

KARNATAKA AGRICULTURAL PRODUCE MARKETING (REGULATION) RULES, 1968

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KARNATAKA AGRICULTURAL PRODUCE MARKETING (REGULATION) RULES, 1968

In exercise of the powers conferred by Section 146 of the Karnataka Agricultural Produce Marketing (Regulation) Act, 1966 (Mysore Act 27 of 1966), the Government of Karnataka hereby makes the following Rules, the draft of the same having been published as required by sub-section (1) of Section 146 of the said Act in Notification No. GSR 65 (DPC 257 CMD 65, dated 4th February, 1967) in the Karnataka Gazette (Extraordinary), dated 4th February, 1967, namely:-

PART 1 PART

1. Title and extent :-

(1) These Rules may be called the Karnataka Agricultural Produce Marketing (Regulation) Rules, 1968.

(2) They shall extend to the whole State of Karnataka.

2. Definitions :-

In these Rules, unless the context otherwise requires.

- (i) "Act" means the Karnataka Agricultural Produce Marketing (Regulation) Act, 1966;
- (ii) "Bye-law" means a bye-law made under Sections 148 and 149 of the Act;
- (iii) "Chairman" means the Chairman of the committee;
- (iv) "Committee" means the market committee;
- (v) "Form" means a Form appended to these Rules;
- (vi) "Circle" means a revenue circle and shall have the same meaning as in the Karnataka Land Revenue Act, 1964;
- (vii) "Section" means a section of the Act;
- (viii) "Vice-Chairman" means the Vice-Chairman of the committee.

PART 2 Constitution of Market Committee and Election

3. Persons qualified to vote :-

¹[(1) All agriculturists in a market area who are not less than [eighteen years] of age on 1st January of the year in which the list of voters is prepared shall be entitled to have their names entered in the lists of voters of agriculturists constituencies.]

(2) No person shall be entitled to have his name entered in the list of voters for more than one agriculturists constituency. If by mistake or otherwise his name is entered in two or more constituencies, he shall exercise his vote only in one constituency. If he exercises his vote in two or more constituencies, his votes in all the constituencies shall be deemed to be void.

²[(3) All traders other than retail traders in the market area shall be entitled to have their names entered in the list of voters of the traders constituency.]

³ [(4) x x x x x.]

(5) No person shall at any election vote in the same constituency more than once notwithstanding that his name might have included in the list of voters for that constituency more than once, and if he votes more than once, all his votes in that constituency shall be deemed to be void.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

3. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

4. Names of persons authorised by firms, societies, etc., to vote to be reported :-

Every firm or corporation or co-operative society qualified to vote in a traders constituency ¹[x x x x x] under these Rules shall nominate a person to vote on its behalf and intimate in writing the name of the person so nominated to the committee or ² [and the Deputy Commissioner or any officer authorised by him in this behalf] not later than the date fixed in this behalf by the Deputy Commissioner.

1. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

2. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

5. Preparation of voters lists of agriculturists constituencies :-

¹(1) The Deputy Commissioner or any officer authorised by him in this behalf (hereinafter in this rule referred to as authorised officer) shall cause to be prepared in Kannada and also in such other language or languages as he deems necessary, lists of voters entitled to have their names entered in the lists of voters of agriculturists constituencies.

(2) The lists shall be divided into convenient parts, each part consisting of voters in a village or group of contiguous villages which shall be numbered consecutively. The number of names included in any part shall not ordinarily exceed eight hundred.

(3) The names of voters in each part of the lists shall be arranged according to survey number or sub-division of a survey number of the land cultivated in a village by each agriculturist and where any agriculturist cultivates more than one survey number or sub-division of a survey number, his name shall be entered only once in respect of all such lands. All voters in each part of the list shall be numbered, so far as practicable, consecutively with a separate series of number beginning with Number 1.

(4) The Deputy Commissioner or the authorised officer shall prepare a preliminary voters list consisting of the voters name, surname if any, his age and the survey number or sub-division number of a survey number of the land cultivated by him in a village, on the basis of the entries in the Record of Rights in Form

16 maintained under the Karnataka Land Revenue Act, 1964 (Karnataka Act 12 of 1964), or any other record maintained by or on behalf of the State Government containing the particulars of persons cultivating agricultural lands: Provided that if in respect of any village no record containing the relevant particulars is available, the preliminary voters lists shall be prepared after ascertaining the names and ages of the persons cultivating agricultural lands as occupants or as tenants of occupants.

(5) As soon as the preliminary voters list is ready, the Deputy Commissioner or the authorised officer shall publish it by making a copy thereof available for inspection and displaying a notice in Form 1.

(i) at his office, and

(ii) at such other places in the market area as may be specified by him for the purpose.

(a) make a copy of each separate part of the list together - with a copy of the notice in Form 1 available for inspection at a specified place accessible to the public and in or near the area to which that part relates;

(b) give such further publicity to the notice in Form 1 as he may consider necessary.

(6) Every claim for the inclusion of a name in the voters list and every objection to an entry therein shall be lodged within a period of thirty days from the date of publication of the "preliminary voters list" under sub-rule (5):

Provided that the¹ [Director of Agricultural Marketing] may, by notification in the Official Gazette, extend the period.

(7)

(a) Every claim shall be.

(i) in Form 2;

(ii) signed by the person desiring his name to be included in the voters list; and

(iii) countersigned by any other person whose name is already included in that part of the voters list in which the claimant desires his name to be included.

(b) Every objection to the inclusion of a name in the voters list shall be.

(i) in Form 3;

(ii) preferred only by a person whose name is already included in the voters list; and

(iii) countersigned by any other person whose name is already included in that part of the voters list in which the name objected

to appears.

(c) Every objection to any particular or particulars in an entry in the voters list shall be.

(i) in Form 4, and

(ii) preferred only by the person to whom that entry relates.

(8) Every claim or objection shall.

(i) either be presented to the Deputy Commissioner or the authorised officer; or

(ii) be sent by registered post to the Deputy Commissioner or the authorised officer.

(9) The Deputy Commissioner or the authorised officer shall. (a) maintain in duplicate a list of claims in Form 5, a list of objections to the inclusion of names in Form 6, and a list of objections to particulars in Form 7; and (b) keep exhibited one copy of each such lists on a notice board in his office.

(10) Any claim or objection which is not lodged within the period, or in the form and manner herein specified, shall be rejected by the Deputy Commissioner or the authorised officer.

(11) If the Deputy Commissioner or the authorised officer is satisfied as to the validity of any claim or objection, he may allow it without further inquiry after the expiry of one week from the date on which it is entered in the lists exhibited by him under clause (b) of sub-rule (9):

Provided that where before any such claim or objection has been allowed, a demand for inquiry has been made in writing to the Deputy Commissioner or the authorised officer by any person, it shall not be allowed without further inquiry.

(12) Where a claim or objection is not disposed of under sub-rule (10) or sub-rule (11), the Deputy Commissioner or the authorised officer shall.

(a) specify in the lists exhibited by him under clause (b) of sub-rule (9) the date, time and place of hearing for the claim or objection; and

(b) give notice of the hearing.

(i) in the case of a claim, to the claimant in Form 8;

(ii) in the case of an objection as to the inclusion of a name, to the objector in Form 9, and to the person objected to in Form 10; and

(iii) in the case of an objection to a particular or particulars in an entry, to the objector in Form 11. A notice under this sub-rule may be given either personally or by registered post or by affixing it to the persons residence or last known residence in the market area.

(13)

(a) The Deputy Commissioner or the authorised officer shall hold a summary inquiry into every claim or objection in respect of which notice has been given under sub-rule (12) and shall record his decision thereon.

(b) At the hearing, the claimant or, as the case may be, the objector and the persons objected to and any other person who, in the opinion of the Deputy Commissioner or the authorised officer, is likely to be of assistance to him, shall be entitled to appear and be heard.

(c) The Deputy Commissioner or the authorised officer may, in his discretion, require any claimant, objector or person objected to, to appear in person before him.

(14) If it appears to the Deputy Commissioner or the authorised officer that owing to inadvertence or error during preparation, the names of any voters have been left out in the lists of voters and that remedial action should be taken under this sub-rule, the Deputy Commissioner or the authorised officer shall

(a) prepare a list of the names and other details of such voters;

(b) exhibit on the notice board of his office, a copy of the list together with a notice as to the time and place at which the inclusion of these names in the list will be considered, and also publish the list and the notice in such other manner as he may think fit; and

(c) after considering any verbal or written objections that may be preferred, decide whether all or any of the names should be included in the lists of voters.

(15)

(a) The Deputy Commissioner or the authorised officer shall thereafter.

(i) prepare a list of amendments to carry out his decisions under sub-rules (11), (13) and (14) and to correct any clerical or printing errors or other inaccuracies subsequently discovered in the voters lists; and

(ii) publish the voters lists, together with the list of amendments, by making a complete copy thereof available for inspection and displaying a notice in Form 12 at his office.

(b) On such publication, the voters lists together with the list of amendments shall be the lists of voters of the agriculturists constituencies.

(16)

(a) An appeal shall lie from any decision of the Deputy Commissioner or the authorised officer under sub-rule (13) or sub-

rule (14) to the Divisional Commissioner: Provided that an appeal shall not lie where the person desiring to appeal has not availed himself of the right to be heard by, or to make representations to the Deputy Commissioner or the authorised officer on the matter which is the subject of appeal.

(b) Every appeal under clause (a) shall be.

(i) in the form of a memorandum signed by the appellant; and

(ii) presented to the appellate officer within a period of fifteen days from the date of announcement of the decision or sent to that officer by registered post so as to reach him within that period.

(c) The presentation of an appeal under this sub-rule shall not have the effect of staying or postponing any action to be taken by the Deputy Commissioner or the authorised officer under sub-rule (15);

(d) Every decision of the appellate officer shall be final, but in so far as it reverses or modifies a decision of the Deputy Commissioner or the authorised officer shall take effect only from the date of the decision in appeal;

(e) The Deputy Commissioner or the authorised officer shall cause such amendments to be made in the lists of voters as may be necessary to give effect to the decisions of the appellate officer under this sub-rule.

(17)

(a) The lists of voters shall be revised at any time either intensively or summarily or partly intensively and partly summarily, as the ¹ [Director of Agricultural Marketing] may direct;

(b) Where the lists of voters or any part thereof is to be revised intensively at any time, it shall be prepared afresh and the preceding sub-rules shall apply in relation to such revision as they apply in relation to the first preparation of the lists of voters;

(c) When the lists of voters or any part thereof is to be revised summarily at any time, the Deputy Commissioner or the authorised officer shall cause to be prepared a list of amendments to the relevant parts of the lists of voters on the basis of such information as may be readily available and publish the lists of voters together with the list of amendments in draft and the provisions of sub-rules (3) to (16) shall apply in relation to such revision as they apply in relation to the first preparation of the lists of voters;

(d) Where at any time between the publication of any draft of the revised lists of voters under clause (b) or of the lists of voters and the list of amendments under clause (c) and the final publication of the same under sub-rule (15), any names have been directed to be included in the lists of voters for the time being in force under sub-

rule (16), the Deputy Commissioner or the authorised officer shall cause the names to be included also in the revised lists of voters unless there is, in his opinion, any valid objections to such inclusion.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

5A. Correction of entries in the lists of voters of agriculturists constituency and inclusion of names in such lists :-

(1) If the Deputy Commissioner or any officer authorised by him in this behalf (hereinafter in this Rule referred to as the authorised officer), on application made to him or on his own motion, is satisfied after such inquiry as he thinks fit, that any entry in the list of voters of an agriculturists constituency.

(a) is erroneous or defective in any particular, or

(b) should be deleted on the ground that the person concerned is dead or has ceased to be an agriculturist in the constituency or is otherwise not entitled to be registered in that list, the Deputy Commissioner or the authorised officer, shall subject to such general or special directions, if any, as may be given by the ¹ [Director of Agricultural Marketing] in this behalf, amend or delete the entry:

Provided that before taking any action on any ground under clause (a) or any action under clause (b) on the ground that the person concerned has ceased to be an agriculturist in any constituency or that he is otherwise not entitled to be registered in the list of voters of that constituency, the Deputy Commissioner or the authorised officer shall give the person concerned a reasonable opportunity of being heard in respect of the action proposed to be taken in relation to him.

(2)

(a) Any person whose name is not included in the list of voters of an agriculturists constituency may apply to the Deputy Commissioner or the authorised officer for the inclusion of his name in that list;

(b) The Deputy Commissioner or the authorised officer shall, if satisfied that the agriculturist is entitled to be registered in the list of voters, direct his name to be included therein;

(c) No amendment or deletion of any entry shall be made under sub-rule (1) and no direction for the inclusion of a name in the list

of voters of a constituency shall be given under this sub-rule after the last date for making nominations for an election in that constituency and before the completion of that election.

(3)

(a) Every application under sub-rule (1) or clause (a) of sub-rule (2) shall be made in duplicate in such of the Forms 2, 4 and 13 as may be appropriate;

(b) The Deputy Commissioner or the authorised officer shall, immediately on receipt of such application, direct that one copy thereof be posted in some conspicuous place in his office together with a notice inviting objections to such application within a period of seven days from the date of such posting.

(c) The Deputy Commissioner or the authorised officer shall, as soon as may be after the expiry of the period specified in clause (b), consider the objections, if any, received by him and shall, if satisfied that the applicant is entitled to be registered in the lists of voters, direct his name to be included therein:

Provided that when an application is rejected by the Deputy Commissioner or the authorised officer, he shall record in writing a brief statement of his reasons for such rejection.

