of having paid to Market Committee the excess collection made by him.
- (5) Whoever, in contravention of the provisions of this Rule, refuses to produce the record and accounts as required by the Officer authorized by Market Committee, shall be punishable with fine which may extend to rupees one thousand and in the case of continuing offence with a further fine which may extend to Rs 50/-(Rupees fifty only) for every day during which the contravention is continued after conviction therefor.

70. Residue to be bought by the buyer

No buyer shall refuse to buy the residue at the same price as declared for the lot, of which the former forms a part, any sweepings of the market shall be the property of Market Committee and the cost thereof shall be credited to its accounts at the end of each day's transactions.

71. Registers to be maintained by Traders, Brokers, Commission Agents, Weighmen, etc.

- (1) Every Licensed/Registered trader, commission agent, processor, warehouseman, importer, exporter, stockiest and any other Licensed/Registered person operating in the notified area shall maintain accounts in such manner and submit such reports and returns to such authority as may be specified by Market Committee in this behalf.

- (2) If any Licensed/Registered person fails to send any reports or returns under this Rule or if the Secretary or the Director/Managing Director considers it necessary to examine the account books relating to the business of any such person, to satisfy himself about the corrections of any report or returns submitted by him or for any other sufficient reason, the Secretary or the Director/Managing Director, as the case may be may direct such person to produce before him the account books and other relevant records and documents for inspection and to explain the contents thereof. If any Licensed/Registered person fails, without sufficient cause, to comply with the directions of the Secretary or the Director/Managing Director aforesaid, he shall be punishable with fine which may extend up to Rs 1000/- (Rupees one thousand only).

72. Limitation of Employing a Broker

- (1) No person shall, in the absence of an expressed agreement, be bound to employ a broker in any transaction or be required to pay for a broker employed by any other party to the transaction or to pay for a broker when none is employed.
- (2) The same person shall not act as a broker both for the buyer and seller of a notified agricultural produce.

73. Regulation of advances to agriculturists

A licensed/registered general commission agent or broker or trader may give advances either in cash or in kind to agriculturists but such advances shall be made subject to the following conditions:

- (i) If any agreement is entered into between the lender and the borrower, the lender shall supply a copy of the agreement to the borrower;
- (ii) When the advances are given from time to time, an account book of the advances given and repayments made shall be kept in the manner laid down in the Bye-laws. The lender shall give a copy of such account book to the borrower and enter and attest with his signature every individual transaction of lending and recovery in the copy of the account book so given.

74. Limitation of Market Charges and Penalty therefor

- (1) No charges other than those specified by the Director/Managing Director by a general or special order shall be payable by the seller or the purchaser in a market.
- (2) A Licensee/Registration holder functioning as commission agent shall not collect any amounts other than the market charges as prescribed under the provisions of the Act and the Rules made there-under or the Bye-laws.
- (3) Any person contravening the provisions of Sub-rule (2) shall be punishable with a fine which may extend to Rs 1000/- (Rupees one thousand only).

Chapter VIII
Levy of Market Fees and its Collection

75. Single point levy of Market Fees

- (1) The fees levied under Sub-Section (1) of Section 42 on notified agricultural produce as laid down in the Bye-laws , if paid to a Market Committee within the State shall not be collected by another Market Committee when such notified agricultural produce are bought into the notified market area of another Market Committee for the purpose of processing, packing, storage, export and on sales effected in the course of commercial transactions between the licensed/ registered traders, and the licensed/ registered traders and consumers subject to production of such evidence as may be prescribed in the Bye-laws about the payment of market fees from where it was brought.
- (2) Such fees shall be levied as soon as the notified agricultural produce is purchased or sold by a Licensee/Registration holder. The notified agricultural produce shall be deemed to have been purchased or sold after the notified agricultural commodity has been weighed or measured or counted.
- (3) Market Committee may collect market fees through its Licensed/ Registered commission agents.
- (4) (i) The market fees collected by the Licensed/ Registered commission agents or traders on the notified agricultural produce shall be paid to Market Committee not later than the 25th of the succeeding month.
(ii) Any contravention of this Sub-rule shall be punishable with fine which may extend to Rs 1000/- (Rupees one thousand only).

76. Check Post

- (1) No person shall transport any notified Agricultural produce purchased or sold in the notified market area and from the limits thereof, except on production of the receipt for the payment of the prescribed fees in respect of such notified agricultural produce, to Market Committee concerned.
- (2) Any employee of Market Committee authorized by it in this behalf shall have the power at any time and without notice to stop and check any vehicle suspected to carry

unauthorized, any notified agricultural produce from any place within the limits of any notified market area.

- (3) Any person who fails to stop the vehicle when required, to do so under Sub-rule (2), shall be punishable with fine which may extend to Rs 1000/- (Rupees one thousand only).

77. Penalty for evasion of payment of market fees

Any person removing or attempting to remove any notified agricultural produce from any notified market area or allowing the transport of any such notified agricultural produce from such area in contravention of the provisions of Rule 75 before the fee has been paid therefor and a receipt obtained in respect of such payment or practicing any device in order to evade or facilitate evasion of the payment of the fees shall be punishable with fine which may extend to Rs 1000/- (Rupees one thousand only).

Explanation: For purposes of Rules 76 and 77, the expression 'person' shall include a Government.

78. Register for market fees

Market Committee shall maintain a register in **Form P** showing the market fees under Section 42 or any other charges collected by it. A receipt shall be given to every person in respect of the fees, or charges so collected under these Rules.

79. Use of employees for collecting market fees

The fees under Section 42 shall be collected by the officers and servants of Market Committee. Market Committee may outsource the function of collection of market fees and assign the same to any other person with the prior approval of the Director / Managing Director.

80. Employees collecting market fees

Every officer or staff of Market Committee other than the Secretary shall carry an identification card given under the seal of Market Committee authorizing him to collect fees on behalf of Market Committee.

81. Inspection of Cash and Accounts by Secretary of Market Committee

The Secretary shall arrange to inspect and check periodically the cash and accounts of the officers and staff, authorized to collect fees on behalf of Market Committee.

Chapter IX

Establishment and Functioning of Private Market/ E-Market, Consumer / Farmers Market and Direct Marketing

82. Application for grant of licence under Section 45 and 46 of the Act and fees chargeable therefor

- (1) Under Section 45 and 46 of the Act, any person desiring to
- (i) set up in one or more market area, a private market by establishing a private yard, e-marketing facilities or other direct purchase facilities to purchase agricultural produce for all or for any of the purposes mentioned under Section 45, and
 - (ii) establish consumer / farmer market in any market area

shall make an application in duplicate in **Form Q** for private market, Consumer / Farmer Market, in **Form Q-1** for E-Market and in **Form R** for Direct Marketing to the Director/Managing Director/, enclosing therewith, the copy of treasury challan in support of having paid the licence fee of the value of requisite amount of fee according to the scale shown in the Table below:

Table

(i)	Establishment of private yard or direct purchase facilities.	Rs.10,000/-per annum
(ii)	Establishment of Consumer / Farmer Market	Rs. 2,000/-per annum
(iii)	Establishment of E- market	Rs.50000/- per annum

- (2) Every such application shall be accompanied with:
- (i) a detailed project report showing the financial status of the applicant with the support of Income Tax returns for the previous three assessment years or permanent assets with valuation assessed by a chartered accountant.

- (ii) the report shall also contain details such as the extent of land in which the market is proposed to be established, locations at which procurement centers/trading centres, if any, intended to be set up and amounts proposed to be spent for setting up facilities, for purchase/sale and storage of notified agricultural produce including establishment for processing, grading, packing, storing and for sale/export of the produce by way of value addition; and

- (iii) outlay earmarked for providing facilities, if any, like lodging, boarding to the growers who bring produce to the private market, for establishing laboratory facilities to evaluate and determine the quality of the produce after processing to satisfy the sanitary and phyto-sanitary requirements of the consumers.

- (iv) notwithstanding anything contained elsewhere, an application for establishment of E-Market, shall be submitted and entertained by the licensing authority provided that the applicant shall have online trading, efficient clearing, and settlement and guarantee system. It shall provide for Delivery of underlying commodity backed by a warehouse receipt system. It shall have system of well organized and capitalized brokerage houses, where Members / brokers with reasonable capital adequacy can participate. It shall provide for online real time price and trade information dissemination. Any information related to the trade shall be shared online with the market. It shall have transparency in operations and decision-making. The management running the E-Market shall be reliable, effective and impartial and also with experience in handling commodity markets. The Ownership/ Management and Members/ Brokers of E-Market shall be separate persons/ bodies.

