

Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972

24 of 1973

[18 April 1973]

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SCHEDULE 1 :- SCHEDULE I

Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972

24 of 1973

[18 April 1973]

An Act to provide for the better regulation of buying and selling of agricultural produce and the establishment and proper administration of markets of agricultural produce in the State of Madhya Pradesh 1. Received the assent of the President on 18-4-1973, assent first published in the M.P. Gazette, (Extraordinary), dated 27-4-1973.

CHAPTER 1

PRELIMINARY

1. Short Title, Extent And Commencement :-

(1) This Act may be called the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972.

(2) It extends to whole of Madhya Pradesh.

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

2. Definitions :-

(1) In this Act, unless the context otherwise requires,

(a) "agricultural produce" means all produce 1[x x x] of agriculture, horticulture, animal husbandry, apiculture, pisciculture, or forest as specified in the Schedule;

2[(b) "agriculturist" means a person whose source of livelihood is wholly dependent on agricultural produce and who cultivates land on ones own account,--

(i) by ones own labour; or

(ii) by the labour of the either spouse; or

(iii) under the personal supervision of oneself or any member of ones family referred to in sub-clause (ii) above by hired labour or by servants on wages payable in cash or kind but not as crop share, but does not include a trader, commission agent, processor, broker, weighman, or hammal of agricultural produce although such trader, commission agent, processor, broker, weighman or hammal may also be engaged in the production of agricultural produce;]

(c) "Board" means the Madhya Pradesh State Agricultural Marketing Board established under this Act;

(d) "Bye-laws" means the bye-laws made under Section 80;

3[(dd) "Collector" means the Collector of the District and includes an Additional Collector;

(e) "Commission Agent" means a person who on behalf of his principal 4[trader] and in consideration of a commission or percentage upon the amount involved in such transaction buys agricultural produce and makes payment in cash, keeps it in his custody and delivers it to the principal 4[trader] in due course or who receives and takes in his custody agricultural produce sent for sale 5[within the market area or from outside the market area], sells the same in the market area and collects payment therefor from the buyer and remits the sale proceeds to his principal 5[trader];

6[(ee) "Contract farming" means farming of agricultural produce on contract basis by a person on his land under a written agreement with another person to the effect that his farm produce shall be purchased at a rate specified in the agreement;]

7[(f) "Managing Director" means the Managing Director of the Madhya Pradesh State Agricultural Marketing Board appointed under this Act and he shall also be the Commissioner, Mandi, Madhya Pradesh;]

(g) "Market" means a market established under Section 4;

(h) "market area" means the area for which a market is established under Section 4;

(i) "market committee" means a committee constituted under Section 11;

(j) "market functionary" includes a broker, a commission agent, an exporter, a ginner, an importer, a presser, a processor, a stockist, a trader, weighman, warehouseman, hammal, surveyor and such other person as may be declared under the rules or the bye-laws to be a market functionary;

(k) "market proper" in relation to a market yard means an area declared to be a market proper under clause (b) of sub-section (2) of Section 5;

7[(l) "market yard or sub-market yard" in relation to a market area means a specified place declared to be a market yard or sub-market yard under clause (a) of sub-section (2) of Section 5;]

8[Explanation:--The expression "sub-market yard" shall include "haat bazars";]

8[(m) "notified agricultural produce" in relation to a market means all such produce specified in the Schedule;]

9[(m-1) "Other Backward Classes" means the Other Backward Classes of citizens as specified by the State Government by Notification No. F. 85-XXV-4-84, dated the 26th December, 1984 as amended from time to time.]

8[(mm) "petty trader" means a person who does not hold more than ten quintals of various kinds of notified agricultural produce or four quintals of any single notified agricultural produce in stock at a time :]

Provided that he shall not purchase more than four quintals of cereals or two quintals of oilseeds, pulses and fibre crops, in a day]; and

5[(mmm) "processing" means powdering, crushing, decorticating, husking, parboiling, polishing, ginning, pressing, curing or any other treatment to which an agricultural produce or its product is subjected to before final consumption;

(mmmm) "processor" means a person who processes agricultural produce by manual or mechanical means;]

9[(mmmmm) "Scheduled Castes" and "Scheduled Tribes" shall carry the same meanings as assigned to them under clauses (24) and (25) respectively of Article 366 of the Constitution of India;]

10[(n) [xxx]

(o) "Secretary" means the secretary of a Market Committee;

11[(p) "trader" means a person who in his normal course of

business buys or sells any notified agricultural produce, and includes a person engaged in processing of agricultural produce, but does not include an agriculturist as defined in clause (b) of this sub-section.]