(4)

(a) Any person aggrieved by any order made under sub-rule (1) or sub-rule (2) may appeal to the Divisional Commissioner within a period of fifteen days from the date of the order appealed from.

(b) Every appeal under clause (a) shall be.

(i) in the form of a memorandum signed by the appellant;

(ii) accompanied by a copy of the order appealed from; and

(iii) presented to the Divisional Commissioner or sent by registered post so as to reach him within the period specified in clause (a).

(c) For the purposes of clause (b) an appeal shall be deemed to have been presented to the Divisional Commissioner, when the memorandum of appeal is delivered by, or on behalf of the appellant to the Divisional Commissioner himself or to any other officer appointed by him in this behalf.

(d) The provisions of clauses (d) and (e) of sub-rule (16) of Rule 5 and of clause (c) of sub-rule (2) of this rule shall mutatis mutandis be applicable to an order passed in appeal under this sub-rule.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

5B. Preparation of the lists of voters of the traders constituency 1[x x x x x] :-

(1) The Deputy Commissioner or any officer authorised by him in this behalf (hereinafter in this Rule referred to as the authorised officer), shall maintain in his office ¹[list] of voters containing the name, fathers/husbands name, residence, age, address and licence number of ²[traders other than retail traders] licensed by the market committee ³[x x x x x] to operate in the market area.

(2) In order to enable the Deputy Commissioner or the authorised officer to maintain the lists of voters in sub-rule (1) corrected up-to-date, the Secretary of every market committee shall immediately inform the Deputy Commissioner or the authorised officer about every change in the lists of licensed traders ⁴[x x x x x]; and the Deputy Commissioner or the authorised officer shall, on receipt of the information, strike off from the relevant lists of voters the names of persons who have ceased to be, and include therein the names of persons who have become licensed traders ⁵[xx xxx].

(3) The provisions of Rule 5-A shall apply in relation to the lists of voters of the traders constituency ⁶ [x x x x x] as they apply in relation to the lists of voters of agriculturists constituencies: Provided that an application for the inclusion of a name shall be in Form 14:

Provided further that where an application under sub-rule (1) or clause (a) of sub-rule (2) of Rule 5-A is received by the Deputy Commissioner or the authorised officer, he shall refer such application to the Secretary of the market committee concerned and on receipt of information in relation thereto from the said Secretary, the Deputy Commissioner or the authorised officer shall act in accordance with sub-rule (2).

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

3. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

4. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

5. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

6. Sub-rule (I) substituted by GSR44, dated 3-2-1970

5C. Maintenance of list of names of the members of the managing committee of 2[Co-operative Marketing Societies and Agricultural Co-operative Processing Societies] :-

¹(1) The Deputy Commissioner or any officer authorised by him in this behalf (hereinafter in this rule referred to as the authorised officer) shall, in respect of the ²[Co-operative Marketing Societies and Agricultural Co-operative Processing Societies] ³[x x x x] referred to in ⁴ [x x x x x] sub-section (1) of Section 11, maintain in his office a list of all the members of the managing committee of each of such classes of societies.

(2) In order to enable the Deputy Commissioner or the authorised officer to maintain the list of the members referred to in sub-rule (1) corrected up-to-date, the Manager or the Secretary of every such society shall immediately inform the Deputy Commissioner or the authorised officer of every change in the names of the members of the managing committee of such societies and the Deputy Commissioner or the authorised officer on receipt of information, strike off the names of the persons who have ceased to be and include therein the names of persons who have become members of the managing committee of such societies.

(3) The provisions of Rule 5-A shall apply mutatis mutandis in relation to the list of names of the members of the managing committee of each of the societies referred to in [x x x x x] sub-section (1) of Section 11:

Provided further where an application under sub-rule (1) or clause (a) of sub-rule (2) of Rule 5-A is received by the Deputy Commissioner or the authorised officer, he shall refer such application to the Manager or Secretary of the Society concerned and on receipt of information in relation thereto from the said Manager or Secretary shall act in accordance with sub-rule (2).

1. Sub-rule (3) substituted by GSR 23, dated 30-1-1990
2. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994
3. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994
4. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

6. Calling upon the constituencies 2[and 3[Co-operative

Marketing Societies and Agricultural Co-operative Processing Societies]] to elect :-

¹(1) For the purposes of constituting a market committee as required by Section 154-A or after the expiry of the term of a market committee constituted under Section 10 or for the purpose of filling the vacancies arising by efflux of time in the office of the members of a market committee, or after the period of supersession under Section 127 or after the period for which an Administrator is appointed under Section 130, the Deputy Commissioner shall by order call upon the constituencies²[and institutions] to elect members in accordance with the provisions of the Act, these rules and of the orders made under the Act or these rules: Provided that no order under this sub-rule shall be issued more than three months prior to the date on which the term of office of the retiring members³ [or the period of appointment of the Administrator] is due to expire.

(2) When the seat of a member elected to a market committee becomes vacant or is declared vacant or his election to the committee is declared void, the Deputy Commissioner shall by order call upon the constituency or the institution concerned to elect a person for the purpose of filling the vacancy so caused before such date as may be specified in the order, and the provisions of the Act, these rules and of the orders made under the Act or these rules shall apply, as far as may be, in relation to the election of a member to fill such a vacancy.]

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

3. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

7. Notice to elect :-

Not less than forty-five days before the date for the election, the Deputy Commissioner shall cause a notice in Kannada to be published in a Kannada Newspaper having circulation in the market area and at the places specified in ¹ [sub-rule (5) of Rule 5] stating.

[(a) the number of persons to be elected in each constituency and

by the Co-operative Marketing Societies and Agricultural Co-operative Processing Societies referred to in sub-section (1) of Section 11];

(b) the place, time and the last date which shall not be less than fourteen days from the date of publication of the notice, for making nominations;

(c) the date for the scrutiny of nominations which shall be the second day after the last date for making nominations or if that day is a public holiday the next succeeding day which is not a public holiday;

(d) last date for withdrawal of nominations, which shall be the third day after the date of scrutiny of nominations; or if that day is a public holiday the next succeeding day which is not a public holiday;

(e) the date, which shall not be less than forty-five days from the date of publication of the notice, on which and the hours during which, poll shall, if necessary, be taken;

(f) the date, which shall not be more than two days after the date of polling, place and time for counting of votes;

(g) the date before which election shall be completed.

1. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

8. Nominations :-

(1) On or before the date and time appointed under clause (b) of Rule 7 each candidate shall, either in person or by his proposer, deliver to an officer specially authorised by the Deputy Commissioner in this behalf (hereinafter in this chapter referred to as the Returning Officer) a nomination paper completed in ¹ [Form 15] and signed by the candidate and by a voter as proposer.

(2) 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.

(3) Where any person has signed as proposer, a larger number of nomination papers than there are vacancies to be filled, only those of the nomination papers so signed which have been first received upto the number of vacancies to be filled shall be deemed to have been accepted.

(4) The Returning Officer shall, on receiving a nomination paper enter in the nomination paper its serial number, the date on which

and the hour at which the nomination paper has been delivered to him and shall verify the names and numbers of the proposer and the candidate with the list of voters.

(5) Nomination papers received after the date and the time appointed under clause (b) of Rule 7 shall be rejected.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

9. Deposit :-

(1) No candidate shall be deemed to be duly nominated for election from a constituency unless he deposits or causes to be deposited with Returning Officer a sum of fifty rupees at the time of delivery of nomination paper. Receipt shall be passed in the name of the depositor:

¹ [Provided that in respect of a candidate belonging to Scheduled Castes or Scheduled Tribes the amount to be deposited shall be twenty-five rupees only.]

(2) The deposit made under sub-rule (1) shall be returned to the candidate or his nominee if he withdraws his candidature in the manner and within the time specified in clause (d) of Rule 7 or if his nomination is rejected under Rule 12 or if he dies before the commencement of the poll or if it is not forfeited under sub-rule (4).

(3) Every candidate shall appoint a nominee for the purpose of sub-rule (2) at the time of making deposit.

(4) The deposit made under sub-rule (1) shall be forfeited to Government if the valid votes polled by the candidate does not exceed one-eighth of the total number of valid votes polled by all the candidates divided by the number of members to be elected.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

10. Publication of list of nominations :-

As soon as may be, after the expiry of the time fixed for making nominations ¹[the Returning Officer, shall publish] in the office of the Committee and in such other manner as he may deem fit a list in ² [Form 16] of all the nominations received with a notice that the nomination papers shall be scrutinised on the date appointed under clause (c) of Rule 7 at the place and hour specified in the notice.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990
2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

11. Scrutiny of nominations :-

On the date fixed under clause (c) of Rule 7 for the scrutiny of nominations, the candidates and one of their agents duly authorised in writing by each candidate may attend at such time and place as the Returning Officer may appoint and the Returning Officer shall give them all reasonable facilities for examining the nomination papers of all candidates.

12. Disposal of objections and rejection of nomination :-

(1) The Returning Officer shall then examine The nomination papers and shall decide all the objections which may be made at the time of scrutiny to any nomination and may, either on such objection, or on his own motion, after such summary enquiry, if any, as he deems necessary, reject any nomination on any of the following grounds.

(i) that on the date fixed for the scrutiny of nominations, the candidate is either not qualified or is disqualified from being chosen to fill the seat under Section 15 or 16;

(ii) that the signature of the candidate or the ¹[proposer] on the nomination paper is not genuine;

(iii) that the proposer is a person whose name is not found in the list of voters; or

(iv) that there has been failure to comply with any of the provisions of Rule 8 or Rule 9 ²[x x x x].

(2) The Returning Officer shall not reject any nomination paper on the ground of any defect which is not of a substantial character. Explanation. For the purpose of this sub-rule a failure to appoint a nominee under sub-rule (3) of Rule 9 shall not be deemed to be a defect of a substantial character.

(3) The Returning 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 a brief statement of his reasons for such rejection.

(4) ³ [The] Returning Officer shall complete the scrutiny on the day fixed in this behalf under clause (c) of Rule 7 and shall not adjourn

scrutiny on any ground except when such proceedings are interrupted or obstructed by riot or by causes beyond his control.

(5) On the same day immediately after the scrutiny of nomination papers the Returning Officer shall prepare a list of validly nominated candidates and publish it by affixture on the notice board of the Committee and his office.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

3. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

14. Procedure for Election :-

(1) If the number of candidates who are duly nominated and who have not withdrawn their candidature in the manner and within the time specified in sub-rule (1) of Rule 13 exceeds that of the vacancies to be filled, there shall be an election by ballot.

(2) If the number of candidates duly nominated are equal to or less than the number of vacancies to be filled, all such candidates shall be declared to be duly elected.

15. Assignment of symbols :-

Where a poll becomes necessary, the Returning Officer shall assign to each candidate any one of the following symbols and his decision in this behalf shall be final.

1. Cow

2. Scales

3. Horse

4. Sun

5. Umbrella

6. Dog

7. Bird

8. Goat

9. Lamb

10. **1**[x x x x x]

11. Flower

12. **2** [x x x x x]

13. A twig with two leaves

14. Elephant

15. Man

Provided that if the number of symbols falls short of the number of contesting candidates, the Returning Officer may in his discretion assign any other symbol.

1. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

2. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

16. Form of ballot paper :-

Every ballot paper shall be in ¹[Form 18] and shall contain the names of the candidates in Kannada in the same ² order in which they appear in ² [Form 17].

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

17. Arrangements for the holding of election :-

The Deputy Commissioner or the Returning Officer shall make such arrangements as may be necessary for manufacture of ballot boxes for holding and supervision of the election, for the scrutiny of the ballot papers and for declaration of the results of the election.

18. Voting :-

Every person whose name is included in the list of voters shall have as many votes as there are members to be elected on behalf of the constituency, but he shall not give more than one vote to any candidate.

19. Death of a candidate before poll :-

If, after the taking of a poll has become necessary and before the poll is taken, a candidate who has been duly nominated dies, the Deputy Commissioner shall upon being satisfied of the fact of the death of the candidate, countermand the poll and all proceedings with reference to the election shall be commenced a new in all respects as if for a new election: Provided that no fresh nomination shall be necessary in the case of a person who was a contesting

candidate at the time of the countermanding of the poll.

20. Polling stations and officers :-

(1) The Returning Officer shall provide sufficient number of polling stations for each constituency and he shall appoint a Presiding Officer and one or more Polling Officers for each polling station. He shall also, if necessary, appoint one or more officers to assist the Polling Officers in the identification of the voters:

Provided that if a Polling Officer is absent from the polling station, the Presiding Officer may appoint any officer as a Polling Officer who is present at the polling station.

(2) A Polling Officer shall, if so directed by the Presiding Officer, perform all or any of the functions of a Presiding Officer.

(3) If the Presiding Officer, owing to illness or other unavoidable cause, is absent from the polling station, his functions shall be performed by such Polling Officer as may be authorised in this behalf by the Returning Officer.

(4) The Presiding Officer shall be in general charge of all arrangements at the polling station and may issue orders as to the manner in which the persons shall be admitted to the polling station and generally for preservation of peace and order at or in vicinity of the polling station. It shall be the duty of the Polling Officer to assist the Presiding Officer in the performance of his duties.

21. Appointment of Polling Agents :-

(1) A contesting candidate may appoint in ¹ [Form 19] one polling agent and two relief agents and the order of appointment shall be made over to the polling agents for production at the polling station.

(2) No polling agent shall be admitted into the polling station unless he has delivered to the Presiding Officer, the instrument of his appointment under sub-rule (1) after duly completing and signing before the Presiding Officer the declaration contained therein.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

22. Supply of materials to the Polling Station :-

The Returning Officer shall provide for each polling station necessary number of ballot boxes, a sufficient number of ballot papers, three copies of list of voters, a list of the nominations and such other papers, stationery and Forms as may be necessary.