Provided, further, that the E-market shall provide following facilities to the agriculturists for sale and purchase of notified agricultural commodities:

- (a) It shall install trading terminals in the market area for on-line trading at prominent locations, which are easily accessible to agriculturists;

- (b) It shall provide real time price and trade related information on notified agricultural commodities in the market area, District, State and at National level and shall provide permanent electronic price display board at yards of the Market Committees in the area of its operation;

- (c) It shall make arrangement for warehousing, weighment, grading and certification and for sanitary and phyto-sanitary provisions;
- (d) It shall ensure delivery of commodities sold by the agriculturists only after full payment by the buyers;
- (e) The E-market shall collect market fee as prescribed under the Act or the Rules or the Bye-laws and deposit the same with the Market Committee/Board concerned, as the Rules or Bye-laws may provide, by 25th of succeeding month, alongwith the details of the commodity transacted;
- (f) The private E-market shall be exempted from creation of infrastructure as required for private markets. However, facilities as indicated in this rule shall be provided by the Licensee;
- (g) The Licensee private E-market shall be free to charge membership fee security deposit, annual subscription, margin money and other charges from their market functionaries other than the agriculturists;
- (h) Agriculturists shall give physical delivery directly or through designated warehouse receipts recognized by the E-Market;
- (i) E-Market shall guarantee payment on all trading executed in the E-market and for this purpose shall maintain a settlement guarantee fund. The agriculturist-seller shall get full payment on delivery within three days, notwithstanding any default on part of buyer;
- (j) The prices quoted by the buyer shall be net payable to the farmer including the market fee, brokerage charge etc. The transport cost and other miscellaneous costs delivered at warehouses shall be on the account of buyer and the buyer shall quote only the net payable price to the farmer. The size and grade of notified agricultural produce to be traded in the E-Market shall be decided in consultation with the Director/Managing Director by the Licensee;
- (k) The membership shall be freely available to all including farmers or their groups/ cooperatives/ companies. The membership fee for the farmers shall be decided in consultation with the Director/Managing Director.

- (3) The application on receipt shall be scrutinized by the Director / Managing Director or any officer authorized by him, and after being satisfied, he shall enter it in the register maintained in **Form S/S1** at the earliest but positively within thirty days of its receipt.
- (4) The Director/Managing Director / or any Designated Authority by the State Government shall evaluate the project report submitted by the applicant and may issue within 60 days from the date of receipt of application, the letter of intent for commencement of the project based on such evaluation.
- (5) (i) On completion of the project, the applicant shall give an intimation to the Director/Managing Director/ Designated Authority. Director/Managing Director/ Designated Authority on receipt of intimation shall authorize an officer to inspect, who shall satisfy himself about the completion of the project with all facilities as per the project report and shall submit report to Director / Managing Director/ Designated Authority. In case of failure by the applicant to implement the project either within the project implementation period mentioned in the permission or within such extended time which shall not be more than three years from the date of issue of Letter of Intent, the Director / Managing Director/ Designated Authority may refuse the grant of licence for reasons to be communicated. In case of rejection of application, the fee deposited with the application shall be refunded to the applicant, after retaining 5% of the fee paid towards processing cost.
- (ii) On receipt of the Report about completion of implementation of the project, Director / Managing Director/ Designated Authority may grant licence in **Form T/T1** with such conditions specified for a period of not exceeding 10 years, renewable for a period of 10 years every time on an application and payment of required fee.
- (6) The Licensee may, start trading or making purchases as the case may be from agriculturist growers of the area or areas specified in the licence only after receipt of the licence. However, in the event of cancellation of licence owing to failure to implement the project, the person licensed shall forthwith stop making purchases under the licence.

- (7) The Director/ Managing Director/ Designated Authority or any other Officer authorized by him not below the rank of an Assistant Director of the Directorate of Marketing/ Board shall have power to inspect the private market.
- (8) The Licensee shall submit monthly returns of purchases made from the agriculturist growers to the Director/ Managing Director/ Designated Authority and pay the Market Fee to the concerned Market Committee/Board as may be case as per Rules or Bye-laws, by 25th of the succeeding month. He shall also furnish the sale returns pertaining to processed goods as applicable.

Provided that the Licensee private market shall retain 20% of the market fee so collected for the purpose of developing and maintaining its activities to conduct and regulate trading of notified agricultural produce by the agriculturists.

- (9) The Licensee shall ensure the payment of sale proceeds to the agriculturists by issuing a sale bill on the day of sale, allow only such allowances and deductions, as are permitted under the Rules, collect market charges not exceeding and as are applicable in other markets in the notified market area and maintain such registers and furnish such returns to the Director/ Managing Director or to such other officer as he may direct.

Provided that no market fee shall be levied for the second time in any market area of the State for notified agricultural produce on which market fee has been levied and collected at the prescribed rate in a private market, E-market and on direct purchase from the agriculturists.

- (10) E-Market shall guarantee performance of all contracts executed on its platform. For this purpose, E-Market shall maintain a Settlement Guarantee Fund. The sellers shall get payment in time strictly as per schedule; notwithstanding any default by the buyer the Licensee E-Market shall ensure payment strictly as per time schedule to the agriculturists.
- (11) The disputes between the agriculturists and management of the private market, E-market, Consumer / Farmer market or market functionaries in these markets and likewise the dispute between the Private market, E-market, Consumer / Farmer

Market, Market Committee and Direct Marketing Licensee shall be referred to District Level Officer concerned with regulation of agricultural marketing within a period of 30 days of its occurrence by the party desirous of filing such disputes. The dispute shall be resolved in a summary manner within 30 days, after giving reasonable opportunity to the parties of being heard by the Dispute Settlement Authority. Any party aggrieved by this decision may file an appeal to the Divisional officer/State level officer concerned with Regulation of Agricultural Marketing or Director/Managing Director (as the State Government may decide).

83. Development of infrastructure for providing amenities and facilities in the Private Market, Consumer / Farmer Market

- (1) The owner of a private market shall provide minimum common amenities and facilities in the yard such as auction platforms, shops, godowns, canteen, drinking water, latrine, urinals, compost pits, street light, etc. in the interest and for the convenience of producers as well as other individuals using the market.
- (2) In addition to the infrastructure mentioned in Sub- rule (1) above, the owner of a private market may provide such other amenities and facilities therein as are requisite of a modern market such as, warehouses, pre-cooling, cold storage (including controlled atmosphere cold storage), ripening chambers, establishing laboratory facilities to evaluate and determine the quality of the produce after processing to satisfy the sanitary and phyto-sanitary requirements of the consumers, pack houses having grading lines, Kisan Bhawans, loading and unloading sites, electronic auctioning, electronic display of market rates of different commodities, etc.,
- (3) The Consumer / Farmer Market shall create minimum infrastructure as are normally provided in an 'Apni Mandi', 'Kisan Haat', or 'Ryathu Bazar', including stalls for the farmers/growers, as also shops for ancillary services i.e., booths for sale of seeds, fertilizers, organic fruit & vegetables, milk, fruit and vegetables, etc.

84. Renewal of Licence

- (1) A licence granted under Section 45, and 46 of the Act, shall be valid for the period for which it is issued and shall, subject to any order passed under Section 47 of the Act, be renewable on application, made in **Form U/ U1** to the authority granting it on payment of fee as prescribed in Rule 82.
- (2) An application for renewal of a Licence shall be made at least thirty days before the date on which the licence is due to expire.

Provided that the authority competent to renew a Licence may, on the payment of a penalty of Rs 5000/-(Rupees Five Thousand only), by the applicant entertain an application for renewal made after the expiry of the licence within a period of six months.

Note: Every renewal of a licence granted under this Rule shall be deemed to have come into effect from the day following the date on which the Licence/Registration expired.

85. Changes in membership and in name and style of Licensee

- (1) Any change in the membership of a Licensee firm, company or association or a group of individuals, whether incorporated or not, otherwise than through inheritance, shall amount to creation of a new firm necessitating issue of a fresh Licence.

Provided that in the case of a Hindu joint family, any addition in membership because of birth of a new member, shall not constitute change in membership.

- (2) When a change, save in the circumstances covered under proviso of Sub-rule (1) takes place in the membership or in name or style even without any change in the original membership of the Licensee firm or company, it shall bring this fact to the notice of the Secretary of Market Committee concerned positively within fifteen days. The Secretary after satisfying himself as to the correctness of the facts stated in the application, shall forward it, in original, to the Director / Managing Director, with observations, for consideration.

- (3) In the event of an application is allowed, the Director/ Managing Director shall cause a suitable endorsement made in the original licence as also the change recorded in the relevant registers maintained by Market Committee and the Board.
- (4) Failure to make the report, as in Sub-rule (2) above, within the prescribed time limit, shall amount to termination of the existing licence.

86. Suspension or cancellation of licence

- (1) If the Director/ Managing Director, on receipt of a report from the Inspecting Officer or an Auditor or otherwise, is satisfied that a Licensee is prima-facie in breach of any of the conditions subject to which the Licence has been granted or renewed, or lacks in any of the grounds enlisted in Clauses (a) to (f) of Section 48 of the Act, he may issue a notice to the defaulting Licensee asking him to show cause by a given date, not earlier than fourteen days, as to why the Licence granted to him or renewed in his name be suspended or cancelled.
- (2) After affording a reasonable opportunity of being heard to the Licensee, the Director/ Managing Director, if satisfied that there is no substance in the allegation may drop the proceedings or otherwise he may suspend or cancel the Licence.

87. Procedure for Appeals against the orders passed under Sections 45, 46 and 48

- (1) An appeal preferred against an order passed under Sections 45 or 46 or 48 of the Act accompanied with a fee of Rupees Fifty only paid by challan in Government Treasury, shall be presented to the Government who shall act as the Appellate Authority under the Act, in the form of a memorandum couched in respectful, decorous and temperate language setting forth precisely and concisely the grounds of appeal. An authenticated copy of impugned order shall invariably be annexed to the memorandum of appeal.
- (2) No appeal filed under this Rule shall be entertained unless it has been preferred within a period of thirty days from the date on which a copy of the order is received by the appellant.
- (3) Having regard to the facts, the circumstances and the record of the case and after

considering the comments of the authority passing the order appealed against and after making such further enquiry, as it may consider desirable, the appellate authority shall after affording a reasonable opportunity of being heard to the applicant, pass an order confirming or setting aside the order under appeal or remit the matter for re-consideration.