(2) If a question arises whether any person is an agriculturist or not for the purpose of this Act, the decision of the Collector of the district in which such person is engaged in the production or growth of agricultural produce shall be final.

1. Omitted by MP. Act No. 5 of 1990.
2. Substituted by M.P. Act No. 11 of 1985 (w.e.f. 12-6-1985).
3. Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
4. Inserted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).
5. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).
6. Inserted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003).
7. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).
8. Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).
9. Inserted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).
10. Omitted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).
11. Substituted by M.P. Act No. 26 of 1987 (w.e.f. 1-6-1987).

CHAPTER 2

ESTABLISHMENT OF MARKETS

3. Notification Of Intention Of Regulating Marketing Of Notified Agricultural Produce In Specified Area :-

(1) Upon a representation made by local authority or by the growers of any agricultural produce within the area for which a market is proposed to be established or otherwise, the State Government may, by notification, and in such other manner as may be prescribed, declare its intention to establish a market 1[for regulating the purchase and sale of agricultural produce in such area] as may be specified in the notification.

(2) A notification under sub-section (1) shall state that any objection or suggestion which may be received by the State Government within a period of not less than one month to be specified in the notification shall be considered by the State Government.

1. Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

4. Establishment Of Market And Of Regulation Of Marketing Of Notified Agricultural Produce Therein :-

After the expiry of the period specified in the notification issued

under Section 3 and after considering such objections and suggestions, as may be received before such expiry and making such inquiry, if any, as may be necessary, the State Government may, by another notification, establish a market for the area specified in the notification under Section 3 or any portion thereof for the purpose of this Act 1[in respect of the agricultural produce specified in the Schedule] 2[and the market so established shall be known by the name as may be specified in that notification.]

1. Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

2. Inserted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

5. Market Yard And Market Proper :-

(1) (a) In every market area,--

(i) there shall be a market yard; and

1[(ii) there may be more than one sub-market yards];

(b) 1[for every market yard or sub-market yard] there shall be a market proper.

(2) The State Government shall, as soon as may be, after the issue of notification under Section 4, by notification,--

1[(a) declare any specified place including any structure, enclosure, open place, or locality in the market area to be a market yard or sub-market yard, as the case may be]; and

(b) declare in relation to 1[such market yard or sub-market yard as the case may be], any specified area in the market area to be a market proper.

1. Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

6. Control Of Marketing Of Notified Agricultural Produce :-

On the establishment of market under Section 4,--

(a) no local authority shall, notwithstanding anything contained in any enactment for the time being in force, set up, establish, continue or use or allow to be set up, established, continued or used any place in the market area for the marketing of any notified agricultural produce;

(b) no person shall, except in accordance with the provisions of this Act and the rules and bye-laws made thereunder,--

(i) use any place in the market area for the marketing of the notified agricultural produce; or

(ii) operate in the market area as a market functionary :

Provided that nothing herein shall apply to--

(a) the sale or purchase of such agricultural produce--

- 1[(i) the producer whereof is himself its seller and such sale is made in quantity not exceeding four quintals at a time to a person who purchases it for his domestic consumption];
- (ii) which is brought by head loads;
- 1[(iii) which is purchased or sold by a petty trader 2[x x];
- 3[(iv) [x x x]
- 4[(v) which is purchased by an authorised fair price shop dealer from the Food Corporation of India, the Madhya Pradesh State Commodities Trading Corporation or any other agency or institution authorised by the State Government for distribution of essential commodities through the Public Distribution System;]
- (b) the transfer of such agricultural produce to a co-operative society for the purpose of securing an advance therefrom :
- Provided further that the State Government may, by notification, for reasons to be specified therein, withdraw the exemption under sub-clause (2) of clause (a) of the preceding proviso in respect of such market area as may be specified in the notification.
1. Subs, by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
 2. Omitted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).
 3. Omitted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).
 4. Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

CHAPTER 3

CONSTITUTION OF MARKET COMMITTEES

7. Establishment Of Market Committee And Its Incorporation :-

(1) For every market area, there shall be a Market Committee having jurisdiction over the entire market area.