23. Admission to Polling Stations :-

The Presiding Officer shall regulate the number of electors to be admitted at any one time inside the polling station and shall exclude therefrom all persons other than.

- (a) Polling Officers;
- (b) Public servants on duty in connection with the election;
- (c) Persons authorised by the Deputy Commissioner;
- (d) Candidates and their polling agents;
- (e) A child in arms accompanying an elector;
- (f) A person accompanying a blind or infirm elector who cannot move without help; and
- (g) Such other persons as the Returning Officer or the Presiding Officer may employ under sub-rule (1) of Rule 20.

24. Polling arrangements and manner of recording votes :-

(1) Outside each polling station there shall be displayed prominently.

- (a) a notice specifying the polling area, the voters of which are entitled to vote at the polling station; and
- (b) a copy of the list of contesting candidates.

(2) At such polling station there shall be set up two or more polling booths in which voters can record their votes screened from observation.

(3) Immediately before the commencement of the poll, the Presiding Officer shall demonstrate to such candidates, their agents or persons as may be present at the polling station that ballot box is empty and shall then.

- (a) affix a label to the box marked with.
 - (i) the serial number, if any, and the name of the constituency;
 - (ii) serial number and name of the polling station;
 - (iii) serial number of the box; and
 - (iv) date of poll.
- (b) lock it and seal it with his seal and seals of such candidates or their agents as may be present and desirous of affixing the same. The seal shall be affixed in such manner that it is not possible to open it without breaking it.

(4) The sealed box shall be placed in full view of the Presiding Officer and the agents of the candidates.

(5) As each voter enters the polling station the Presiding Officer or Polling Officer authorised by him shall check the name and other particulars of every voter with relevant entry in the list of voters.

¹[(5-A) In the case of a firm, corporation or co-operative society qualified to vote in a traders constituency ²[x x x x x], the person nominated by it to vote on its behalf who produces the necessary authority containing the seal, if any, of the firm, corporation or society, may be permitted to vote on its behalf.]

(6) In deciding the right of a person to obtain a ballot paper the Presiding Officer or Polling Officer, as the case may be, shall overlook| merely clerical or printing errors in an entry in the list of voters if he is satisfied that such person is identical with the voter to whom such entry relates.

(7) Vote shall be given by ballot and in person and no vote shall be received by proxy.

(8) Every voter wishing to vote shall be furnished with a ballot paper in ¹[Form 18] and before a ballot paper is handed over the Polling Officer shall.

(i) initial it on the back;

(ii) enter the voters number in the voters list in the counterfoil of the ballot paper, and

(iii) affix his initials against the voters name in the voters list.

(9) The voter on receiving the ballot paper, shall forthwith ² [proceed to one of the polling booths set up in the polling station and there make a mark on the ballot paper with the instrument supplied for the purpose] against the name of the candidate or candidates for whom he desires to vote, fold the ballot paper and insert into the ballot box.

(10) If the voter is blind or infirm or is unable to recognise the symbols on the ballot paper or to make a mark thereon, the Presiding Officer shall record the vote on the ballot paper in accordance with the wishes of the voter and take his thumb impression and attest it. The Presiding Officer while acting under this sub-rule shall observe as much secrecy as is feasible and shall keep a brief record of each such instance without indicating the manner in which vote has been given.

(11) Special facilities, in accordance with the instructions, if any, issued by the Deputy Commissioner in that behalf, may be accorded to women voters.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

25. Tendered votes :-

(1) If a person representing himself to be particular voter applies for a ballot paper after another person has already voted as such voter, he shall, on satisfactorily answering such questions relating to his identity as the Presiding Officer may ask, be entitled, subject to the following provisions of this Rule, to make a ballot paper (hereinafter in these Rules referred to as a "tendered vote") in the same manner as any other voter.

(2) Every such person shall, before being supplied with a tendered vote, sign his name against the entry relating to him in a list in ¹ [Form 20].

(3) A tendered vote shall be the same as the other ballot papers used at the polling except that it shall be.

(a) serially the last in the bundle of ballot papers issued for use at the polling station; and

(b) endorsed on the back with the words "tendered vote" by the Presiding Officer in his own hand and signed by him.

(4) The voter, after marking a tendered vote and folding it, shall instead of putting it into the ballot box, give it to the Presiding Officer, who shall place it in a cover specially placed before the office for the purpose.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

26. Challenging of identity :-

(1) Any polling agent may challenge the identity of a person claiming to be a particular voter by first depositing a sum of two rupees in cash with the Presiding Officer for each such challenge.

(2) On such deposit being made, the Presiding Officer shall.

(a) warn the person challenged of the penalty for personation;

(b) read the relevant entry in the voters list in full and ask him whether he is the person referred to in that entry;

- (c) enter his name and address in the list of challenged votes in ¹ [Form 21]; and
- (d) require him to affix his signature in the said list.
- (3) The Presiding Officer shall thereafter hold a summary inquiry into the challenge and may for that purpose.
- (a) require the challenger to adduce evidence in proof of the challenge and the person challenged to adduce evidence in proof of his identity;
- (b) put to the person challenged any questions necessary for the purpose of establishing his identity and require him to answer them on oath; and
- (c) administer an oath to the person challenged and any other person offering to give evidence.
- (4) If, after the inquiry, the Presiding Officer considers that the challenge has not been established, he shall allow the person challenged to vote; and if he considers that the challenge has been established, he shall debar the person challenged from voting.
- (5) If the Presiding Officer is of the opinion that the challenge is frivolous or has not been made in good faith, he shall direct that the deposit made under sub-rule (1) be forfeited to Government, and in any other case, he shall return it to the challenger at the conclusion of the inquiry.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

27. Spoilt and returned ballot papers :-

- (1) A voter who has inadvertently dealt with his ballot paper in such manner that it cannot be conveniently used as a ballot paper may, on returning it to the Presiding Officer and on satisfying him of the inadvertence, be given another ballot paper, in place of the spoilt one and the ballot paper so returned together with its counterfoil shall be marked "Spoilt-Cancelled" by the Presiding Officer.
- (2) If a voter after obtaining a ballot paper decides not to use it, he shall return it to the Presiding Officer and the ballot paper so returned shall be marked as "Returned: Cancelled" by the Presiding Officer.
- (3) All ballot papers cancelled under sub-rules (1) and (2) shall be kept in a separate packet.

28. Closing of poll :-

(1) The Presiding Officer shall close a polling station at the hour fixed in that behalf under clause (e) of Rule 7 and shall not thereafter admit any voter into the polling station: Provided, that all voters present at the polling station before it is closed shall be allowed to cast their votes.

(2) If any question arises whether a voter was present at the polling station before it was closed, it shall be decided by the Presiding Officer and his decision shall be final.

(3) If for any reason, it is not possible to open a polling station at the fixed hour or if by reason of disorder at the polling station or for any other sufficient reason, polling for a certain time has to be stopped, the Presiding Officer shall after recording the reasons and informing the same to the candidates or their agents, if any, keep the polling station open for a further period equal to that which lapsed between the hour appointed for the opening of the polling station and the hour at which it was actually opened or the time during which the polling was stopped, as the case may be.

29. Sealing of ballot boxes after poll :-

(1) As soon as practicable after the closing of the poll, the presiding officer shall close the slit of the ballot box, and where the box does not contain any mechanical device for closing the slit, he shall seal up the slit and also allow any polling agent present to affix his seal.

(2) The ballot box shall thereafter be sealed and secured.

(3) Where it becomes necessary to use a second ballot box by reason of the first ballot box getting full, the first box shall be closed, sealed and secured as provided in sub-rule (1) before another ballot box is put into use.

30. Account of ballot papers :-

The Presiding Officer shall at the close of the poll, prepare a ballot paper account in ¹ [Form 22] and enclose it in a separate cover with the words "Ballot Paper Account" superscribed thereon.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

31. Sealing packets :-

- (1) The presiding officer shall then make into separate packets.
- (a) the keys of the ballot boxes;
 - (b) the unused ballot papers;
 - (c) spoilt ballot papers;
 - (d) returned ballot papers;
 - (e) tendered votes;
 - (f) tendered voters list;
 - (g) list of challenged votes;
 - (h) marked copies of electoral roll;
 - (i) ballot paper account,
 - (j) counterfoils of the ballot papers; and
 - (k) any other papers directed by the Returning Officer to be kept in a sealed packet.
- (2) Each such packet shall be sealed with the seals of the Presiding Officer and of those candidates or polling agents present who may desire to affix the seals thereon.
- (3) The Presiding Officer then shall deliver to the Returning Officer the Packets referred to in sub-rule (1) along with the ballot box accompanied by a statement. Each packet shall be numbered and shall bear a note as to its contents.

32. Adjournment of poll in emergencies :-

- (1) If at an election the proceedings at any polling station are interrupted or obstructed by any riot or open violence, or if at an election it is not possible to take the poll at any polling station on account of any natural calamity, or any other sufficient cause, the Presiding Officer for such polling station or the Returning Officer shall inform the candidates or their agents in writing about the same and announce an adjournment of the poll to a date to be notified later, and where the poll is so adjourned by a Presiding Officer, he shall forthwith inform the Returning Officer concerned.
- (2) Whenever a poll is adjourned under sub-rule (1) the Returning Officer shall immediately report in writing the circumstances to the Deputy Commissioner and the ¹ [Director of Agricultural Marketing] and the candidates concerned and shall as soon as may be, appoint the date on which the poll shall re-commence and fix the polling station at which and the hours during which the poll will be taken and shall not count the votes cast at such election until such adjourned poll shall have been completed.

(3) In every such case as aforesaid, the Returning Officer in such manner as he may deem fit shall notify the date, place and hours of polling fixed under sub-rule (2).

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

33. Procedure on adjournment of poll :-

(1) If the poll at any polling station is adjourned under Rule 32, provisions of Rules 29 to 31 shall, as far as practicable, apply as if the poll was closed at the hour fixed in that behalf under item (2) of Rule 7.

(2) When an adjourned poll is recommended under sub-rule (2) of Rule 32, the voters who have already voted at the poll so adjourned shall not be allowed to vote again.

(3) The Returning Officer shall provide the Presiding Officer at the polling station at which such adjourned poll is held, with the sealed packet containing the marked copy of the list of the voters and a new ballot box.

(4) The Presiding Officer shall open the sealed packet in the presence of the polling agents present and use the marked copy of the list of voters for recording the serial numbers of the ballot papers issued to voters at the adjourned poll.

(5) The provision of the Act and these Rules shall apply to every such recommended poll as they apply to the original poll.

34. Fresh poll in the case of destruction, etc., of ballot boxes :-

(1) If at any election. (a) any ballot box used at a polling station is unlawfully taken out of the custody of the Presiding Officer or the Returning Officer or is accidentally or intentionally destroyed or lost, or is damaged or tampered with, to such an extent, that the result of the poll at that polling station or place cannot be ascertained, or (b) any such error or irregularity in procedure as is likely to vitiate the poll is committed at a polling station, the Presiding Officer shall forthwith report the matter to the Returning Officer.

(2) Thereupon, the Returning Officer, shall after taking all material circumstances into account, either;

(a) declare the poll at that polling station to be void, appoint a day,

fix the hours for taking a fresh poll at that polling station and notify the day so appointed and the hours so fixed in such manner as he may deem fit, or

(b) if satisfied that the result of a fresh poll at that polling station will not, in any way, affect the result of the election of that the error or irregularity in procedure is not material, issue such directions to the Presiding Officer under intimation to the candidate or his agents as he may deem proper for the further conduct and completion of the election.

(3) The provision of the Act and these rules shall apply to every such fresh poll as they apply to the original poll.

35. Counting of votes :-

On the day and at the place and time fixed under clause (f) of Rule 7 for the counting of votes and in the presence of candidates and their agents present, the Returning Officer shall proceed as follows.

(1) Before any ballot box is opened at a counting table, the candidate or their agents shall be allowed to inspect the paper seal or such other seal as might have been affixed thereon and to satisfy themselves that it is intact.

(2) The Returning Officer shall satisfy himself that none of the ballot boxes has in fact been tampered with.

(3) If the Returning Officer is satisfied that any ballot box has in fact been tampered with, he shall not count the ballot papers contained in that box and shall follow the procedure laid down in Rule 34.

(4) The ballot box or boxes relating to each polling station shall be opened one after another in the order of the number assigned to the polling booths and the Returning Officer shall take out the ballot papers therefrom, count them or cause them to be counted and record the number thereof in a statement in ¹[Form 23].

(5) The Returning Officer shall reject a ballot paper.

(a) if it bears any mark or writing by which the voter can be identified, or

² [(b) if it bears no mark at all to indicate the vote or bears a mark made otherwise than with the instrument supplied for the purpose; or

(bb) if the mark indicating the vote thereon is placed in such a manner as to make it doubtful to which candidate the vote has been given; or]

(c) if votes are given on it in favour of more than the number of

candidates for whom votes should be given; or

(d) if it is a spurious ballot paper; or

(e) if it is so damaged or mutilated that its identity as a genuine ballot paper cannot be established; or

(f) if it bears a serial number, or is of a design different from the serial numbers or as the case may be, design of the ballot papers, authorised for use at the particular polling station; or

(g) if it does not bear the initials of the polling officer: Provided that where the Returning Officer is satisfied that any such defect as is mentioned in clause (f) or clause (g) has been caused by any mistake or failure on the part of a Presiding Officer or Polling Officer, the ballot paper shall not be rejected merely on the ground of such defect:

Provided further that a ballot paper shall not be rejected merely on the ground that the mark indicating a vote is indistinct or made more than once, if the intention that the vote shall be for a particular candidate clearly appears from the way the paper is marked.