Chapter X

Market Committee Funds, Budget and Accounts

88. Budget of Market Committee

Market Committee shall meet annually not later than two months preceding the commencement of financial year to prepare and adopt the budget of income and expenditure for the next year in the form specified by the Director/Managing Director and shall submit to the Director /Managing Director for sanction 30 days before the closure of the year.

Provided that Market Committee shall be competent to incur expenditure provisionally, as per budget passed by Market Committee, in case the sanction of the Director/Managing Director is not received within 30 days from the date of submission of the budget to him.

89. Budget Conference of Market Committee

The Director/Managing Director may convene a conference or conferences of the representatives of Market Committees to discuss issues relating to the budget estimate of individual Market Committee and may affect alterations wherever necessary considering the resources and needs of each of such Market Committees.

90. Re-appropriation of Savings from one item to another item of Expenditure including Supplementary Grants

Market Committee shall regulate its expenditure in accordance with the provisions of its budget and in accordance with instructions issued from time to time, by the Director/Managing Director. No expenditure shall be incurred for which there is no budget provision unless it can be met by re-appropriation from savings under other heads or by a supplementary grant from the available reserve, subject to such demand from Market Committee and sanction thereto by the Director/ Managing Director.

91. Publication of Accounts and Audit of Market Committee

- (1) Market Committee shall keep such accounts, in such forms and in such manner as may be specified by the Government in this behalf by general or special order for the audit of the accounts of Market Committee. Market Committee shall prepare and publish annually before the end of the month following the close of its financial year a

statement of its assets and liabilities with a balance sheet as on the closing day of the year.

- (2) The Secretary shall cause to be produced all accounts, registers, documents, and other papers, which may be required by the Director/Managing Director in connection with the audit of the accounts of Market Committee. He shall also furnish immediately any explanation called for by the Director/Managing Director for the settlement of any discrepancy in such accounts.

92. Submission of Accounts of Market Committee

The Secretary shall submit all accounts of Market Committee as required by the auditor who may be authorized by Director/Managing Director, to conduct the audit of Market Committee.

93. Power to Summon Documents by Auditor

- (1) The auditor may
 - (i) by summons in writing, require the production of any book, deed, contract, account, voucher, receipt or other document, the perusal or examination of which he considers necessary;
 - (ii) by summons in writing require any person having the custody or control of any such document or accountable for it to appear in person before him; and
 - (iii) require any person so appearing to make and sign a declaration with respect to such document or to answer any question or to prepare and furnish any statement relating thereto.
- (2) Whoever fails to comply with any requisition lawfully made upon him under this Rule shall be punishable with fine which may extend to Rs 50/- (Rupees Fifty only).

94. Auditor to Report Material Impropriety or Irregularities, Loss, Waste or Misapplication of funds

- (1) The auditor shall report to Market Committee and Director /Managing Director any material impropriety or irregularity which he may observe in the expenditure or in the recovery of money due to Market Committee or in the accounts of Market Committee.
- (2) The auditor shall report to Market Committee and Director /Managing director any loss, waste, or misapplication of money or other property owned by or vested in Market Committee, if such loss, waste or misapplication is a direct consequence of neglect or misconduct, with the names of any person directly or indirectly responsible for such loss, waste or misapplication.

95. Duty of the Secretary of Market Committee to Remedy the Defects or Irregularities

The Secretary of Market Committee shall forthwith remedy any defects or irregularities that may be pointed out by the auditor and report the same to Market Committee.

96. Powers of Auditors to disallow any unauthorized items and Surcharge thereon

- (1) The auditor may disallow every item contrary to law and surcharge the same on the person making or authorizing the making of the illegal payment and may charge against any person responsible therefor the amount of any deficiency, loss or unprofitable outlay incurred by the negligence or misconduct of that person or of any sum, which ought to have been, but is not, brought to account by that person and shall in every such case, certify the amount due from such person.

Explanation: It shall not be open to any person whose negligence or misconduct has caused or contributed to any such deficiency or loss, to contend that notwithstanding his negligence or misconduct, the deficiency or loss would not have occurred, but for the negligence or misconduct of some other person.

- (2) The auditor shall state in writing the reasons for his decision in respect of every disallowance, surcharge or charge and furnish by registered post a copy thereof to the person against whom it is made.

- (3) If the person to whom a copy of the auditor's decision is so furnished refuses to receive it, he shall nevertheless be deemed to have been duly furnished with a copy of such decision within the meaning of Sub-rule(2). The period of fourteen days referred to in Rules 97 and 98 shall be calculated from the date of such refusal.

97. Appeals against decisions of Auditor

Any person aggrieved by disallowance, surcharge or duly furnished with a copy of such decision within the meaning of Rule 97 Sub-rule (2) and (3) charge made may, within fourteen days after he has received or been served with the decision of the auditor, appeal to the Director / Managing Director. Any order passed on such appeal by the Director / Managing Director after giving an opportunity of being heard to the concern shall be final.

98. Payment to be credited to Treasury

Every sum certified to be due from any person by the auditor under these Rules, shall be paid by such person into Market Committee Fund, within fourteen days after the intimation to him of the decision of the auditor, unless within that time such person has appealed to the Director /Managing Director against such decision, and such sum, if not paid, or such sum as the Director/ Managing Director shall declare to be due, shall be recoverable on an application made by the Director/ Managing Director to the court in the same way as an amount decreed by the said court,

99. Filing of Half Yearly returns to Auditor by Market Committee

In order to enable the auditor to watch the timely recovery of all amounts covered by the surcharge certificates issued by him, a half-yearly return shall be sent by Market Committee to the auditor and Director/ Managing Director .The action taken to effect the recoveries for which Market Committee is responsible shall be specified in the return. The return for each half-year shall include all surcharges outstanding at the end of the half-year and shall be sent to the auditor by the 10th of the month succeeding the half-year to which the return relates. The return shall contain detailed information regarding the stage of recovery of amounts due and they shall be sent with a certificate that the recovery of the amounts has not become time-barred. Where no amount is pending recovery, a 'NIL' return shall be sent. As soon as an amount is completely recovered, Market Committee shall report the fact to the auditor and to the Director/ Managing Director.

100. Surplus Funds of Market Committee

All unexpended balances on the last working day of Market Committee's official year shall be invested in such banks or in such interest bearing securities with the sanction of the Director/ Managing Director.

101. Central Market Fund

Market Committee at the end of every month shall assess the amount of contribution on the basis of all monies received by it and credit the same to the Central Market Fund.

102. Contribution to the Central Market Fund

- (1) Every Market Committee shall contribute to Central Market Fund before the 20th of April, of the subsequent year of its income derived in the previous year.
- (2) Every Market Committee shall maintain a separate Register showing the income of every year and remittance to the Central Market Fund every year.
- (3) In case any Market Committee fails to remit the contribution to the Central Market Fund within the time prescribed, the said amount with simple interest at 6% per annum shall be recoverable from Market Committee by the Director / Managing Director.

103. Application and Administration of Central Market Fund

- (1) The Central Market Fund may be applied by the Director / Managing Director for all or any of the following purposes:
 - (i) Grant-in-aid of Market Committee for the first year after their constitution under the Act for incurring initial expenditure for the setting up of office of Market Committee or a market.
 - (ii) Grant-in-aid not exceeding Rs.20, 000 (Rupees twenty thousand only) shall be sanctioned to such of those Market Committees which are either deficit or lacking the repaying capacity. Such grants shall be used for providing amenities to the users of Market Yard.

- (iii) Grant of loans to Market Committees for acquisition of sites for market yards and their development at such rate of interest as is charged on loans granted by the Government to local bodies for developmental purposes.
 - (iv) Expenditure to be incurred in maintaining and running the Central Market Fund as well as State Agricultural Marketing Board.
 - (v) Expenditure to be incurred for grading, market intelligence, publicity, developmental works, purchase of movable and immovable properties and appointment of staff necessary therefor.
 - (vi) Expenditure to be incurred for receiving and entertaining the Marketing Delegations and VIPs from other States.
 - (vii) Such other purposes as the Government may by general or special order specify to promote agricultural marketing in general.
 - (viii) Promotion and construction of infrastructural facilities in the market area.
 - (ix) Market Survey and Research, grading and standardization, quality certification of agricultural and allied produce.
 - (x) Development of Haats/ Shandis for marketing of agricultural produce in the market area.
 - (xi) Development of quality testing and communication infrastructure relevant to the agriculture and allied sectors.
 - (xii) Development of media, cyber and long distance infrastructure relevant to marketing of agricultural and allied commodities.
- (2) The Director/Managing Director shall obtain the approval of the Government before sanctioning any grant-in-aid or loan exceeding Rupees Twenty thousand.
- (3) The grant-in-aid to a deficit Market Committee may be for a period not exceeding three years.