(2) 1[Every Market Committee shall be a body corporate by the name specified in the notification under Section 4.] It shall have perpetual succession and a common seal and may sue and be sued in its corporate name and shall subject to such restrictions as are imposed by or under this Act, be competent to contract and to acquire, hold, lease, sell or otherwise transfer any property and to do all other things necessary for the purposes of this Act :

2[Provided that no immovable property shall be acquired without the prior permission of the Managing Director in writing :

Provided further that no immovable property shall be transferred by way of sale, lease or otherwise in a manner other than the manner prescribed in the rules made by the State Government for the purpose.]

(3) Notwithstanding anything contained in any enactment for the time being in force, every Market Committee shall, for all purposes, be deemed to be a local authority.

1. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

2. Substituted by MP. Act No.15 of 2003 (w.e.f. 15-6-2003). Prior to substitution it read as under : "Provided that no immovable property shall be acquired, transferred by way of sale, lease or otherwise without the prior permission of the Managing Director in writing."

8. Vesting Of Property Of Local Authority In Market Committee :-

(1) The Market Committee may require a local authority to transfer to it any land or building belonging to the local authority which is situated within the market yard and which immediately before the establishment of the market was being used by the local authority for the purposes of the market, and the local authority shall, within one month of the receipt of the requisition, transfer the land or building, as the case may be, to the Market Committee on such terms as may be agreed upon between them.

(2) Where within a period of thirty days from the date of receipt of requisition by the local authority under sub-section (1) no agreement is reached between the local authority and the Market Committee under the said sub-section, the land or building required by the Market Committee shall vest in the Market Committee for the purposes of this Act and the local authority shall be paid such compensation as may be determined by the Collector under sub-section (5) :

Provided that no compensation shall be payable to a local authority in respect of any land or building which had vested in it by virtue of the provisions contained in the enactment relating to the constitution of such local authority without payment of any amount whatsoever for such vesting :

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

(3) The local authority shall deliver possession of the land or building vesting in the Market Committee under sub-section (2) within a period of seven days from such vesting and on failure of the local authority to do so, within the period aforesaid, the Collector shall take possession of the land or building and cause it

to be delivered to the Market Committee.

(4) The order of the State Government and subject to that order, the order of the Collector under sub-section (2) shall be final and binding on both the parties.

(5) The Collector shall fix the amount of compensation for the land or building having regard to,--

(i) the annual rent for which the building might reasonably be expected to be let from year to year;

(ii) the condition of building;

1[(iii) the amount of compensation paid by the local authority for the acquisition of such land and the present market value of the land; and

(iv) the cost or the present market value of any building erected or other work executed on the land by local authority.]

(6) The compensation fixed under sub-section (5), may, at the option of the Market Committee, be paid in lump-sum or in such number of equal annual instalments not exceeding ten as the Collector may fix. Where the compensation is paid in instalments, it shall carry interest at the rate of six percent, per annum which shall be payable along with the instalment.

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

9. Acquisition Of Land For Board Or Market Committee :-

(1) When any land within the market area is required for the purposes of this Act and the Board or the Market Committee is unable to acquire it by agreement the State Government may, at the request of the Board or the Market Committee, as the case may be, proceed to acquire such land under the provisions of the Land Acquisition Act, 1894 (No. 1 of 1894) and on the payment of the compensation awarded under that Act, by the Market Committee and of any other charges incurred by the State Government in connection with the acquisition, the land shall vest in the Board or the Market Committee, as the case may be.

1[(2) Any land which has been acquired for and vests in the Board or Market Committee under sub-section (1) shall be transferred by way of sale, lease or otherwise only in accordance with the rules made by the State Government for the purpose.]