(6) Before rejecting any ballot paper under sub-rule (5), the Returning Officer shall allow the candidate or his agent present a reasonable opportunity to inspect the ballot paper but shall not allow him to handle it or any other ballot paper.

(7) The Returning Officer shall record on every ballot paper which he rejects the word "Rejected" and briefly record the ground for rejection.

(8) All ballot papers rejected under this Rule shall be bundled together.

(9) The votes recorded on every ballot paper which is not rejected under sub-rule (5) shall be counted:

Provided that no cover containing tendered votes shall be opened and no such paper shall be counted.

(10) A vote recorded on a valid ballot paper shall be rejected if the mark indicating the vote or votes thereon is placed on the ballot paper in such a manner as to make it doubtful to which candidate the vote or votes, has or have been given:

Provided that where a voter has more votes than one, the vote or votes other than the rejected vote shall be duly counted.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

36. Counting to be continuous :-

The Returning Officer shall, as far as practicable, proceed continuously with the counting of votes and shall, during any necessary interval when the counting has to be suspended, place the ballot papers, packets and all other documents relating to the election under his own seal and seals of such candidates or their agents as may desire to affix them; and shall take adequate precaution for safe custody of said articles.

37. Declaration of results :-

(1) After completing the scrutiny and counting of votes, the Returning Officer shall prepare a return of the result of the election in ¹[Form 24] verify the totals of the votes with the figures in ²[Forms 22 and 23] declare such number of candidates equal to the number of seats in that constituency as have secured the highest number of votes in the descending order to be duly elected.

(2) Any candidate or his agent shall, on application be permitted to take a copy or an extract of the return in ³ [Form 24].

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

3. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

38. Returning Officer not to open the sealed packets :-

The Returning Officer shall not open the sealed packets containing the tendered ballot papers or the marked copies of the electoral roll or the counterfoils of the ballot papers.

39. 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 two or more candidates and the addition of one vote will entitle any of the candidates to be declared elected, the Returning Officer shall after intimation to the candidates, forthwith decide between those candidates, by lot in such manner as the Returning Officer may determine to and proceed as if the candidate on whom the lot falls had received an additional vote.

40. Election papers to be forwarded to Deputy Commissioner :-

(1) The Returning Officer shall in separate sealed packets forward to the Deputy Commissioner all papers relating to election including.

- (a) the ballot papers counted as valid;
 - (b) the ballot papers rejected as invalid;
 - (c) the unused ballot papers;
 - (d) counterfoils of ballot papers;
 - (e) the spoiled ballot papers;
 - (f) tendered ballot papers;
 - (g) the returned ballot papers;
 - (h) tendered voters list;
 - (i) account of ballot papers;
 - (j) list of challenged votes; and
 - (k) the marked copy of the electoral roll.
- (2) Each packet shall bear a note as to its contents.

41. Election of the Representative of 1[the Co-operative Marketing Societies and Agricultural Co-operative Processing Societies :-

¹[(1) x x x xx.]

²[(1-A) The member of the committee of management of Co-operative Marketing Societies and Agricultural Co-operative Processing Society operating within the Market area shall elect one representative each on their behalf to serve on the market committee before the date fixed by the Deputy Commissioner in this behalf:

Provided that, where there is more than one Co-operative Marketing Society or Agricultural Co-operative Processing Society operating in the market area, all the members of the committee of management of both classes of societies shall elect one representative each to serve on the market committee before the date fixed by the Deputy Commissioner in this behalf.]

³[(2) x x x x x.]

⁴ [(3) x x x x x.]

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990
3. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994
4. Sub-rule (I) substituted by GSR44, dated 3-2-1970

42. Casual vacancies :-

The provision for the election of or nomination of members of the Committee shall mutatis mutandis be applicable for the purpose of filling up of casual vacancies of members of the committee.

43. Custody and destruction of voting papers :-

(1) Subject to the provisions of sub-rule (2) the Deputy Commissioner shall keep in safe custody the packets forwarded to him under ¹ [Rule 40] and all other papers relating to the election.

(2) On the expiry of three months from the date of publication of the names of elected members of the Committee under Section 27 or one month after the disposal of election petition or appeal, if any, whichever is later, all the papers relating to the election shall be destroyed in the presence of the Chairman or Vice-Chairman or such Officer as the Committee may appoint in this behalf, on the date fixed by the Deputy Commissioner or any other Officer authorised by the Deputy Commissioner in this behalf.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

44. 2Prescribed officer for election of Chairman, etc. :-

¹[(1)] For purposes of Section 41, the Tahsildar of the Taluk in which the market yard is situated shall be the Prescribed Officer and he shall be the Presiding Officer also.]

² [(2) Every member who wishes to vote shall be supplied with a ballot paper in Form 25.]

1. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

2. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

44A. Nomination of candidate :-

X X X X X.

44B. Procedure on receipt of nomination paper :-

X X X X X.

44C. Scrutiny of nominations :-

X X X X X.

44D. Withdrawal of candidature :-

X X X X X.

44E. Procedure in contested and uncontested elections :-

X X X X X.

44F. Votes to be taken at a meeting :-

X X X X X.

44G. Procedure for the conduct of elections :-

X X X X X.

44H. Counting of votes :-

X X X X X.

44I. Record of proceedings :-

X X X X X.

44J. Sealing and custody of election papers :-

X X X X X.]

PART 3 Chairman, Vice-Chairman, Officers and Servants of the Committee, their Functions and Powers

45. Validity of election :-

(1) Any member of the committee may challenge the validity of the election of the Chairman or the Vice-Chairman, as the case may be, within seven days from the ¹[declaration of the result of election

under Section 41] by filing an election petition, containing a concise statement of materials on which he relies together with a deposit of two hundred rupees as security for costs.

(2) The District Judge shall, after such enquiry as he deems necessary, and after giving the parties an opportunity of being heard in the matter pass an order (i) dismissing the petition, or (ii) declaring the election of the returned candidate to be void, or (iii) declaring the election of the returned candidate to be void and the petitioner or any other candidate to have been duly elected.

(3) The procedure provided in the Code of Civil Procedure, 1908 in regard to suits shall be followed by the District Judge as far as it can be made applicable in the trial and disposal of an election petition.

(4) If the District Judge sets aside the election of the Chairman or the Vice-Chairman he shall forthwith communicate the fact by sending a copy of his order to the ² [Director of Agricultural Marketing] who shall issue necessary instruction for holding a fresh election as early as possible.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (I) substituted by GSR44, dated 3-2-1970

46. Assumption of charge by Chairman or Vice-Chairman :-

The member elected as Chairman or the Vice-Chairman, as the case may be, shall enter upon his duties immediately after the ¹ [declaration of the result of election under Section 41.]

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

46A. 3Honorarium to the Chairman of the market committee :-

The Chairman of a market committee shall be paid an honorarium at the rates specified below. The market committee whose average gross receipts by way of market fees and licence fees during the preceding three years is.

		Rs.
(a)	below rupees twenty-five lakhs	500 p.m.

(b)	above rupees twenty-five lakhs and below rupees fifty lakhs	750 p.m.
(c)	rupees fifty lakhs and above	1,000 p.m.

Provided that the honorarium payable to the Chairman of a newly constituted Agricultural Produce Market Committee bifurcated market committee and amalgamated market committee shall be Rs. 500 + per month during first year and thereafter on the basis of gross annual income of the preceding year upto two years.]

47. Casual vacancy in the office of the Chairman or ViceChairman :-

The provisions for the election of Chairman or Vice-Chairman of the committee shall mutatis mutandis be applicable for the purposes of holding election under sub-section (3) of Section 41.

48. Term of Office of Chairman, Vice-Chairman elected to fill a casual vacancy :-

Every Chairman or Vice-Chairman of the market committee elected to fill a casual vacancy, shall hold office so long only as the Chairman or Vice-Chairman ¹ [x x x x] in whose place he is elected would have held it, if the vacancy had not occurred.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

49. Motion of no-confidence against Chairman or ViceChairman :-

.

(1) Notice of a motion of no-confidence against the Chairman or Vice-Chairman of the committee shall be in writing addressed to the Secretary in ¹[Form 27] signed by the member of the committee who intends to move the motion and shall contain the signatures of not less than one-thirds of the total number of members of the committee supporting the notice. In case the motion of no-confidence is against both the Chairman and Vice-Chairman, separate notices, one in respect of the Chairman and the other in respect of the Vice-Chairman shall be given in the manner aforesaid.

(2) On receipt of the ²[notice] under sub-rule (1) the Secretary

shall intimate the same to the ³[Director of Agricultural Marketing.]

(3) In the meeting of the committee in which a motion of no-confidence is for consideration, while such motion is being considered.

(i) The Vice-Chairman if the motion of no-confidence is against the Chairman;

(ii) The Chairman if the motion of no-confidence is against the Vice-Chairman; and

⁴[(iii) the Director of Agricultural Marketing or an Officer authorised by him, if a motion of no-confidence is moved both against the Chairman and the Vice-Chairman; shall preside.]

(4) Save as otherwise provided in the Act, a meeting convened for the purpose of considering a motion under this Rule shall not for any reason be adjourned.

(5) The Secretary shall communicate forthwith to the ⁵ [Director of Agricultural Marketing], the decision taken by the committee on any motion of no-confidence together with the names of all the members of the committee present at the meeting and number of votes given in favour of or against such motion. He shall also forward at the same time to each member present at the meeting a copy of the motion and the result of the voting thereon.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

3. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

4. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

5. Sub-rule (I) substituted by GSR44, dated 3-2-1970

50. Duties and powers of the Secretary :-

(1) Subject to the provisions of the Act, the Secretary shall be the Chief Executive Officer of the committee and shall carry out the resolutions and the directions of the committee from time to time.

(2) The Secretary shall maintain proper accounts of all moneys received or expended for or on behalf of the committee.

¹[(2-A) The Secretary may execute contracts or agreement on behalf of the Market Committee where the amount or value of such

contract or agreement does not exceed one lakh rupees regarding matters in respect of which he is generally or specially authorised to do so by a resolution of the market committee.]

(3) The Secretary shall conduct all correspondence of the committee and attend to office work.

(4) The Secretary shall maintain records of all disputes which come up for decision before the arbitrators and the Disputes Committee in the form prescribed in the bye-laws.

(5) The Secretary shall be responsible for proper weighment, delivery, payment and all other matters relating to marketing of agricultural produce within the market area.

(6) The Secretary shall have power to sanction casual leave and earned leave for a period not exceeding thirty days at a time to all officers and servants of the committee. Earned leave exceeding thirty days and all other kinds of leave will have to be sanctioned by the ²[Assistant Director of Agricultural Marketing] or such other officer as may be authorised by the ³[Director of Agricultural Marketing] in this behalf.

(7) The Secretary shall advise the committee and its Chairman in the light of the provisions of the Act, rules and bye-laws and the previous decisions or directions of the committee.

(8) The Secretary shall supervise all construction works in the market yard in addition to the technical supervision by the engineering staff, if any.

(9) If any decisions of the committee or the directions of the Chairman or Vice-Chairman are found to be contrary to the Act, rules and bye-laws the Secretary, before giving effect to the same, shall refer the matter for orders to the ⁴[Director of Agricultural Marketing] or such other officer authorised by him. The ¹[Director of Agricultural Marketing] or such other officer after giving an opportunity to the committee or Chairman or Vice-Chairman to be heard, shall give a decision and such decision shall be final.

² [(10) The Secretary shall be the ex officio Secretary of the Disputes Committee.

(11) The Secretary shall furnish to the committee particulars of contraventions, if any, of the provisions of the Act, the rules or the bye-laws by a market functionary and the action, if any, taken thereon as soon as may be after such contravention.]

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

3. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

4. Sub-rule (I) substituted by GSR44, dated 3-2-1970

PART 4 Conduct of Business

51. Meeting of the committee :-

(1) Every meeting of the committee, other than those referred to in Rule 49 shall be convened as laid down under Section 48.

(2) A copy of the notice convening every meeting shall be sent to the ¹[Director of Agricultural Marketing] or any other officer authorised by him in this behalf.

(3) The ² [Director of Agricultural Marketing] or any officer authorised by him shall be entitled to attend any meeting to the committee, but he shall have no right to vote.

1. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

2. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

52. Copy of the proceedings of the meeting :-

A copy of the proceedings of every meeting of the market committee shall be forwarded to the ¹ [Director of Agricultural Marketing] or any officer authorised by him in this behalf and to the members of the committee within fifteen days from the date of meeting.

1. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

53. Copies of documents or entries in the books of the market committee to be certified :-

Copies of documents or entries in the books of the committee, which are not of confidential nature certified by the Secretary under the seal of the committee shall be granted on payment of ¹ [such fees as specified below.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

54. 2Up-to-date copy of Act, Rules, etc., to be maintained :-

[

(1) Every committee shall maintain an up-to-date copy of the Act, rules, bye-laws and notifications issued hereunder in the office of the committee and make them available to the public for perusal.

(2) Printed copies of the bye-laws shall be sold at such reasonable price as may be fixed by the Committee shall grant certified copies of the amendments thereto on payment of fees of thirty paise for every hundred words or part thereof.]

55. Settlement of disputes :-

¹[(1)

(a) The panel of arbitrators appointed under sub-section (1) of Section 84 shall consist of not more than forty persons and as far as possible, fifty per cent of them shall be agriculturists, twenty-five per cent shall be traders, and twenty-five per cent shall be commission agents. The appointment shall be for a period of one year, but the panel shall continue until the next panel of arbitrators are appointed: Provided that the committee may at any time for reasons to be recorded in writing remove any person from the panel and appoint another person in his place for the unexpired term of the person so removed.