104. Budget of Central Market Fund

The Director / Managing Director will prepare the Annual Budget of income and expenditure of the Central Market Fund and submit before the 30th of April every year to the Government for sanction.

Provided that the Director/Managing Director shall be competent to incur expenditure provisionally as provided for in the budget, pending sanction of the competent authority.

Chapter XI

Constitution & Functions of State Agricultural Marketing Board

105. Composition of State Agricultural Marketing Board

The State Agricultural Board shall consist of members not exceeding 18, including a Chairman and a Vice- Chairman.

- (i) Appointment of Chairman and Vice-Chairman – The Minister In-charge of Agriculture/ Agriculture Marketing and Minister of State In charge of Agriculture / Agricultural Marketing shall be the Ex-Officio Chairman and Vice-Chairman respectively of the Board.

OR

The Chairman and the Vice-Chairman of the Board shall be elected by the agriculturist Chairpersons /members of Market Committee. The manner of election of the Chairman and Vice-Chairman shall be prescribed in the regulation of the Board.

- (ii) Six to ten members shall be nominated by the State Government from amongst the Chairman of Market Committees.

OR

Six to ten members shall be elected in the manner prescribed under the regulations of the Board, from amongst the Chairpersons/ members representing agriculturist in Market Committees.

- (iii) Following shall be Ex-officio members of the Board:

- (a) Agricultural Production Commissioner/Director of Agriculture;
- (b) Secretary, Agriculture Department or his nominee not below the rank of Deputy Secretary in-charge of agricultural marketing;
- (c) Agricultural Marketing Adviser to the Government of India or his nominee;
- (d) Representative of NABARD, not below the rank of Deputy General Manager;
- (e) Registrar of Co-operative Societies; and
- (f) Director/Managing Director of State Agricultural Marketing Board.

106. Powers and Duties of Chairman and Vice-Chairman of State Agricultural Marketing Board

The Chairman of the Board and in his absence the Vice-Chairman shall:

- (i) be responsible for efficient administration of the organization and to carry out provisions of the Act and the provision of these rules and to exercise general control over the employees of the Board and those of Market Committee;
- (ii) be the competent authority for approving the budget of Market Committee;
- (iii) be responsible for preparation of annual budget of the Board; and
- (iv) be the presiding officer over the meeting of the Board.

Provided that the State Govt. may issue further guidelines with regard to the powers, duties and functions of the Chairman and Vice-Chairman of the Board consistent with the provisions of the Act and Rules which shall be binding on the Board.

107. Term of Office of the Chairman, Vice-Chairman and the members of the State Agricultural Marketing Board

- (i) The term of the office of the Chairman and Vice-Chairman shall be co-terminus with the term of his holding the office by virtue of which they have become Chairman and Vice-Chairman ex-officio.

OR

The term of the office of the Chairman and Vice-Chairman shall be co-terminus with the term of office of the members who had elected them.

- (ii) The elected or nominated members representing agriculturist shall hold office till they remain members of Market Committee. However, their term of office shall not exceed three/five years from date of the appointment.
- (iii) Official member of the Board shall hold office as long as they are in office by virtue of which they have become member ex-officio.

108. Appointment of Managing Director and his powers

- (i) The State Government shall appoint a Managing Director who shall act as the Chief Executive Officer-cum-Secretary of the Board.
- (ii) Powers of Managing Director: Subject to the provisions of Section 83 and Section 85 of the Act, the Managing Director shall be responsible for smooth and efficient working of the Board, and shall, in that context, exercise all such administrative, financial and powers of general nature as are vested in him under the Act or Rules made and such as may be delegated to him by the Board from time to time. The Managing Director of the Board shall in relation to matter pertaining to the Board, enjoy same powers as are being enjoyed by a Head of Office in Agriculture Department in relation to matters of the Board.

109. Meeting of the State Agricultural Marketing Board

- (i) Notice of a meeting of the Board shall be communicated by the Member Secretary to all members ordinarily ten days before the date of meeting, along with intimation of agenda of the business proposed to be transacted in the said meeting. Provided that a special meeting may be convened by giving one day notice in writing.
- (ii) Proceedings of every meeting shall be recorded in the minute book, which shall be authenticated by the Chairman and the Managing Director, and a copy of the same, as soon as practicable shall be supplied to every member after the meeting. The Minutes Book shall be permanently preserved and unless otherwise provided, shall remain in the custody of the Member Secretary.
- (iii) If a member gives notice in writing seeking alteration in the Minutes on the ground that the record is not in conformity with the decisions taken in the meeting, the matter shall be placed before the Board in its next meeting and decision thereupon shall be conclusive and final.

110. Matters on which Board may frame regulations

In addition to the matters specified in of Section 74 of the Act, the Board may frame regulation for:

- (i) better marketing of agricultural produce including marketing of agricultural produce on co-operative lines;
- (ii) the grading and standardization of agricultural produce;
- (iii) the general improvement in the markets or their respective notified market areas;
- (iv) the incurring of expenditure on the construction and repair of the link roads and approach roads out of Market Committee Fund;
- (v) the maintenance and regulation of buildings of the Board;
- (vi) the procedure for giving aid to financially weak Market Committees;
- (vii) the allowances payable to the members of the Board or Advisory committees;
- (viii) publicity, exhibition, demonstration and education for improvement of agriculture and Agricultural Marketing;
- (ix) the classification of Market Committees on the basis of their income for the purpose of fixing the grades of their Secretaries and other employees and contribution due from a Market Committee to Central Market Fund;
- (x) the person or persons by whom, and the manner in which, a contract may be entered on behalf of the Board;
- (xi) any other purpose which, in the opinion of the Board, promotes the interest of the Board or Market Committees, or leads to improvement of agriculture and agricultural marketing, in general;
- (xii) the procedure for election of Chairman and members of the Board; and
- (xiii) other matters for which provision is to be or may be provided in regulation.

111. Budget of the State Agricultural Marketing Board

- (1) The Board shall meet not later than first week of February every year to finalize the budget for the next financial year.
- (2) The budget finalized by the Board shall be submitted to the State Government not later than the last week of February preceding the year to which the budget relates.
- (3) No expenditure shall be incurred by the Board unless there is a provision in the budget to meet the same.
- (4) The Board may re-appropriate any amount from one Head of Account to another Head of Account.

112. Powers and functions of the Director of Marketing/Managing Director

In addition to the provision made under Section 85 of the Act, the Director of Marketing/ Managing Director may perform such functions other than those prescribed for the Board which would enable proper execution of the provisions of the Act. The functions of the Director of Marketing/ Managing Director may include:

- (i) appointment of officer- in-charge or committee-in-charge at the time of formation of new Market Committee;
- (ii) determine validity of the election of Market Committee, if it is brought to question by a legal person or organization;
- (iii) specify the manner and form for maintenance of accounts by Market Committee and the Board;
- (iv) cause to notify the prescribed licensing/registering authority for grant of licence/Registration for contract farming, private market, direct purchase from farmers and consumer or farmer market;
- (v) cause to notify the Dispute Settlement Authority and Appellate Authority for settlement of disputes under contract farming, private market, direct purchase from farmers and consumers or farmer market;
- (vi) prefer an appeal from any person aggrieved by the order of the Board;
- (vii) notify or cause to notify a market as a Special Market or Special Commodity Market; and
- (viii) all other activities as covered Section 85 (2).

113. Establishment of Agricultural Produce Marketing Standards Bureau

- (1) The Board shall establish and set up an Agricultural Produce Marketing Standards Bureau, staff it with professionally qualified personnel and provide it with required facilities and infrastructure including one or more fully equipped laboratories.
- (2) The Bureau shall subject to the provisions of the Act and the Rules and under the superintendence and control of the Board, perform functions as per direction of the Board and shall have powers to conduct such experiments, tests and inspections as may be necessary or expedient for effective and efficacious performance of its functions.

Chapter XII

Capital Works of Market Committee

114. Works

- (1) (i) All plans and estimates for works proposed to be carried out by Market Committee shall wherever feasible or practicable be designed by the Engineering cell of the Office of the Director/Managing Director. In cases where such Engineering cell considers that the technical advice of any Engineer of the Public Works Department or Roads and Buildings Department or Public Health Department is necessary, the case may be referred to such Department.
- (ii) Technical sanction of all the original works and repairs shall be accorded by the Engineer from the office of Director / Managing Director.
- (iii) No work for which plans and estimates have not been previously prepared or which have not received the technical sanction shall be included in the budget.
- (2) Market Committee shall call for tenders in the proforma and in accordance with the procedure which shall be specified by the Director/Managing Director in consultation with the Public Works Department.
- (3)(i) No works shall be undertaken or carried out except with the prior approval from the Director/Managing Director and under the supervision of a qualified technical officer not below the rank of an overseer or supervisor appointed for the purpose by Market Committee.
- (ii) In respect of any work the approved estimate of which exceed Rupees Two Lakhs, the Market Engineer authorized by the Director/Managing Director in this behalf shall inspect the works at the stage of excavation and roof level on intimation by Market Committee. The foundations shall be filled under the supervision of the said Engineer and roof shall not be laid in his absence.

Provided that, where the approved estimate of any work does not exceed Rupees Two Lakhs it shall be competent for Market Committee to execute the same under its own

supervision in accordance with the technical advice tendered by the Director/Managing Director from time to time.

Provided further that the final payment for the work shall be made by Market Committee on its own responsibility, only after check measurement made by the Engineer authorized by the Director/Managing Director in this behalf.

Chapter XIII

Repeal and Saving

115. Repeal of previous Rules

Subject to the provisions of Section 111 of the Act, on the coming into force of these Rules.

- (i) The _____ State Agricultural Produce Marketing (Development and Regulation), Rules _____ (Year) are hereby repealed.

- (ii) Notwithstanding such repeal, anything done or any action taken under the Rules so repealed shall be deemed to have been done or taken under these Rules and shall continue to be enforced unless until superseded by anything done or action taken under these Rules.

Forms Under _____ State Agricultural Produce Marketing (Development and Regulation) Rules , 2007

FORM A

[See rule 6 (8) (i)]

FORM OF NOMINATION TO BE FILED FOR CONTESTING THE ELECTION OF MARKET COMMITTEE BY THE CANDIDATE

1. Name of the electorate:
2. Full name of candidate:
3. Father's or husband's name:
4. Age:
5. Sex:
6. Community:
7. Occupation and address:
8. Full name of proposer:
9. Sr. Number of proposer in the list of voters:
10. Signature of the proposer:

Candidate's Declaration:

I declare that I am willing to contest the election.

Date:

Place:

Signature of Candidate

CERTIFICATE OF DELIVERY BY THE ELECTION OFFICER

Serial No.

This nomination paper was delivered to me on _____ (date and hour).

Date:

Place:

Signature of the Election Officer

Instructions – Nomination papers which are not presented to the Election Officer before date and hour fixed for the purpose, shall not be received.

FORM B
[See Rule 6 (11)]

**LIST OF NOMINATIONS RECEIVED ON _____ DATE _____ FOR _____ ELECTORATE,
FOR THE ELECTION OF MARKET COMMITTEE**

Sl. No.	Name of candidate	Father's or husband's name	Sex	Community	Occupation and address	Name of proposer
1	2	3	4	5	6	7

Note:- The nomination papers shall be taken up for scrutiny at _____ the _____ day
of _____ at (place).

Date:
Place:

Signature of the Election Officer

FORM C
[See Rule 6 (14) (ii)]

LIST OF VALID NOMINATIONS

Sl. No.	Name of candidate	Sex	Community	Address
1	2	3	4	5

Note: – The poll shall be taken between (date and hour) and at the polling stations already notified.

Date:
Place:

Signature of the Election Officer

FORM D
[See Rule 6 (17)]

FORM OF VOTING/ BALLOT PAPER

Counterfoil

Foil
Voting paper No.

Voting paper	Sl. No.	Candidate's Name	Candidate's Symbol	Voters mark
Voter's No. on list of voters	1. 2. 3. 4. 5.			

Please read this carefully before recording your vote(s).

- (1) You have _____ vote(s).
- (2) Each vote is to be shown by cross mark "X".
- (3) You are not to give more than one vote to any one candidate.

FORM E

[Rule 24 (3) (V)]

REGISTER OF DISPUTES REPORTED AND SETTLED BY MARKET COMMITTEE

Sl.No.	Parties to the dispute	Date of filing	Fees deposited (Receipt/Challan no. and date)	Nature of dispute in brief	Final decision taken in brief	Signature of the Secretary

FORM F
[See Rule 39 (1)]

APPLICATION FOR REGISTRATION AS CONTRACT FARMING SPONSOR

To,

Sir,

I/We _____ (Name)
_____ (Address)
(Phone No.) _____, am / are making an application for a Registration
as Contract Farming Sponsor for the period from _____ to _____, i.e.
_____ years. I / We want the Registration for _____ district(s)/
whole state.

Alongwith this application I am enclosing the following documents

- I) Solvency certificate.
- II) Bank Guarantee.
- III) Details of Registration Documents of Company /Partnership Firm / Non-Governmental Organizations/ Co-operative Society/ Government Organization etc. and names and addresses of directors and partners etc.
- IV) Details of agricultural produce coming under the contract.
- V) Copy of challan by which fee of rupees five hundred per year per district has been paid in Government Treasury.
- VI) Income tax return.

Signature of the Applicant

FORM G
[See Rule 39(2)]

REGISTER OF CONTRACT FARMING SPONSOR

Sl. No.	Name and Address of Applicant	Date of Receipt of Application	Registration fee Rs.	District (s) for which the Registration is granted	Period for which Registration is granted	No. and Date of issue of Registration	Signature	Remarks

FORM H
[See Rule 39(2)]

REGISTRATION OF CONTRACT FARMING SPONSOR

To

Sub: Registration as Contract farming sponsor in the district(s) / whole state

Sir,

With reference to your application no. _____ dated _____ on above cited subject, it is informed that your application for Registration has been accepted and with Registration no. _____ dated _____ .

The Registration is for the period _____ to _____ for operating in the following district of the state : _____

The condition of Registration is given below.

1.The Registration holder shall comply with the provision of the Act, Rules and instructions issued in this behalf.

2.The Registration holder shall comply with the terms and conditions given in the contract.

Signature of the Registering authority

Date:

Place:

FORM I
[See Rule 40(1)]

MODEL AGREEMENT FOR CONTRACT FARMING

THIS AGREEMENT is made and entered into at _____ on the _____ day of _____, 2003 between _____ age _____ residing at _____, herein after called the party of the First part (which expression shall unless repugnant to the context or meaning thereof mean and include his heirs, executors, administrators and assigns) of the one part, and M/s. _____ a Pvt./Public Limited Co. incorporated under the provisions of Companies Act-1956 and having its registered office at _____ herein after called the party of the Second part (which expression shall unless repugnant to the context or meaning thereof mean and include its successors and assigns) of the other part.

WHEREAS the party of the First part is the owner/ cultivator of the agricultural land bearing the following particulars.

Village	Gut No.	Area in Hectare	Tehsil & Dist.	State

AND WHEREAS, the party of the Second part is trading in agricultural produce and also providing technical know-how in respect of land preparation, nursery, fertilization, pest management, irrigation, harvesting and alike things.

AND WHEREAS the party of the Second part is interested in the items of the agricultural produce more particularly mentioned in Schedule-I hereto annexed and at the request of the party of the Second part, party of the First part has agreed to cultivate and produce the items of agricultural produce mentioned in the schedule-I hereto annexed.

AND WHEREAS the parties hereto have agreed to reduce in writing the terms and conditions in the manner hereinafter appearing.

NOW, THESE PRESENCE WITNESSTH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

Clause 1:

The party of the First part agrees to cultivate and produce and deliver to the party of the Second part and the party of the Second part agrees to buy from the party of the first part the items of the agricultural produces particulars of the items, quality, quantity and price of the items are more particularly mentioned in the schedule I hereto annexed.

Clause 2:

The agricultural produce particulars of which are mentioned in the schedule-I hereto will be supplied by the party of the First part to the party of the Second part within the period of _____ months/years from the date hereof.

OR

It is expressly agreed between the parties hereto that this agreement is for agricultural produce particulars of which are described in schedule-I hereto and for a period of _____ months/years and after the expiration of said period, this agreement will automatically come to an end.

Clause 3:

The party of the First part agrees to cultivate, produce and supply quantity mentioned in the schedule-I hereto annexed to the party of the Second part.

Clause 4 :

The party of the First part agrees to supply the quantity contracted according to the quality specifications and price/rate stipulated in Schedule I. If the agricultural produce is not as per the agreed quality standards, the party of the Second part will be entitled to refuse to take the delivery of the agricultural produce only on this count. Then

a) The party of the First part shall be free to sell the produce to the party of the Second part at a mutually renegotiated price

OR

b) In open market (to bulk Buyer viz. exporter/processor/ manufacturer etc.) and if he gets a price less than the price contracted, he will pay to the party of the Second part, for his investment proportionately less

OR

c) In the market yard and if the price obtained by him is less than contracted price, then he will return proportionately less for the party of the Second investment.

In the event the party of the Second part refuses/fails to take the delivery of the contracted produce for his own reasons then the party of the First part will be free to sell the produce in the open market and if the price received is lower than the contracted price the difference will be on account of the party of the Second part and the party of the second part shall pay the said difference to the party of the First part within a period of _____ days from asserting the said difference.

Clause 5 :

The party of the First part agrees to adopt instructions / practices in respect of Land preparation, nursery, fertilization, pest management, irrigation, harvesting and any other, as suggested by the party of the Second part from time to time and cultivate and produce the items as per specifications mentioned in the schedule-I hereto. The party to the second part agrees to impart training/skill up gradation of the party of the First part, provide written materials in local language indicating methods and practices required to produce the

commodity as per contracted quality and norm and provide quality extension service through trained and qualified personnel and other services as provided in clause 9 to enable the party of the First part to produce goods efficiently as specified in the schedule-I.

Clause 6:

It is expressly agreed by and between the parties hereto that buying will be as per the following terms and buying slips will be issued immediately after the purchase.

Date	Delivery Point	Cost of Delivery

It is further agreed that it will be the responsibility of the party of the Second part to take into possession of the contracted produce at the delivery point agreed after it is offered for delivery and if he fails to take delivery within _____ period then the party of the First part will be free to sell the agriculture produce contracted as under :

- a. In the open market (bulk buyer viz. exporter/ processor/ manufacturer etc.), and if he gets a price less than the price contracted, he will pay to the party of the Second part for his investment proportionately less
- b. In the market yard, and if the price obtained is less than the contracted price then he will return proportionately less to the party of the Second part for his investment.