(b) The committee shall appoint a Disputes Committee consisting of.

(i) the Vice-Chairman of the committee;

(ii) three representatives of-agriculturists other than the Chairman;

(iii) one representative of traders;

(iv) one representative of commission agents; and

(v) one representative of co-operative societies.]

(2) The Vice-Chairman of the committee shall be the ex officio Chairman of the Disputes Committee. In the absence of the Vice-Chairman ²[a person selected by the Disputes Committee from among themselves] shall preside over the meetings.

³[(3)

(i) When a dispute referred to in sub-section (1) of Section 84 arises, the Secretary shall, by mediating ascertain whether the parties can mutually arrive at a settlement of the dispute and if they so arrive at a settlement, the same shall be reduced into writing which shall be signed by the parties.

(ii) If the parties cannot mutually arrive at a settlement, the complaining party shall credit to the committee such fee, within such period after the date of service of notice by the Secretary in that regard, as may be specified in the bye-laws. If he fails to credit the fees within the specified time his claim shall be deemed to have been rejected. As soon as the fee is paid, the Secretary shall require the parties to the dispute by a notice in writing to select within such time as may be specified in the bye-laws one arbitrator each from the panel of arbitrators who is and willing to act as such.

(iii) If either of the selected arbitrators neglects or refuses to act, or has become incapable of acting or dies, the Secretary shall require the party who selected such arbitrator to select within such time as may be specified in the bye-laws, a new arbitrator who is ready and willing to act as such in his place.

(iv) Save as provided in clause (vii) if one party to the dispute fails to select an arbitrator, either originally or by way of substitution as aforesaid within the time specified for the purpose in the bye-laws.

(a) if such party happens to be the complaining party, his claim shall be deemed to have been rejected;

(b) if such party happens to be the opposing party and the complaining party has selected the arbitrator within the time specified for the purpose in the bye-laws, the arbitrator selected by the complaining party shall act as sole arbitrator and his award shall be binding on both parties as if he had been appointed by consent.

(v) The arbitrator or arbitrators selected by the parties shall be informed of the dispute by the Secretary and he or they shall make an award within such time as may be specified in the bye-laws and subject to clause (vi) the award so made shall be final.

(vi) An appeal shall lie against the award of the arbitrator or arbitrators to the Disputes Committee and shall be filed within a period of seven days from the date of communication of the award to the parties.

(vii) A dispute shall be referred to the Disputes Committee by the Secretary if.

(a) either of the disputants reports to the Secretary within the time specified in the bye-laws for the selection of arbitrators, that he is unable to select an arbitrator who is ready and willing to act as such; or

(b) if the arbitrators fail to make an award within the time specified in the bye-laws; or

(c) if the arbitrators inform the secretary in writing that they cannot agree.

(viii) If a member of the Disputes Committee is a party to the dispute or is interested in any of the parties to a dispute before the Disputes Committee, he shall not participate in the proceedings relating to the said dispute. For the purpose of the said dispute, the Committee may appoint another person as a member of the Disputes Committee.

(ix) The Disputes Committee shall make their award within such time as may be specified in the bye-laws. If no award is made within such time or if the Disputes Committee is of opinion that the parties may be directed to approach a Court of law to establish their respective rights, the Secretary shall report the matter to the Committee which shall accord sanction to the parties to approach a Court of law.

(x) An award made by the sole arbitrator, the arbitrators or the Disputes Committee, as the case may be, shall provide for costs of the proceedings and shall be prepared in quadruplicate. All copies of the award made by the sole arbitrator or the arbitrators, as the case may be, shall be signed by the sole arbitrator or the arbitrators, as the case may be. All copies of the award made by the Disputes Committee shall be signed by the Chairman or the member, as the case may be, presiding over the meeting or meetings of the Disputes Committee at which the dispute was settled. One copy each shall be sent to the parties to the dispute and the remaining copies shall form part of the record.]

(4) No business shall be transacted at a meeting of Disputes Committee unless there be present at least three members.

(5) All questions which may come up before the Disputes Committee at a meeting shall be decided by a majority of votes of the members present and voting. In case of equality of votes, the Chairman of the Disputes Committee or the member presiding over the meeting, as the case may be, shall give an additional or casting-vote.

(6) The decision of the Disputes Committee shall be final.

² [(7) The provisions of Sections 14, 15, 16, 17, 18, 41 and 43 of the Arbitration Act, 1940 (Central Act X of 1940) shall, as far as they are not inconsistent with the provisions of the Act, these rules and the bye-laws, apply to arbitrations under Section 84.]

1. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

2. Sub-rule (I) substituted by GSR44, dated 3-2-1970

3. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

56. Powers of the market committee to write off :-

The committee shall before writing off any fee or other amount whatsoever due to it, obtain the sanction of.

(i) The ¹ [Director of Agricultural Marketing], if such fee or amount exceeds one hundred rupees but does not exceed five hundred rupees, and

(ii) The Government if such fee or amount exceeds rupees five hundred.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

57. Duties of the market committee :-

The committee shall furnish all information which the ¹[Director of Agricultural Marketing], or any other officer duly authorised by him in this behalf may require. In addition to the duties prescribed by the Act the committee shall also be responsible for.

(1) the maintenance of proper checks on all receipts and payments by its Officers;

(2) the proper execution of all works chargeable to the market committee funds;

(3) maintaining register of arrivals into the market;

(4) maintaining a register of fees collected;

(5) taking security from its Officers and Servants;

(6) providing persons authorised to collect fees, a money box and counterfoil receipt books;

(7) providing badges to weighmen, hamals, cartmen and peons;

(8) having plans and estimates prepared for works;

(9) keeping accounts in such forms as may be directed by the ² [Director of Agricultural Marketing], or the Officer authorised by him;

(10) publishing a statement of assets and liabilities;

(11) securing check on receipts and expenditure;

(12) regulating expenditure according to budget;

(13) preparing and adopting budget for the ensuing year;

(14) providing Marketing information;

(15) arranging for temporary storage or stocking of notified crops; and

(16) doing all such other things as may from time to time be necessary for the efficient working of the committee.

1. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

2. Sub-rule (I) substituted by GSR44, dated 3-2-1970

58. References :-

All correspondence by the committee with the Government shall be made through the ¹ [Director of Agricultural Marketing].

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

59. Appeal against an order of the committee and Chairman :-

Appeal under sub-section (2) of Section 89 shall be made within thirty days from the date of communication of such order.

PART 5 Market Fund, Expenditure and Accounts

60. Market Fund :-

All expenditure incurred by the committee under or for the purposes of this Act shall be defrayed out of the Market Fund and any surplus remaining at the close of each Market Year after such expenditure has been met shall be credited to the permanent fund of the committee within three months of the close of the year and it shall be used only towards incurring the expenditure of a permanent nature, such as, construction of buildings, acquisition of lands or purchase of sites or such other purposes as the ¹ [Director of Agricultural Marketing], may specify, subject to the provisions of Section 90(3) of the Act.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

60A. 2Short-term advance to the producer-seller :-

[

(1) A Market Committee having an annual income exceeding rupees

five lakhs by way of market fee and licence fee, and having ratproof, rodentproof, leakproof and dampproof godown facilities of its own, may provide short-term advances to the producer-sellers under sub-clause (x) of clause (b) of sub-section (2) of Section 63: Provided that the Market Committee shall, before implementing the scheme of short-term advance referred to in sub-rule (1), apply to the Director of Agricultural Marketing for his approval, who shall after satisfying himself that such market committee has required fund and possesses godown facilities, may give approval to such market committee.

(2) The Market Committee shall, before the start of every market year obtain from the Assistant Executive Engineer, Market Development Project a certificate regarding fitness of its godown for storing goods.

(3) The amount which may be earmarked by a market committee for giving such advance during a market year shall not exceed ten per cent of its income by way of market fee and licence fee realised during the previous year. The amount so earmarked shall be kept in a separate account called "Fund for short-term advance to producer-sellers". No amount from this fund shall be utilised for a purpose other than for payment of short-term advances to the producer-sellers.

(4) Every producer-seller intending to avail the advance under this rule shall make an application in Form 27-A along with ¹[the agricultural credit pass book issued under Section 4 of the Karnataka Agricultural Credit Pass Book Act, 1984 (Karnataka Act 2 of 1985).]

(5) The amount of advance shall not exceed sixty per cent of the prevailing market value of the produce pledged in favour of the market committee, subject to a maximum of [rupees fifty thousand in each case.

(6) A register of advances shall be maintained and every advance made under this rules shall be recorded in that Register quoting the order of the Loan Sanctioning Authority.

(7) The Market Committee shall, while giving advance under this rule give preference to small and marginal farmers who are identified as such by the Revenue Authority or Zilla Parishads.

(8) The period of advance shall not exceed ninety days from the date of pledging of the produce.

(9) No interest shall be charged on the advance for a period of first thirty days from the date of disbursement of the advance under sub-rule (1), and thereafter interest shall be charged ²[at the rate

specified in the table below] till the date of release or disposal of the produce under sub-rule (10) or (16).

TABLE		
Sl. No.	Amount	Rate of Interest
1.	Up to Rs. 10,000/-	8 per cent per annum
2.	Rs. 10,000/- and above, but below Rs. 25,000/-	10 per cent per annum
3.	Rs. 25,001 /- and above, but below Rs. 50,000/-	12.5 per cent per annum

¹ [(9-A) For the purpose of providing advance under this Rule the Market Committee may with the prior approval of the Director of Agricultural Marketing borrow money from any scheduled Bank or District Central Co-operative Banks for which the Karnataka State Agricultural Marketing Board shall stand guarantee: Provided that in the case of money borrowed from scheduled Banks or District Central Co-operative Banks, the Karnataka State Agricultural Produce Marketing Board shall bear the difference of interest between the prevailing Bank rate of interest and the rate of interest as specified in sub-rule (9).]

(10) The producer-seller who has pledged the produce shall, within ninety days of the pledge get the produce released after repaying the advance with interest thereon, failing which the market committee may sell the produce by auction or by tender and pay the sale proceeds to the producer-seller after deducting the advance amount and the interest payable thereon and other expenses, if any.

(11) The market committee shall allow drriage allowances, if any, at the same rate at which it is given by the State Warehousing Corporation and Central Warehousing Corporation.

(12) The amount of advance sanctioned shall on execution of an agreement by the applicant in Form 27-B and verification of the stock of the pledged produce, be disbursed to the applicant by Cheque.

(13) The Market Committee shall insure at its cost the produce pledged under this rule. The Producer-seller who has pledged the produce shall not be liable to pay godown rent, fumigation expenses and such other expenses incurred in connection with storage.

(14) The Secretary or any other officer or servant authorised by him shall be in-charge of the godown. The person in-charge of the godown shall draw two representative samples weighing 250 gms each of the produce brought for storage and seal the samples in the presence of the producer-seller and also obtain his signature on the sample bag or container, which shall be attended by the Secretary. The sealed sample shall be kept in the custody of the secretary or any other officer authorised by him.

(15) The Secretary shall after due verification of the produce deposited in the godown issue a receipt in Form 27-C to the producer-seller.

(16) Where a producer-seller requests a Market Committee to arrange for sale of his produce either directly or through any commission agent selected by him it shall arrange for sale accordingly and pay the sale proceeds to him after deducting the amount due to it.

(17) No second advance shall be sanctioned to any producer- seller unless the

previous advance together with interest if any, has been repaid.

(18) The Market Committee shall take adequate steps to safeguard the pledged produce against fire, theft and such other risks, and arrange for periodical fumigation at the cost of the Market Committee.

(19) The Market Committee may also accept warehouse receipts issued to a producer-seller by the Karnataka State Warehousing Corporation or Central Warehousing Corporation and grant short-term advance on the pledge of such receipt to an extent of sixty per cent of the market value of the produce pledged subject to a maximum of ten thousand rupees in each case.

(20) If any dispute arises between a Market Committee and a producer-seller in respect of grant of short-term advance under this rule or recovery of amount given as advance or any matter connected therewith shall be referred to the Director of Agricultural Marketing or any officer authorised by him in this behalf and the decision of the Director of Agricultural Marketing or the Officer so authorised shall be final.

1. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

2. Sub-rule (I) substituted by GSR44, dated 3-2-1970

60B. Grant of loans to the Co-operative Marketing Societies and Agricultural Co-operative Processing Societies :-

(1) The Market Committee may grant loans under sub-clause (viii-a) of clause (b) of sub-section (2) of Section 63 to the Co-operative Marketing Societies and Agricultural Co-operative Processing Societies not exceeding three times the Net Disposable Resources (NDR) of such societies, but subject to a maximum of five per cent of the income of the Market Committee by way of market fee and licence fee realised during the preceding market year. The term of the loan shall not exceed one year.

Explanation. For the purpose of sub-rule (1), Net disposable resources shall be computed from the particulars furnished in the latest balance sheet or audit report of the Society in the following manner.

	Internal Resources		Commitments
(1)	Paid-up capital (including Government share capital contribution. In case Government share capital contribution is meant only for acquiring fixed assets, it should not be included in the interest resources of the Society).	1.	Minimum cash and bank balances.
		2.	Permanent security deposits.
		3.	Investments in shares of the Bank and other Co-operative

		4.	Institutions. Investment out of own resources in fixed assets.
(2)	Revenues.	5.	Intangible assets, if any.
(3)	Deposits, if any.	6.	Accumulated losses, if any.
(4)	Surplus, if any, in profit and loss account.		
	Total A		Total B

Net Disposable Resources (NDR) = (A) - (B)

(2) Application for a loan under that rule shall be made in Form 27-D accompanied by following documents, namely.