It is further agreed that the quality maintenance in transit will be the responsibility of the party of the Second part and the party of the First part shall not be responsible or liable for the same.

Clause 7:

The party of the Second part shall pay to the party of the First part the price/rate mentioned in Scheduled I when his crop has been harvested and delivered to the party of the Second part after deducting all outstanding advances given to the party of the First part by the party of the Second part. The following schedule shall be followed for the payment.

Date	Mode of Payment	Place of Payment

Clause 8 :

The party of the Second part shall provide necessary information and facilitate insurance by the party of the First part of the contracted produce mentioned in Schedule-I hereto, for the period of _____ against the risk of losses due to acts of Gods destruction of specified assets, loan default and production and income loss and all other acts or events beyond the control of the parties, such as very low production caused by the serious outbreak of a disease, epidemic or by abnormal weather condition, floods, drought, hailstorm, cyclones, earthquakes, fire or other catastrophes, war, acts of Government, action existing on or after the effective date of this agreement which prevent

totally or partially the fulfillment of the obligation of the farmer. Upon request, the party of the First part invoking such acts shall provide to the other party confirmation of the existence of facts. Such evidence shall consist of a statement of certificate of the appropriate Governmental Department. If such a statement or certificate cannot reasonably be obtained, the party of the First part claiming such acts may as substitute, thereof, make a notarial statement describing in details the facts claimed and the reasons why such a certificate or statement confirming the existence of such facts. Alternatively, subject to the mutual agreement between the two parties, the party of the First part may fill his quota of the produce through other sources and the loss suffered by him thereby due to price difference, shall be shared equally between the parties, after taking into account the amount recovered from the insurance company, The insurance premium shall be shared equally by both the parties.

Clause 9:

The party of the Second part hereby agrees to provide following services to the party of the First part during the period of cultivation and post harvest management, particulars of which services are as follows:

- 1.
- 2.
- 3.
- 4.

Clause 10:

The party of the Second part or it's representatives agrees to have regular interactions with the farmers forum set up/named by the party of the First part during the period of contract.

Clause 11:

The party of the Second part or its representatives at their costs shall have the right to enter the premises/fields of the party of the First part to monitor farming practices adopted and the quality of the produce from time to time.

Clause 12:

The party of the Second part confirms that he has registered himself with the Sponsor Registering Authority _____ on _____ and shall pay the fees in accordance with the law prevailing in this regard to the Sponsor Registered Authority which has jurisdiction to regulate the marketing of agriculture produce which is cultivated on the land described _____

OR The party of the Second part has registered himself on _____ with Sponsor Registering Authority (single point) namely _____ prescribed by the State in this regard. The fees levied by the respective Sponsor Registering Authority shall be borne by the party of the Second part exclusively and will not be deducted in any manner, whatsoever, from the amounts paid to the party of the First part.

Clause 13:

The party of the Second part will have no rights whatsoever as to the Title, Ownership, Possession of the land/property of the party of the First part nor will it in any way alienate the party of the First part from the land property particularly nor mortgage, lease, sublease or transfer the land property of the First party in any way to any other person/ institution during the continues of this agreement.

Clause 14:

The party of the Second part shall submit true copy of this agreement signed by both the parties within a period of 15 days from the date of execution thereof with the _____ market committee/ Agreement Registering Authority as required by the APMR Act / any other registering authority prescribed for the purpose.

Clause 15:

Dissolution, Termination/Cancellation of the Contract will be with consent of both the parties. Such dissolution or termination/cancellation deed will be communicated to the registering authority within 15 days of such dissolution, termination/cancellation.

Clause 16:

In the event of any dispute or difference arising between the parties hereto or as to the rights and obligations under this agreement or as to any claim, monetary or otherwise of one party against the other or as to the interpretation and effect of any terms and conditions of this agreement, such dispute or difference shall be referred to arbitration authority constituted for the purpose of Authority declared by State Government in this regard.

Clause 17:

In case of change of address of any party to this agreement, it should be intimated to the other party and also to the Agreement Registering Authority.

Clause 18:

Each party hereto will act in good faith diligently and honestly with the other in the performance of their responsibilities under this agreement and nothing will be done to jeopardize the interest of the other.

In witness whereof the parties have signed this agreement on the ____ day, _____ month and _____ year first above mentioned.

SIGNED, SEALED AND DELIVERED by the)
Within named 'PARTY OF THE FIRST PART')
in the presence of)
1.....)
2.....)

SIGNED, SEALED AND DELIVERED by the)
 within named 'PARTY OF THE SECOND PART')
 in the presence of)
 1..... 2.....
)

Schedule

Grade, Specification, Quantity and Price Chart

Grade	Specification	Quantity	Price/Rate
Grade 1 or A	Size, Colour, Aroma etc.		
Grade 2 or B			

FORM J

(See Rule 40(2))

FORMAT OF REGISTER FOR RECORDING OF CONTRACT FARMING AGREEMENT

Sl. No	Name of parties to the agreement			Type of agricultural produce	Estimated Qty. of agricultural produce	Period of contract	Estimated value of agricultural produce	Date of agreement	Sign. of registering officer	Remarks
	First party (Farmer)	Second party (Purchaser)	Third party							
1	2	3	4	5	6	7	8	9	10	11

FORM K
[See Rule 43]

FORM FOR INFORMING THE PRODUCE PURCHASED WITH AN INTENTION TO EXPORT OR PROCESSING BY THE CONTRACT FARMING SPONSOR

Return for the period of _____

Sl. No.	Quarter for which report pertains	Total qty. of agrl. Produce purchased by contract farming sponsor in tonnes	Total value of produce purchased	Total qty. of agrl. Produce purchased for export in tones (Rs....)	Qty. of agrl. Produce purchased for processing in tonnes	Qty. of agrl. Produce exported within 90 days of its purchase	Qty. of agrl. Produce processed within 90 days of its purchase	Remarks

It is hereby certified that I / we undertake that the quantity of agricultural produce purchased for export / processing shall be exported or processed by we / us within a period of 90 days from its purchase. Failure to do so shall result in action / penalty against me / us as per the provisions of State Agricultural Produce Marketing (Regulations) Act / Rules of conditions of Registrations given to me / us which I / we are aware of.

Signature of Contract Farming Sponsor

FORM L
[See Rule 48]

FORM OF ANNUAL ACCOUNTS OF CONTRACT FARMING SPONSOR

Sl.No	Name of the commodity	No. of farmers with whom contracts signed	Area in ha. Under Contract farming Agreement	Qty. purchased in tonnes	Total value and Qty. of produce purchased	Value paid to the farmers	Payment outstanding for more than 15 days	
							No of farmers	Amount in Rs.

Signature of Contract Farming Sponsor

FORM M

(See Section 44 and Rule 49 (1))

FORM OF APPLICATION FOR REGISTRATION / RENEWAL OF REGISTRATION OF MARKET FUNCTIONARIES

To

The Secretary

Agricultural Produce Market Committee _____

Taluka _____ District _____

Sir,

I / We _____ Address _____, an individual / partnership firm / HUF/ private / public limited company / Govt. undertaking / co-operative society/ NGO, submit the application to you for grant / renewal of Registration as _____ (trader/commission agent / broker / Hamal /weighman / cartman etc.) for a period of _____ to _____ to work in _____ APMC .

I / We am / are submitting the following documents with this application .

- i) Copy of treasury challan in support of having paid the requisite fee of Rs. _____
- ii) Copy of Registration of partnership/ private / public limited company etc .
- iii) Copy of memorandum of association / Bye-laws .
- iv) Last annual audited balance sheet.
- v) Copy of the Registration granted for the previous period.
- vi) Bank guarantee / security bond for Rs. _____

UNDERTAKING

I / We undertake that I / We are not the defaulters of any of the provisions under _____ Agricultural Produce Marketing (Regulation and Development) Act and Rules and further undertake that I /We have not been convicted or held guilty for violation of the said Act and Rules and we shall abide by the provisions of the said Act, Rules and Bye-laws and the conditions of Registration.

You are requested to grant Registration to me / us to function as _____ in _____ APMC.

Place

Yours faithfully

Date

Signature of applicant

FORM N
[See Rule 49(2)]

**APPLICATION FOR OBTAINING REGISTRATION FOR OPERATING IN
MORE THAN ONE MARKET AREA AS A TRADER**

Date:

To,
Director/Managing Director
Sir,

I/We..... (Name)
(Address), (Phone No.)..... am/are making an application for
Registration as a trader for operating in more than one Agricultural Produce Market
Committee, in the below mentioned market areas. I am ready and willing to pay the necessary
Registration fee of Rs. _____ as per rules.

1.
2.
3.
4.

Alongwith this application, I am enclosing the following documents.

- i) Solvency Certificate
- ii) Bank Guarantee.
- iii) Income Tax return of last 3 years.
- iv) Copy of Registration already granted, if any.

Declaration

- (1) I/We agree to abide by the _____ Agricultural Produce Marketing (Development and Regulation) Act, _____ and Rules made thereunder and amendments made to it from time to time and the directions and orders issued by the Director of marketing/Managing Director, from time to time.
- (2) I/We agree to keep all the necessary records and information about the functioning of our business and to co-operate to produce whatever information and documents will be asked for inspection by appropriate authority.
- (3) I/We agree to pay whatever charges or fees or amounts liable and due from me legally.
- (4) I/We agree to avoid business with persons doing illegal business and will co-operate in taking legal action against such persons.

Signature of Applicant

1. Name:
Address:
Signature:
2. Name:
Address:
Signature:

FORM N1
[See Rule 49(2)]

**REGISTRATION FOR OPERATING IN MORE
THAN ONE MARKET AREA AS A TRADER**

Registration is hereby granted to
(Name) (Address)
(Phone No.) Hereinafter referred to as the Registration holder on
payment of fee of Rs.for operating in the market areas of:
.....
.....
.....

subject to the provisions of the _____ Agricultural Produce Marketing (Development and Regulation) Act, ____ the Agricultural Produce Marketing (development and Regulation) Rules, ___ on the following conditions, that is to say:

1. The Registration holder shall abide by the provisions of the said Act and Rules and the conditions of agreement entered into by the Registration on _____ with the Director of Marketing/Managing Director.
2. This Registration is not transferable.
3. This Registration may be suspended or cancelled in accordance with the provisions of the said Act and the Rules made thereunder.
4. In the event of suspension or cancellation of this Registration, it shall be surrendered to the Director of Marketing/Managing Director.
5. The Registration holder shall carry on business as a Trader only and at such places for which the Registration is issued and as long as the Registration holder carries on any of their business under a Registration granted under the said Rules, he shall not carry on any other business of a market functionary in the market area or in any market therein.
6. The Registration holder shall pay market fees and supervision charges prescribed to the concerned Agricultural Produce Market Committee.
7. The Registration holder shall not adulterate or cause any declared agricultural produce to be adulterated.
8. The Registration holder shall help the Director/Managing Director in preventing evasion of market fees.
9. The Registration holder after grant of Registration by Director/Managing Director shall within a period of fifteen days inform about the authorized representative of the Registration who shall be responsible on his behalf.

10. The Registration holder shall maintain books, registers and records in the manner, required by the Director/M.D. and shall make them available for inspection to the Director/M.D. or person authorized by him.
11. The Registration holder shall furnish information and return to the Director/M.D. as may be required by him from time to time.
12. The Registration holder shall settle the price of agricultural produce according to the manner provided for under the Bye-laws of Market Committee and shall issue account slips or purchase bills according to the provisions of the Rule 55 of Agricultural Produce Marketing (Development and Regulation) Rules, 2007.
13. The Registration holder shall, if the declared agricultural produce is sold through his agency or by him, pay to the seller the price of the agricultural produce so sold on the same day.
14. The Registration holder shall not solicit or receive any fees or recover any charges other than those which he is entitled to receive or recover in accordance with the provisions of the Act, and the Rules and Bye-laws made thereunder.
15. The Registration holder shall not make or recover any trade allowance.
16. The Registration holder shall provide for authorized weights and measures.
17. The Registration holder shall pay to the registered weighman or measure and hamals only at the rates approved by the Director / Managing Director and shall not employ them for any household or private work.
18. The Registration holder shall inform the Director/Managing Director of any change in the constitution of the Registration holder.
19. The Registration holder shall refer all his dispute in relation to the marketing of the declared notified Agricultural produce in the manner provided under Rule 23 of Agricultural Produce Marketing (Development and Regulation) Rules.

Date:

Place:

Director of Agricultural Marketing/Managing Director,

Renewal of Registration

Date of Renewal	Period for which Renewal	Signature of Director and date

Director of Agricultural Marketing/Managing Director,

FORM O
[See Rule 49(1)]

FORM OF RENEWAL OF REGISTRATION

As per form M under Rule 49 (1)

FORM P
[See Rule 78]

**FORM OF REGISTER SHOWING THE MARKET FEE AND OTHER CHARGES
COLLECTED BY MARKET COMMITTEE**

Sl. No.	Date	Total arrivals in tonnes	Value of the agrl. Produce sold	Market fee assessed In Rs.	Market fee collected (Rs)	Licence fee collected	Charges collected from other sources	Total

FORM Q

[See Sections 45 & 46 & Rule 82 (1) (iii)]

**APPLICATION FOR GRANT OF LICENCE FOR PRIVATE MARKET
AND CONSUMERS / FARMER MARKET**

Date:

To,
The Director of Marketing/Managing Director

I/We..... (Name).....
(Address)....., (Phone No.)..... am/are making
an application for the grant of Licence for establishing private market/consumer / farmer
market . The necessary documents as required are enclosed. I am ready and willing to pay
the necessary licence fee of Rs. _____ as per rules for obtaining the above mentioned
licence. You are requested to grant me the licence.

Yours faithfully,

(Signature of Applicant)

The following documents are submitted with this application :-

- i) Certificate of Incorporation or Registration in respect of Company, Co-operative Society, Trust, Corporation, Partnership, etc.
- ii) Memorandum of Association or Articles of Association
- iii) Names and Address and Telephone number of all the Directors and owners and partners, etc.
- iv) Details of infrastructure created with the break up of the cost of the land in following table (Proof in support of cost should also be enclosed):

Sl. No.	Type of Infrastructure	Estimated Cost (Rs.)
1		
2		
3		

- v) Treasury challan in support of having paid the licence fee.
- vi) Operational and working guidelines as to how private market shall be conducted or operated.
- vii) Undertaking or Affidavit that the applicant shall abide by all the provisions of the Act and Rules made thereunder and in case of violation he shall be liable for action including cancellation of licence.
- viii) A Bank Guarantee as provided in Rule _____ & _____.
- ix) Income tax return.
- x) Layout plan of the proposed market.

Date:
Place:

(Signature of Applicant)

FORM Q-1
[See Rule 82 (1)]

APPLICATION FOR GRANT OF LICENCE FOR E- MARKET

Date:

To,
The Director of Marketing/Managing Director,

.....

I/We..... (Name).....
(Address)....., (Phone No.)..... am/are making
an application for the grant of Licence for E-Market for following notified commodities-----
--in the State. The necessary documents as required are enclosed. I am ready and willing to
pay the necessary licence fee of Rs. _____ as per Rules for obtaining the above mentioned
Licence. You are requested to grant me the Licence.

Yours faithfully,
Signature of the Applicant

The following documents are submitted with this application:--

- i) Certificate of Incorporation or Registration in respect of Company, Co-operative Society, Trust, Corporation, Partnership, etc.
- ii) Memorandum of Association or Articles of Association
- iii) Names and Address and Telephone number of all the Directors and owners and partners, etc.
- iv) Details of infrastructure created with the break up of the cost in following table (Proof in support of cost should also be enclosed):

Sl. No.	Type of Infrastructure	Estimated Cost (Rs.)
1		
2		
3		

- v) Treasury challan in support of having paid the licence fee.
- vi) Operational and working guidelines as to how E- market shall be conducted or operated.
- vii) Undertaking or Affidavit that the applicant shall abide by all the provisions of the Act and Rules made thereunder and in case of violation he shall be liable for action including cancellation of licence.
- viii) A Bank Guarantee as provided in Rule _____ & _____.
- ix) Income tax return.
- x) Authenticated copy of letter of permanent recognition granted by concerned authority.

Date:
Place:

Signature of the Applicant

FORM R
[See Rule 82(1)]

**APPLICATION FOR OBTAINING LICENCE FOR DIRECT MARKETING
OF AGRICULTURAL PRODUCE FROM THE AGRICULTURISTS.**

Date:

To,

Sir,

I/We.....

(Name)..... (Address).....,

(Phone No.)..... am/are making an application for a Licence for direct purchase of agricultural produce from the Agriculturists, in the below mentioned market areas.

I am ready and willing to pay the necessary licence fee of Rs..... as per rules for obtaining the above mentioned licence.

.....

.....

.....

Alongwith this application I am enclosing the following Documents :-

- i) Solvency Certificate
- ii) Bank Guarantee.
- iii) Details of Registration Documents of the Applicant (e.g. Company/Partnership Firm / Non-Governmental Organization. Co-operative Society / Government Organization etc.
- iv) Names and address of their Directors, Partners etc.
- v) Income tax return

Declaration

- 1) I/We agree to abide by the _____ Agricultural Produce Marketing (Development and Regulation) Act, _____ and the Rules made thereunder and amendments made to it from time to time and the directions and orders issued by the Director of marketing/Managing Director, from time to time.
- 2) I/We agree to keep all the necessary records and information about the functioning of our business and to co-operate to produce whatever information and documents will be asked for inspection by appropriate authority.
- 3) I/We agree to pay whatever charges or fees or amounts liable and due from me legally.
- 4) I/We agree to avoid business with persons doing illegal business and will co-operate in taking legal action against such persons.