(a) The latest audit report on the accounts of the society audited by the Director of Co-operative Audit or any authority authorised by him;

(b) The latest audited balance sheet, trading and profit and loss accounts;

(c) A summary of the financial turnover and turnover of stocks in the previous co-operative year in respect of the notified agricultural produces dealt with by the Co-operative Marketing Society and Agricultural Co-operative Processing Society.

(d) A summary of the latest stock position in respect of each notified agricultural produce dealt with by the society.

(3) Market Committee may charge interest on loans at the rates not exceeding the rate of interest charged by the District Central Co-operative Bank and the Kamaraka State Co-operative Apex Bank on working capital sanctioned by them to co-operative marketing or processing societies.

(4) If there is a default in repayment of loan, a penal interest shall be levied at the rate of two per cent over and above the rate of interest charged under sub-rule (3).

(5) Where a loan sanctioned under this rule is found to have been used for a purpose other than the purpose for which it is sanctioned, the Market Committee may recall the entire loan amount with interest.

(6) Market Committee shall not sanction loan under this rule unless the society seeking such loan mortgages in favour of the Market Committee its property worth the amount which shall not be less than the loan amount plus an amount equal to forty per cent over and above the loan amount:

Provided that the Market Committee may grant loan under this rule without insisting for mortgage of the property of a society, if repayment of such loan together with interest is guaranteed by the State Government.

(7) No second advance shall be granted unless the previous advance is fully repaid.

60C. Providing infrastructural facilities outside the market yard, sub-market yard and market sub-yards :-

The Market Committee may provide the following infrastructural facilities in the market area.

(1) Approach road to market yard, sub-market yard and market sub-yard;

(2) Construction of covered auction platform or sale platforms;

(3) Drying platform in the rural markets;

- (4) Drinking water facility in the rural markets;
- (5) Godowns in the market area;
- (6) Providing peg stones for cattle in rural markets;
- (7) Common facility centres for housing machinery for cleaning; grading and other post-harvest operations;]

61. Expenditure :-

(1) All payments except from imprest shall be made by cheques.

¹[(2) Cheques of the value of five hundred rupees and below shall be signed jointly by the Accountant or Accounts Clerk and the Secretary and all other cheques shall be jointly signed by the Secretary and the Chairman or by the Vice-Chairman in the absence of the Chairman:] Provided that where the Secretary is a Gazetted Officer, the Accountant and the Secretary shall be competent to sign cheques up to the value of one thousand rupees

²[x x x x x],

(3) Every payment charged to the Market Fund shall be supported by a bill and an order to pay the amount which shall be expressed both in figures and words and every such order to pay shall be signed by the Secretary after it has been approved by the committee, except.

(i) for payment of salary and allowances of officers and servants of the committee:

Provided that where the Secretary is a Gazetted Officer, he shall be competent to draw not only his salary but also the salary of the entire establishment of the committee.

(ii) for the payment of works and repairs which have been duly sanctioned by the ³ [Director of Agricultural Marketing.]

(iii) for meeting urgent expenditure not exceeding two hundred rupees for which there is budget provision.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

3. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

62. Remittance to Treasury or Bank :-

All remittances to the Treasury or Bank shall be accompanied by challans or deposit slips in duplicate along with remittance register

in ¹ [Form 28.] The monthly or periodical statements of accounts furnished by the treasury or bank, as the case may be, shall be regularly filed and made available for audit and inspection.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

63. Pass book :-

The pass book shall be got written up-to-date at least once a month by the Treasury or the Bank at which the account is kept.

64. Submission of budget :-

(1) An annual budget estimate of the income and expenditure of the committee for the ensuing market year shall be prepared in ¹[Forms 29-A and 29-B] by the Secretary and placed before the committee. The committee shall meet during the first week of April each year to consider the budget. After consideration and approval of the budget, the committee shall forward the same to the ²[Director of Agricultural Marketing] not later than ³[15th January each year.]

(2) No provision for works and repairs shall be included in the budget without the previous approval of the ⁴[Director of Agricultural Marketing] if the estimated cost of it exceeds ⁵[the maximum amount specified in column (2) of the table to Rule 71.]

(3) The budget shall be accompanied by the following statements in the prescribed forms.

(a) A statement in [Form 30] showing the details of the scales and salary of the establishment of the committee provided for in the budget;

(b) A statement in [Form 31] showing the details of the estimated expenditure on works proposed to be undertaken during the year. No works for which plans and estimates have not been previously prepared and sanctioned shall be included in the budget;

(c) A statement in [Form 32] showing the loans obtained, the balance outstanding under each loan and the amount to be discharged during the budget year on account of repayment of principal and payment of interest;

(d) A statement in ⁶[Form 33] showing the fixed contributions (to the Consolidated Fund) payable by the committee.

(4) If the committee fails to adopt the budget estimates and forward it to the ¹[Director of Agricultural Marketing] on or before

the time prescribed under sub-rule (1), the Secretary shall prepare and forward the budget with statements referred to in sub-rule (3) to the ²[Director of Agricultural Marketing] shall be deemed to have been duly adopted by the committee.

(5) A statement of receipts and expenditure of the previous market year shall be submitted to the ³[Director of Agricultural Marketing] or any officer authorised by him, in this behalf, not later than ⁴[30th April of every year.]

(6) No expenditure shall be incurred unless the same is covered by budget grant or it can be met by re-appropriation from the savings under other heads or by supplementary grant from the available reserve approved by the ⁵ [Director of Agricultural Marketing] or any officer authorised by him:

Provided that in case the budget is not received back by the committee duly sanctioned by the [Director of Agricultural Marketing] or any other officer authorised by him before the commencement of the new market year, the committee may incur expenditure as provided for in the budget in respect of salary and other allowances of the staff of the committee and other routine expenditure and if it is not approved within one month from the date of commencement of the market year, it shall be deemed to have been duly approved by the [Director of Agricultural Marketing] or any other officer authorised by him.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

3. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

4. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

5. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

6. Sub-rule (I) substituted by GSR44, dated 3-2-1970

65. Accounts, audit and inspection :-

(1) The accounts and records of the committee shall be kept in the forms appended to these rules in Kannada or English but not in any other language.

(2) The accounts of the committee shall be audited each year by the Auditors of the Department of Marketing.

(3) At the time of audit, the Secretary or any other person authorised by the Chairman in this behalf shall cause to be produced all accounts, registers, documents and other relevant papers which may be called for by the Audit Officer for the purposes of audit. Any explanation called for by such auditor for the settlement of any discrepancy shall also be immediately furnished to him.

(4) On receipt of audit report, the committee shall either remedy the defects or irregularities which may have been pointed out in the report and send to the ¹[Director of Agricultural Marketing] or the officer authorised by him in this behalf, within three months, a report of having done so or any explanation in regard to such defects or irregularities as it may wish to give.

(5) On receipt of such report or explanation, the ²[Director of Agricultural Marketing] or the authorised officer may in respect of all or any of the matters discussed in the audit report.

(a) accept the report or explanation given by the committee and order the withdrawal of objection; or

(b) direct that the matter be re-investigated at the time of next audit or at any earlier date; or

(c) direct that the defects or irregularities pointed out in the audit report or any of them shall be removed or remedied by the committee.

(6) The committee shall pay audit charges at the rate fixed by the ³[Director of Agricultural Marketing] from time to time.

(7) As soon as the audit of accounts of the committee for each year is completed the ⁴[Director of Agricultural Marketing] shall intimate the amount of audit charges payable by the committee. Within the period of thirty days from the date of receipt of such intimation, ⁵[the Secretary of the market committee shall.

(i) in places where there are Banking treasuries, make payment by means of a crossed cheque drawn in favour of the Manager of the Bank for adjustment by credit to the Consolidated Fund of the State; and

(ii) in other places, remit the charges in cash to the Treasury; under intimation to the ⁶ [Director of Agricultural Marketing.]

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated

8-11 -1990

3. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

4. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

5. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

6. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

66. Auditor to report material impropriety or irregularity, loss, waste or misappropriation :-

(1) The auditor shall.

(a) report to the committee any material defect or irregularity which he may observe in the expenditure or in the recovery of moneys due to the committee ¹ [x x x] or in the accounts of the committee.

(b) report to the committee any loss, waste or misappropriation of money or other property owned by or vested in the committee, if such loss, waste or mis-application is a direct consequence of neglect or misconduct with the names of person or persons directly or indirectly responsible for such loss, waste or mis-application.

(2) The Secretary shall forthwith remedy the defects or irregularities, if any.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

67. Annual report :-

At the end of each market year, the committee shall prepare an annual report in ¹[Form 34] and submit copies of it to the ²[Director of Agricultural Marketing] and to such other officers as may be directed by the ³ [Director of Agricultural Marketing] in this behalf.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

3. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

68. Contribution to the Consolidated Fund :-

Every committee shall remit before 15th of every month to the Consolidated Fund of the State, such percentage of its gross receipts during the preceding month as may be fixed by the ¹[Director of Agricultural Marketing] under Section 91(2) and send a duplicate challan to the ² [Director of Agricultural Marketing.]

1. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

2. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

69. Contribution to the State Agricultural Marketing Board :-

(1) Every committee in the State shall, under intimation to the [Director of Agricultural Marketing], pay to the State Agricultural Marketing Board before 15th of every month five per cent of its gross receipts during the previous month.

(2) Every committee shall maintain a separate register showing the gross receipts of every calendar month by way of market fee and licence fee and remittances made to the State Agriculture Marketing Board every month under sub-rule (1).

[(3) x x x x x.]

70. Preparation of plans :-

The preparation of plans and estimates for works proposed to be undertaken and for repairs to the existing buildings at the expense of the committee will be attended to by the Supervisors and ¹ [Assistant Executive Engineer of the Public Works Department or the Engineering Cell of the Marketing Department.]

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

71. 2Approval of plans and estimates :-

[

(1) The Plans and estimates for works, the estimated cost of which

does not exceed the maximum amount specified in column (2) of the table below, may be sanctioned by the Market Committee after getting the plans and estimates technically examined and approved by the Assistant Executive Engineer or the Executive Engineer, Engineering Cell of the Agricultural Marketing Department, and where the estimated cost exceeds the maximum amount the same shall be sanctioned by the Director of Agricultural Marketing or any Officer authorised by him in this behalf, after getting the plans and estimates technically examined and approved by the Assistant Executive Engineer or the Executive Engineer, as the case may be, of the Engineering Cell of the Agricultural Marketing Department.

TABLE	
Categories of Market Committee	The maximum amount of the estimated cost of the works
(1)	(2)
Market Committee whose annual income in the preceding market year by way of market fee and licence fee is.	
(i) Rs. 5 lakhs and below	Rs. 5,000 for each work subject to a maximum of Rs. 25,000 per annum,
(ii) above Rs. 5 lakhs, but upto Rs. 20 lakhs	Rs. 10,000/- for each work subject to a maximum of Rs. 50,000/- per annum.
(iii) Above Rs. 20 lakhs but upto Rs. 40 lakhs	Rs. 15,000/- for each work subject to a maximum of Rs. 1 lakh per annum.
(iv) Above Rs. 40 lakhs	Rs. 20,000/- for each work subject to a maximum of Rs. 1 lakh per annum.

(2) The Market Committee shall, before taking up the execution of the work included in the plan and estimates sanctioned under sub-rule (1) send copies of plan and estimates to the Assistant Director of the District and the Joint Director of the Division, and also send a separate report to the Director of Agricultural Marketing regarding the necessity of the work taken up under sub-rule (1).]

72. Supervision of works :-

All works shall be carried out under the supervision of the Secretary

and Chairman of the committee.

PART 6 Levy and collection of fees

73. Collection of fees :-

All fees to which committee is entitled shall be collected by ¹ [any market functionary if so required by the committee. It may also be collected by the paid servants] of the committee duly authorised in this behalf and the date of collection shall not be framed out.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

74. Receipts :-

(1) All moneys received on behalf of the committee shall be acknowledged by a receipt in carbon duplicate in ¹ [Form 35] by the Secretary or any other officer, servant or agent of the committee duly authorised by the committee in this behalf. The receipt shall be given to the party making the payment and carbon copy retained for office use.

(2) Every officer, servant or agent authorised to receive payments shall every day render account of all receipts to the Secretary or an officer duty authorised by him in this behalf. All moneys received shall be brought to account.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

75. Security :-

Every committee shall take such security as it thinks necessary from its employees who are required to handle cash.

76. Licensed traders, 3[commission agents, etc.] :-

(1) No person shall operate in the market area as a ¹[trader, commission agent, broker, processor, exporter, importer, ginner, presser, crusher, stockist, ²[warehousemen] or retail trader] in notified agricultural produce except under and in accordance with a licence granted by the committee under this Rule.

³[(1-A) No person who is in the service of another person of a firm whether holding any licence granted by the committee or not shall be eligible to hold a licence as a broker. If any licensed broker

enters service or does business other than that for which he holds a licence, he shall be deemed to have committed a breach of the conditions of the licence.]

⁴[⁵(2) Every application for grant or renewal of a licence to operate in the market area.

(i) as a trader, commission agent, broker, exporter, importer, stockist, warehouseman, ginner, presser, crusher or processor shall be in ⁴[Form 41;

(ii) as a retail trader shall be in Form 42; and

(iii) as a temporary trader shall be in Form 43, and shall be accompanied by such fees as may be specified in the bye-laws. The fees paid shall be returned to the applicant, if the committee refuses to grant or renew licence.]