Signature of Applicant

- 1. Name:
Address:
Signature:
- 2. Name:
Address:
Signature:

FORM S
[See Rule 82(3)]

**REGISTER OF LICENCE HOLDERS FOR DIRECT MARKETING OF AGRICULTURAL PRODUCE
AND ESTABLISHING PRIVATE MARKETS AND CONSUMER / FARMER MARKETS.**

Sl. No.	Name and Address of Applicant.	Date of Receipt of Application for licence.	Type of Licence and Date of issuance.	Market area.	Licence fee Rs. (Challan No.).	Licence No. and Date.	Validity of Licence.	Remarks and Signature.
1.								
2.								
3.								
4.								
5.								
6.								
7.								

FORM S-1
[See Rule 82(3)]

REGISTER OF LICENCE HOLDERS FOR E- MARKETS

Sl. No.	Name and Address of Applicant.	Date of Receipt of Application for licence.	Type of Licence and Date of issuance.	Market area(S).	Licence fee Rs. (Challan No.).	Licence No. and Date.	Validity of Licence	Remarks and Signature.
1.								
2.								
3.								
4.								
5.								
6.								
7.								

FORM T
[See Rules 82(5) (ii)]

**LICENCE FOR DIRECT MARKETING OF AGRICULTURAL PRODUCE ,
ESTABLISHING PRIVATE MARKET AND CONSUMER / FARMER MARKET .**

Licence is hereby granted to

.....
(Name) (Address)

.....
(Phone No.) Hereinafter referred to as the Licensee) on payment of fee of Rs.for direct marketing of agricultural produce/ establishment and operating private market / consumer / farmer market in market area, subject to the provisions of the _____ Agricultural Produce Marketing (Development and Regulation) Act, ____and the _____ Agricultural Produce Marketing (Development and Regulation)Rules, ___ on the following conditions:

1. The Licensee shall abide by the provisions of the said Act and Rules and the conditions of agreement entered into by the licence on with the Director of Marketing/Managing Director.
2. This Licence is not transferable.
3. This Licence may be suspended or cancelled in accordance with the provisions of the said Act and the rules made thereunder and if the Licence holder commits any act or abstains from carrying out his normal business in the market with the intension of willfully obstructing, suspending or stopping the marketing of agricultural produce in the market area, the Licence may be suspended or cancelled.
4. In the event of suspension or cancellation of this Licence, it shall be surrendered to the Director of Marketing/Managing Director.
5. The Licensee shall not adulterate or cause any declared agricultural produce to be adulterated.
6. The Licensee shall help the Director / Managing Director in preventing evasion of market fees.
7. The Licensee after grant of Licence by Director / Managing Director shall within a period of fifteen days inform about the authorized representative of the Licensee who shall be responsible on his behalf.
8. The Licensee shall maintain books, registers and records in the manner, required by the Director of Marketing/Managing Director and shall make them available for inspection to the Director of Marketing/Managing Director or person authorized by him.
9. The Licensee shall furnish information and return to the Director of Marketing/Managing Director as may be required by him from time to time.
 - (a) Agriculture produce shall be sold by way of open auction in private markets.
 - (b) Direct marketing Licence holder will put up the notice of price of commodity at which he will purchase on a particular or date
 - (c) Private market or direct purchaser shall not purchase or allow to purchase any agricultural produce below minimum support price announced by the Government for the particular commodities.
10. The Licensee shall, if the declared agricultural produce is sold through his agency or by him, pay to the seller the price of the agricultural produce so sold on the same day.

11. The Licensee shall not solicit or receive any fees or recover any charges other than those which he is entitled to receive or recover in accordance with the provisions of the Act and the rules made by the concerned Market, approved by the Director of Marketing.
12. The Licensee shall not make or recover any trade allowance.
13. The Licensee shall provide for authorized weights and measures.
14. The Licensee shall pay to the licensed weighman or measure and hamals only at the rates approved by the Director/Managing Director and shall not employ them for any household or private work.
15. The Licensee shall inform the Director/Managing Director of any change in the constitution of the Licensee.
16. The Licensee shall refer all his disputes in relation to the marketing of the notified agricultural produce in the manner provided under the _____Agricultural Produce Marketing (Development and Regulation) Rules, 2007.

Date:

Place:

Director of Agricultural Marketing/Managing Director,

Renewal of Licence –

Date of Renewal	Period for which renewed	Signature of Director / Managing Director and date

FORM T -1
[See Rules 82(5) (ii)]

LICENCE FOR E- MARKET

Licence is hereby granted to

.....
(Name) (Address)

.....
(Phone No.) Hereinafter referred to as the Licensee) on payment of fee of Rs.for E-market for following notified agricultural produce market area, subject to the provisions of the _____ Agricultural Produce Marketing (Development and Regulation) Act, ____ and the _____ Agricultural Produce Marketing (Development and Regulation) Rules, ___ on the following conditions:

1. The Licensee shall abide by the provisions of the said Act and Rules and the conditions of agreement entered into by the licence on with the Director of Marketing/Managing Director.
2. This Licence is not transferable.
3. This Licence may be suspended or cancelled in accordance with the provisions of the said Act and the Rules made thereunder and if the Licence holder commits any act or abstains from carrying out his normal business in the market with the intension of willfully obstructing, suspending or stopping the marketing of agricultural produce in the market area, the Licence may be suspended or cancelled.
4. In the event of suspension or cancellation of this Licence, it shall be surrendered to the Director of Marketing/Managing Director.
5. The Licensee shall not adulterate or cause any declared agricultural produce to be adulterated.
6. The Licensee shall assist the Director / Managing Director in preventing evasion of market fees.
7. The Licensee after grant of Licence by Director / Managing Director shall within a period of fifteen days inform about the authorized representative of the Licensee who shall be responsible on his behalf.
8. The Licensee shall maintain books, registers and records in the manner, required by the Director of Marketing/Managing Director and shall make them available for inspection to the Director of Marketing/Managing Director or person authorized by him.
9. The Licensee shall furnish information and return to the Director of Marketing/Managing Director as may be required by him from time to time.
10. The Licensee shall ensure payment to the seller the price of the agricultural produce so sold on the same day.
11. The Licensee shall not solicit or receive any fees or recover any charges other than those which he is entitled to receive or recover in accordance with the provisions of the Act and the Rules made by the concerned Market, approved by the Director of Marketing/ Managing Director.
12. The Licensee shall not make or recover any trade allowance.
13. The Licensee shall provide for authorized weights and measures.

14. The Licensee shall pay to the licensed weighman or measure and hamals only at the rates approved by the Director/Managing Director and shall not employ them for any household or private work.
15. The Licensee shall inform the Director/Managing Director of any change in the constitution of the Licensee.
16. The Licensee shall refer all his disputes in relation to the marketing of the notified agricultural produce in the manner provided under the _____Agricultural Produce Marketing (Development and Regulation) Rules, 2007.
17. The Licence shall provide Electronic Board / Terminal at prominent place in the market to show the futures/spot prices daily.

Date:

Place:

Director of Agricultural Marketing/Managing Director,

Renewal of Licence

Date of Renewal	Period for which renewed	Signature of Director / Managing Director and date

FORM U
[See Rule 84 (1)]

**APPLICATION FORM FOR THE RENEWAL OF LICENCE
UNDER SECTION 45 and 46.**

To

The Licensing Authority,
State Agricultural Marketing Board,

Sir,

I request for the renewal of my Licence. The necessary particulars are given below:—

1. Particulars of the private/consumer market yard/ other marketing infrastructure for which the Licence has been issued
.....
 2. Name of the applicant (with full particulars of the place of market yard)
.....
 3. No. of Licence
 4. Date on which the Licence expires
.....
 5. Period for which renewal is required
.....
 6. Fee paid Rs.
.....
 7. Penalty paid, if any, Rs.
.....
 8. Has the applicant(s) or where the applicant is a firm, has any member thereof singly or in collaboration with any body else, been,-
 - (a) granted any Licence in any other market area and his Licence has been suspended or cancelled. If so, when, where, for what period and for what reasons; or
 - (b) convicted of any offence involving moral turpitude. If so the date of conviction;
 - (c) declared as an un discharged insolvent
 - (d) defaulter of not paying the dues to the committee/ Board
- (1) I am enclosing a demand draft No. _____ dated _____ amounting to Rs. _____ on account of renewal fee.
- (2) The particulars given above are true and correct to the best of my knowledge and belief.

Dated.....

Signature of the applicant.

FORM U-1
[See Rule 84 (1)]

APPLICATION FORM FOR THE RENEWAL E- MARKET LICENCE

The Licensing Authority,
Director of Marketing/Managing Director,

Sir,

I request for the renewal of my Licence. The necessary particulars are given below:—

Particulars of the e-marketing other marketing infrastructure for which the Licence has been issued

Name of the applicant (with full particulars of the place of market yard)
.....

No. of Licence

Date on which the Licence expires

Period for which renewal is required

Fee paid Rs.

Penalty paid, if any, Rs.

Has the applicant(s) or where the applicant is a firm, has any member thereof singly or in collaboration with any body else, been,-

(a) granted any Licence in any other market area and his Licence has been suspended or cancelled. If so, when, where, for what period and for what reasons;
..... or

(b) Convicted of any offence involving moral turpitude. If so the date of conviction;
..... or

(c) Declared as an undischarged insolvent

(d) Defaulter of not paying the dues to the committee/ Board

(1) I am enclosing a demand draft No..... dated amounting to Rs. on account of renewal fee.

(2) The particulars given above are true and correct to the best of my knowledge and belief.

Dated.....

Signature of the applicant.