(3) The maximum ⁷[licence fees] payable for a licence to operate as a trader, commission agent, broker, processor, exporter, importer, ginner, presser, crusher, ¹[stockist, warehouseman or retail trader] specified in column (2) of the Table below shall be as specified in the corresponding entries in column (3) thereof.]

TABLE		
Sl. No.	Category	Maximum fees leviable per annum
(1)	(2)	(3)
		Rs.
1.	Trader	200
2.	Commission agent	200
3.	Broker	100
4.	Processor	100
5.	Exporter	100
6.	Importer	100
7.	Ginner	100
8.	Presser	100
9.	Crusher	100
10.	Stockist	100
11.	Retail trader	25
12.	Warehousemen	100

Explanation. A person who has applied for grant of a licence in respect of two or more categories specified in column (2) of the Table above, may be granted a composite licence in respect of all such categories on payment of a separate fee for each such categories.]

(4) On receipt of such application the committee after making such enquiries, as may be considered necessary may if it finds no ground to refuse the licence asked for grant him the licence applied for in ⁴[Form 36.] On the grant of such licence, the applicant shall execute an agreement in such form as the committee may determine, agreeing to conform with these rules and the bye-laws.

(5) The committee may, after giving the applicant an opportunity of being heard for reasons to be recorded in writing refuse to grant a licence to any person who is either not solvent or otherwise ⁵[disqualified] under the Act, rules or bye-laws, or whose operations in the market area are not likely to further the efficient working of the market under the control of the committee.

(6) A licence granted under sub-rule (4) shall, unless renewed, remain in force till the end of the market year in which it has been granted.

(7) Every application for renewal of a licence shall be made one month before the expiry of its period.

(8) If the application for renewal is made in accordance with sub-rule (7), the applicant shall be deemed to be duly licensed until orders are passed on the application.

(9) The names of all licensed ⁶ [traders, commission agents, brokers, processors, exporters, importers, ginners, pressers, crushers, stockists and retail traders] shall be entered separately in a register to be maintained for the purpose.

1. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

2. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

3. Substituted for the words "or its authorised agents" by GSR 44, dated 3-2-1970

4. Sub-rule (I) substituted by GSR44, dated 3-2-1970

5. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

7. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

77. Disqualifications for obtaining a licence to operate as traders :-

(1) No person shall be granted a licence and no persons licence shall be renewed or continued by the committee, to operate as a trader in the market area unless it is satisfied after such inquiry as may be provided in the bye-laws, that the person;

(i) is solvent;

(ii) owes no outstanding or overdue debts, relating to his business to any producer or to any commission agent; and

(iii) has deposited with or furnished to the committee the cash security or a bank guarantee under sub-section (2) of Section 85 of the Act and the bye-laws.

(2) The committee may refuse to grant or to renew a licence to a person to operate as a trader in the market area, if after such inquiry as may be provided in the bye-laws, it is satisfied that.

(i) his licence had been cancelled sometime back and that six months have not elapsed since the date of such cancellation;

(ii) he has been guilty of any offence or misconduct in any regulated market;

(iii) he is a partner with any person to whom a licence is refused;

(iv) he has neglected or refused to submit to, abide by and carry out ¹ [any award of the Arbitrator or Arbitrators] or decision or order of the Disputes Committee;

(v) he has refused to fulfil trade contracts for no valid reasons; or has failed to pay in due time to the committee any fee, fine or other sum payable to it by him or has failed to deposit with or furnish to it the cash security or the bank guarantee as provided in the bye-laws in due time.

(vi) he has refused to submit his account books for the inspection of the committee, or to the sub-committee or any of its officers authorised in that behalf or has failed to comply with any notice given or request made to attend any meeting of the committee.

(vii) he has failed to submit the reports or returns of statements to the committee in due time, in the manner laid down in these rules and bye-laws or as may be specified in the orders of the committee.

(viii) he is found to have set up or instigated to set up directly or indirectly any strikes or boycotts against the smooth working of the market or the enforcement of the provisions of the Act, rules or the bye-laws;

(ix) he has over-traded;

(x) he has habitually violated the provisions of the Act, the rules or the bye-laws or the lawful directions given by the committee;

(xi) his previous conduct is such as would disturb the maintenance of a stable and healthy market or is found to have entered into any disreputable or fraudulent transactions with any person; or

(xii) he has not transacted any business in the notified agricultural commodities during the period of his licence, and he is not a genuine trader but obtained a licence only to avail of advantages accruing therefrom.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

78. Disqualification for obtaining licence to operate as commission agents :-

(1) No person shall be granted a licence and no persons licence shall be continued or renewed by the committee, to operate as a commission agent in the market area unless it is satisfied, after such inquiry as may be provided in the bye-laws, that the person.

(i) is solvent;

(ii) is not a defaulter in paying to any of his principals the price of his produce after its sale, when demand for such payment was made by the principal; and

(iii) has deposited or furnished to the committee the cash security or the bank guarantee as may be provided in the bye-laws.

(2) The committee may refuse to grant or to renew licence to a person to operate as a commission agent in the market area, if after such inquiry as may be provided in the bye-laws, it is satisfied that.

(i) his licence has been cancelled some time back and that the period of six months has not elapsed since the date of such cancellation;

(ii) he has been guilty of any offence or misconduct in any regulated market;

(iii) he is a partner with any person to whom a licence is refused;

(iv) he has neglected or refused to submit to or abide by and carry out ¹ [any award of the Arbitrator or Arbitrators] or decision or order of the Disputes Committee;

(v) he has failed to pay in due time to the committee any sum due to it from him or has failed to deposit with or furnish to it the cash security or the bank guarantee provided in the bye-laws;

(vi) he has refused to submit his account books for the inspection of the committee or to any of its officers authorised in that behalf or has failed to comply with any notice given or request made to attend any meeting of the committee;

(vii) he has failed to submit the reports or returns or statements to the committee in due time, in the manner laid down in these rules or bye-laws or as may be specified by the committee;

(viii) he is found to have setup or instigated to setup directly or indirectly any strikes against the smooth working of the market or the enforcement of the provisions of the Act, rules or the bye-laws;

(ix) he has habitually violated provisions of the Act, the rules or the

bye-laws or the lawful directions given by the committee;
(x) he is found to have entered into any disreputable or fraudulent transaction with any person;
(xi) he has not transacted any business in the notified agricultural commodities during the period of his licence and he is not a genuine Commission Agent but obtained licence only to avail of advantages accruing therefrom.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

79. 1[Licensed Weighmen, measurers, surveyors, hamals, cartmen, public carrier, etc.] :-

¹[(1) No person shall operate as a weighmen, measurer, surveyor, hamalis, cartmen, owner of public carrier or as any other market functionary in any market area except under a licence in Form 37 granted by the Market Committee.

(2) Any person desires to hold a licence to operate in the market area as a.

(i) Weighmen, measurer, surveyor shall apply in Form 44;

(ii) Hamal, Cartman, owner of public carrier or as any other market functionary shall apply in Form 45. and shall also pay such fee not exceeding rupees one hundred as may be specified in the bye-laws. On receipt of such application the market committee may, if it finds no grounds to refuse, grant or renew the licence in Form 37. On the grant of such licence the applicant shall execute an agreement in such form as the market committee may determine, agreeing to comply with these rules and the bye-laws of the Market Committee.]

(3) The licence granted under sub-rule (2) shall, unless renewed, remain in force till the end of the market year in which it has been granted.

(4) No person shall be entitled ²[to do business as a market functionary] other than that for which he holds a licence.

(5) No person who is in the service of another person or firm whether holding any licence granted by the committee or not shall be eligible to hold a licence as a ³[x x x x x] weighman, measurer, ¹[x x x x x.] If any licensed ²[x x x x x] weighman, measurer ⁶ [x x x x x] enters service or does business other than that for which he holds a licence, he shall be deemed to have committed a breach of the conditions of the licence.

(6) The committee may after giving the applicant an opportunity of

being heard, for reasons to be recorded in writing refuse to grant or renew a licence to any person, if the committee is satisfied that the applicant is not likely to further the efficient working of the market under the control of the committee or is otherwise not qualified or disqualified under the Act, rules or bye-laws.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990
2. Sub-rule (3) substituted by GSR 23, dated 30-1-1990
3. Sub-rule (I) substituted by GSR44, dated 3-2-1970
6. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

80. Issue of duplicate licence :-

The committee, if it is satisfied, after holding such enquiry as necessary, that a licence issued by it has been lost or accidentally destroyed may issue a duplicate licence on payment of fee of one rupee.

81. Refusal, cancellation or suspension of licence to be communicated to person concerned :-

(1) Whenever a committee.

(a) refuses to grant a licence under sub-rule (2) of Rule 77 or sub-rule (6) of Rule 79; or

(b) cancels or suspends a licence under Section 73 of the Act, the committee shall communicate its decision or order, as the case may be, to the person concerned.

(i) by delivering or tendering to him personally a copy of such decision or order, as the case may be, or

(ii) by sending the same to him by registered post acknowledgement due.

(2) Such decision or order, as the case may be, shall be deemed to have been communicated to the person concerned on the date on which a copy of it was delivered or tendered to him personally or if refused, on the date of refusal of the same or if sent by registered post on the date it was received or refused by him.

82. Prohibition of brokers from acting on behalf of both the buyer and the seller :-

(1) No licensed broker shall act on behalf of both the buyer and the seller of agricultural produce in any transaction.

(2) Any licensed broker who commits a breach of the provisions of sub-rule (1) shall be deemed to have committed a breach of the conditions of his licence.

83. 1Commission agents, etc., not to receive fees other than those specified for their service :-

[x x x x x.]

84. Trader, etc., not to solicit brokerage or charges for weighing, measuring or surveying :-

If any trader or his servant or agent acting on his behalf with his express, or implied permission solicits or receives any amount either in cash Or in kind, as brokerage or charges for weighing, measuring or surveying, he shall be deemed to have committed a breach of the condition of the licence.

85. Keeping of books and issue of receipts, etc :-

Every market functionary operating in the market area and holding a licence from the committee in that regard, shall, as the committee may from time to time direct.

(i) keep and maintain such registers, documents and books in such form as may be prescribed in the bye-laws;

(ii) issue receipts for the money and goods received under his own signature or the signature of his authorised representative and countersigned by the payer or the deliverer, as the case may be, or by the authorised representative of such person in such form as may be prescribed in the bye-laws and maintain the carbon copies thereof.

86. Reports and returns by traders and commission agents :-

Subject to the provisions of the Act and the bye-laws, every licensed trader and commission agent operating in the market area shall render to the committee or to the officer specified by the committee in this behalf, the reports and returns in respect of his business with such details, every day or at such intervals at such

time and in such form as may be provided in the bye-laws or as may be required by the committee relating to.

(a) The agreements of the sales or purchases entered into.

¹[(i) in the market yard, market sub-yard or sub-yards and sub-market yard or sub-market yards];

(ii) in the market and ²[sub-market or sub-markets] excluding market yard, market sub-yard, or sub-yards and sub-market yard, or sub-market yards; and

(iii) in the market area excluding market and sub-market or sub-markets.

(b) The agricultural produce given delivery of.

(i) in the market yard, ¹[sub-market yard or sub-market yards] and sub-market, sub-yard or yards;

(ii) in the market and sub-market or sub-markets ⁴[excluding the market yard, market sub-yard or sub-yards and sub-market yard or sub-market yards];

(iii) in the market area excluding market and sub-market or sub-markets;

(c) The agricultural produce taken delivery of.

(i) in the market yard, market sub-yard or sub-yards and ⁵ [sub-market yard or sub-market yards];

(ii) in the market and sub-market or sub-markets excluding market yard, [market sub-yard or sub-yards and] sub-market yard or sub-market yards; and

(iii) in the market area excluding market and sub-market or sub-markets.

(d)

(i) The amounts due to him by any other market functionary; and

(ii) the amounts due by him to any producer or any market functionary, and outstanding beyond the period of credit permissible under the bye-laws of the committee;

(e) The stock of agricultural produce with him;

(f) The market fees due from him to the committee; and

(g) Such other information, as may be deemed necessary, by the committee for enforcing the provisions of this Act, the rules and bye-laws of the committee.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

2. Sub-rule (I) substituted ¹ by GSR44, dated 3-2-1970

4. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

5. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

87. Reports by market functionaries other than traders and commission agents :-

(1) Every licensed ginner, processor, presser, warehouseman, importer, exporter, stockist and every other market functionary other than a licensed trader and a commission agent, operating in the market area shall submit to the committee or to the officer specified by the committee in this behalf, such periodical returns, at such time and in such form as may be provided in the bye-laws or as the committee may from time to time direct.

(2) If any market functionary fails to submit reports and returns as required under sub-rule (1) and sub-section (1) of Section 83 the committee may authorise any officer to hold an enquiry. That officer shall enquire in detail giving the concerned market functionary an opportunity of being heard and submit a report to the committee regarding sufficiency or otherwise of the reasons for not producing the required returns and reports.

(3) The counterfoils or duplicate copies of all reports and returns submitted under sub-rule (1) shall be preserved by the market functionaries for a period of two years from the date of such submission and they shall be made available for inspection whenever required by the committee during that period.

87A. Compounding of offences :-

No offence for contravention of the provisions of Sections 8, 79 and 80 shall be compounded under Section 70.]

PART 7 Karnataka State Agricultural Marketing Board

88. 2Election of a Member to the State Marketing Board :-

[

(1) The election of a member to the State Agricultural Marketing Board under clause (ii) of sub-section (1) of Section 101, shall be held in the manner hereinafter specified.

(2) For purposes of the said election, the ¹ [Assistant Director of Agricultural Marketing] of the revenue district shall be the

Returning Officer.

(3) The Returning Officer shall maintain in his office a list of the Chairman of all the market committees in the district. In order to enable him to maintain such list corrected up-to-date, the Secretaries of all the market committees in the District shall furnish to the Returning Officer the name of the Chairman of their respective market committees and also inform immediately the Returning Officer of every change in the names of the Chairmen. The Returning Officer shall, on receipt of the information, strike out the names of persons who have ceased to be the Chairmen and include therein the names of persons who have become Chairman of such market committee.

(4) The provisions of Rule 5-A shall apply mutatis mutandis in relation to the list of names of Chairmen:

Provided that where an application under sub-rule (1) or clause (a) of sub-rule (2) of Rule 5-A is received by the Returning Officer he shall refer such application to the Secretary of the market committee concerned and on receipt of information in relation thereto from the said Secretary, shall act in accordance with sub-rule (2).

(5) The Returning Officer shall, by order, call upon the electorate of Chairman of all the market committees in each revenue district to elect a member to the Board and fix the date of election, he shall publish a notice by affixing on the notice board of his office stating.

(i) the place at which and the time within which nomination shall be received and the last date for making nominations which shall not be less than seven days from the date of publication of the notice;

(ii) the date of the scrutiny of nomination which shall be the second day after the last date for making nominations or if that day is a public holiday, the next succeeding day which is not a public holiday;

(iii) the last day for withdrawal of nominations, which shall be third day after the date of scrutiny of nominations or if that day is a public holiday, the next succeeding day which is not a public holiday;

(iv) the date, which shall not be less than fifteen days from the date of publication of the notice, on which and the hours during which, poll shall, if necessary, be taken; and

(v) the place and time for counting of votes.

(6) A copy of the notice referred to in sub-rule (5) shall be sent to the Chairman of all the market committees in each district by

registered post immediately after its publication.

(7) In the case of a bye-election referred to in Section 105, the notice under sub-rule (5) shall be published as soon as may be after the occurrence of vacancy.

1. Sub-rule (3) substituted by GSR 23, dated 30-1-1990

88A. Nominations :-

(1) Where in any revenue district, there are more than one market committees, and Chairman intending to contest for election to the Board, shall deliver his nomination paper to the Returning Officer in Form 38 between the hours of eleven o'clock in the forenoon and three o'clock in the afternoon at the place specified in this behalf in the notice referred to in sub-rule (5) of Rule 88.

(2) The Returning Officer shall, on receiving the nomination paper, enter in the nomination paper its serial number, the date on which and the hours at which the nomination paper has been delivered to him and shall verify the name and the number of the candidate with the list of Chairmen maintained in his office.

(3) Nomination papers received after the date and time appointed under clause (ii) of sub-rule (5) of Rule 88 shall be rejected.

(4) Nothing in this Rule shall prevent any candidate from filing more than one nomination paper for the same election.

88B. Scrutiny of nominations :-

(1) The candidates and their agents, who shall not be more than one for each candidate, shall be entitled to be present at the time of scrutiny of nominations and the Returning Officer shall give them all reasonable facilities for examining nomination papers of all candidates.

(2) The Returning Officer shall then examine the nomination papers and decide all objections which may be made at the time of scrutiny to any nominations and may either on such objection or on his own motion and after such summary enquiry, if any, as he thinks necessary, reject the nomination paper on any of the following grounds, namely.

(a) that the signature of the candidate on the nomination paper is not genuine or has been obtained by fraud; or

(b) that the nomination paper has not been duly completed and the

defect or irregularity is of a substantial character.

(3) The Returning Officer shall endorse on each nomination paper his decision either accepting or rejecting it and if the nomination paper is rejected, shall record in writing a brief statement of his reasons for such rejection.

88C. Withdrawal of candidature :-

(1) Any candidate may withdraw his candidature by a notice in writing subscribed by him and delivered in person to the Returning Officer before three o clock in the afternoon on or before the date fixed under clause (iii) of sub-rule (5) of Rule 88. On receipt of the notice, the Returning Officer shall note thereon the date and the time at which it was delivered.

(2) No person who has given notice of withdrawal of his candidature under sub-rule (1) shall be entitled to withdraw or cancel the notice.

88D. Procedure in contested and uncontested elections :-

If after the expiry of the period within which candidature may be withdrawn.

(a) there is only one candidate whose nomination is valid and who has not withdrawn his candidature, the Returning Officer shall forthwith declare such candidate to be duly elected to be a member of the Board; or

(b) the number of candidates who have been duly nominated but who have not withdrawn their candidature exceeds one, the Returning Officer shall except in the case falling under the proviso to sub-section (1) of Section 101, prepare a list of validly nominated candidates in alphabetical order and cause a copy of the list so prepared to be affixed to the notice board of his office.

88E. Voting :-

Where votes of the Chairman are to be taken for the purpose of the election, the polling shall take place on the date and time appointed under clause (iv) of sub-rule (5) of Rule 88 at the office of the Returning Officer.

88F. Procedure for the conduct of elections :-

(1) At the place set apart for voting, the Returning Officer shall

provide a ballot box which shall be so constructed that the ballot papers can be introduced therein, but cannot be withdrawn therefrom without the box being opened.

(2) The Returning Officer shall immediately before the votes are taken, show the ballot box empty to such Chairmen as may be present, so that they may see that it is empty and then shall lock it up and place his seal upon it in such manner as to prevent it being opened without breaking such seal.

(3) Every Chairman wishing to vote shall be supplied with a ballot paper in Form 39 bearing the seal of the office of the ¹[Assistant Director of Agricultural Marketing] and the signature of the Returning Officer and on which names of all contesting candidates are printed, typed or written in English and Kannada. At the time of issuing a ballot paper to a Chairman, the Returning Officer shall record the serial number thereof against the entry relating to the Chairman in the list of Chairmen kept for the purpose.

(4) The Chairman to whom a ballot paper is issued under sub-rule (3) shall on receipt of the ballot paper proceed to the place set apart for the purpose and ² [affix seal with the instrument supplied] mark against the name of the candidate for whom he wishes to vote. He shall then fold up the ballot paper so as to conceal his vote and insert it into the ballot box.

(5) A Chairman who has inadvertently dealt with his ballot paper in such manner that it cannot be conveniently used as a ballot paper may on returning it to the Returning Officer and on satisfying him of the inadvertence, be given another ballot paper and the ballot paper so returned shall be marked "spoilt-cancelled" by the Returning Officer. If a Chairman after obtaining a ballot paper decides not to use it, he shall return it to the Returning Officer and the ballot paper so returned shall be marked as "Returned-cancelled" by the Returning Officer. All such ballot papers cancelled under this clause shall be kept in a separate packet.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

88G. Counting of votes :-

(1) After voting by all, the Chairmen present and wishing to vote, the Returning Officer shall open in the presence of the Chairmen present, the ballot box, count the number of ballot papers and

separate those which in his opinion are valid from those which in his opinion are invalid, endorsing on the latter, the word "rejected" and the ground of rejection and arrange all the valid ballot papers in the bundle.

(2) The Returning Officer shall reject a ballot paper.

(a) if it bears any mark or writing by which the elector can be identified; or

(b) if to indicate the vote it bears no mark at all; or

(c) if votes are given on it in favour of more than one candidate; or

(d) if the mark indicating the vote thereon is placed in such a manner as to make it doubtful to which candidate the vote has been given; or

(e) if it is a spurious ballot paper:

Provided that the ballot paper shall not be rejected merely on the ground that the mark indicating the vote is indistinct or made more than once, if the intention that the vote shall be for a particular candidate, clearly appears from the way the paper is marked.

(3) Before rejecting any ballot paper under this Rule, the Returning Officer shall allow each candidate a reasonable opportunity to inspect the ballot paper but shall not allow him to handle it or any other ballot paper.

(4) Every ballot paper which is not rejected shall be counted as one valid vote. After the completion of the counting, the Returning Officer shall record in a statement the total number of votes polled by each candidate and announce the same.

(5)

(i) After such announcement has been made, the Returning Officer may either on his own initiative or at the instance of any candidate recount the votes:

Provided that nothing herein contained shall make it obligatory on the Returning Officer to recount the same votes more than once.

(ii) When a recount of votes is made under this sub-rule, the Returning Officer shall amend the statement referred to in sub-rule (4) to the extent necessary after such recount and announce the amendment so made by him.

(6) After the total number of votes polled by each candidate has been announced under sub-rule (4) or sub-rule (5), as the case may be, the Returning Officer shall declare the candidate to whom the largest number of valid votes have been duly elected.

(7) If, after the counting of the votes is completed an equality of votes is found to exist between any candidates and the addition of one vote will entitle any of those candidates to be declared elected,

the Returning Officer shall forthwith decide, between those candidates by lot in such manner as he may determine and proceed as if the candidate on whom the lot falls had received an additional vote. He shall thereafter declare the candidate on whom the lot falls to have been duly elected.

(8) The Returning Officer shall then prepare and certify the election in Form 40 and forward a copy of the same to the ¹[Director of Agricultural Marketing] immediately.

(9) The Returning Officer shall also forward to the ² [Director of Agricultural Marketing], the name of the Chairman who has been decided by lot drawn by him to represent the market committee in the district on the Board.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

2. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

88H. Sealing and custody of election papers :-

(1) The Returning Officer shall then make up into separate packets the marked copy of the list of Chairmen, the ballot papers relating to each candidate whether counted or rejected, seal up each packet and note thereon the description of its contents, the election to which it relates and date thereof.

(2) These packets shall not be opened and their contents shall not be inspected or produced before any person or authority except under the order of the District Judge under Section 103.

(3) The packet shall be retained in safe custody by the Returning Officer in his office for a period of two years from the date of declaration of the result Of election and shall thereafter be destroyed unless a direction to the contrary is given by the District Judge or other competent Court or by the State Government.

88I. Publication of names of the elected members of the Board :-

The ¹ [Director of Agricultural Marketing] shall, by notification, publish the names of all the members elected to the Board.]

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

89. 2Preparation of plans and estimates :-

X X X X X.

90. 3Budget :-

X X X X X.

91. Marketing Development Fund :-

(1) All moneys received by the Board shall be kept or invested in Karnataka State Co-operative Apex Bank Limited ¹[or in Government Securities].

(2) The Board may utilise the Marketing Development Fund for purposes enumerated in Section III, through the committees.

² [(3) The Board may grant funds out of the Marketing Development Fund to such Advisory Committees or Institutions as are approved by it and which are imparting education in regulated marketing of agricultural produce or carrying on any work which is of general interest to regulated marketing of agricultural produce.]

1. Sub-rule (4) omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

2. The words "or in a commission agents constituency" omitted by Notification No. CMW 174 MRE 91, dated 27-1-1994

PART 8 Miscellaneous

92. Powers and duties of the Panchayats appointed as agents of the committees :-

(1) Panchayats appointed as agents of the committees under sub-section (1) of Section 97 of the Act, shall exercise powers and perform duties as specified below.

(i) It shall not allow any market functionary to operate in the area under its jurisdiction without obtaining the necessary licence from the committee.

(ii) It shall have power to receive applications for grant or renewal of licence and to collect the prescribed licence fee on behalf of the committee.

(iii) It shall have power to specify the time and place of business in the area under its jurisdiction and to conduct and supervise the sales, weighment, delivery, payment and all other matters relating to marketing of notified agricultural produce.

(iv) It shall collect market fee from the buyer in respect of the agricultural produce sold in the area under its jurisdiction at the rates specified in the bye-laws of the committee and issue receipts in the form prescribed.

(v) The Chairman or the Secretary of the Panchayat, shall have power to examine and inspect the weights used in the sale and purchase of agricultural produce in the area under its jurisdiction.

(vi) It shall have power to call for the periodical reports and returns to be furnished by the market functionaries under these Rules.

(2) It shall be the duty of the Panchayat to.

(i) forward all applications for grant or renewal of licence together with the licence fee to the committee;

(ii) forward to the committee all periodical reports and returns received from the market functionaries, before 5th of succeeding month;

(iii) provide necessary basic facilities for transacting business;

(iv) receive and publish the market rates and other allied information on the notice board of the Panchayat for the benefit of all concerned;

(v) do propaganda in regard to proper methods of preparation, storage, packing, transportation and marketing of agricultural produce; and

(vi) do all other functions entrusted to it by the committee for regulating the marketing of agricultural produce in the area under its jurisdiction.

(3) The powers exercised and the duties performed by the Panchayat in accordance with the Act, rules and bye-laws,¹ [in the area under its jurisdiction] shall be deemed to have been exercised or performed by the committee.

1. Sub-rule (I) substituted by GSR44, dated 3-2-1970

93. Distribution of assets, rights and liabilities :-

The assets, rights and liabilities of the dissolved committee shall be distributed among the new committees established in the area equitably ¹ [having regard to the income derived and expenditure incurred] in the respective areas.

1. Substituted for the words "twenty-one years" by GSR 164, dated 8-11 -1990

94. Publication of bye-laws :-

(1) The committee shall prepare bye-laws and publish the same by affixture on the notice board of the committee.

(2) The bye-laws prepared under Section 149 shall also be published by affixture on the notice board of the committee.

95. Publication of standing order :-

Every standing order made by a committee under Section 151 shall be published by affixture on the notice board of the committee and Panchayats appointed as agents of the committee.

96. Repeal and savings :-

Subject to the provisions of Section 154, all Rules corresponding to the foregoing Rules are hereby repealed.