2[(3) Nothing contained in the Madhya Pradesh Land Revenue Code, 1959 (No. 20 of 1959), and rules made thereunder in so far as they relate to diversion of land, revision of land revenue consequent on the change in the use of land from agriculture to

any other purpose and other matters incidental thereto, shall apply to land acquired by the Market Committee under subsection (1) or acquired by transfer, purchase, gift or otherwise and used for the purpose of establishment of a market yard or a sub-market yard :

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

Provided that the premises used for market yard, sub-market yard or for the purpose of the Board shall not be deemed to be included in the limits of the Municipal Corporation, Municipal Council, Notified Area, Gram Panchayat or a Special Area Development Authority, as the case may be.]

1. Substituted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003). Prior to substitution it read as under :

2. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

10. Appointment Of Officer-In-Charge Pending Constitution Of First Market Committee :-

1[(1) When a market is established for the first time under this Act, the 2[Managing Director] shall, by an order, appoint a person to be the Officer-in-Charge 2[for a period not exceeding two years.] The Officer-in-Charge shall, subject to the control of the 2[Managing Director] exercise all the powers and perform all the duties of the Market Committee under this Act :

Provided that in the event of death, resignation, leave or suspension of the Officer-in-Charge a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled, as soon as may be, by appointment of a person thereto by the 2[Managing Director] and until such appointment is made a person nominated by the Collector shall act as an Officer-in-Charge :

Provided further that if the Market Committee is constituted before the expiration of the period aforesaid the Officer-in-Charge shall cease to hold office on the date appointed for the first general meeting of the newly constituted Market Committee.

(2) Any Officer-in-Charge appointed under sub-section (1), may at any time be removed by the 2[Managing Director] who shall have power to appoint another person in his place.

(3) Any person appointed Officer-in-Charge under sub-section (1)

shall receive from the Market Committee Fund for his services such pay and allowances as may be fixed by the 2[Managing Director].

(4) The Officer-in-Charge appointed under sub-section (1) shall, notwithstanding the expiration of his term thereunder, continue to hold office or function till the date appointed for the first general meeting under 2[sub-section (1) of Section 13] of the newly constituted Market Committee.

1. Substituted by M.P. Act No. 8 of 1994 (w.e.f. 16-1-1994).

2. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

11. Constitution Of Market Committee :-

1[(1) A Market Committee shall consist of,--

(a) the Chairman elected under Section 12;

(b) ten representatives of agriculturists possessing such qualifications as may be prescribed chosen by direct election from the constituencies of a market area in accordance with the provisions of this Act and the rules made thereunder;

Explanation :--The expression "representatives of agriculturists" in this clause shall not include an agriculturist of the market area if any relative, that is to say wife, husband, father, mother, brother, sister, son, daughter, fathers father, fathers brother, fathers sister, mothers father, mothers brother or sister, fathers brothers son or daughter, mothers sisters son or daughter, brothers son or daughter, sisters son or daughter, brothers son or daughter, sisters son or daughter, sons wife, daughters husband, sisters husband, wifes sisters husband, fathers sisters husband, mothers sisters husband, sons son or daughter, daughters son or daughter, wifes father or mother, wifes brother or sister, wifes brothers son or daughter, wifes sisters son or daughter, husbands brother, husbands brothers wife, husbands brothers son or daughter of such agriculturist holds a traders licence from any Market Committee of the State.

(c) one representative of traders possessing such qualifications as may be prescribed, elected by and from amongst the persons holding licence from the Market Committee for a period of two successive years as traders or owners or occupiers of processing factories under this Act :

Provided that in the case of a Market Committee established for the first time under Section 10, the qualifying period of holding licence from such Market Committee shall be six months :

2[Provided further that no person shall be qualified to be a

representative of traders of Market Committee if he has more than two living children one of whom is born on or after 26th January, 2001 :

Provided also that any elected representative of trader shall become disqualified to hold such office if on or after 26th January, 2001 a child is born which increases the number of his children to more than two :]

Provided 3[also] that no person shall be a voter of more than one Market Committee at a time :

Provided also that no person shall be voter unless,--

(i) he has completed the age of 18 years.

(ii) he was not a defaulter of the Market Committee.

Explanation.--The expression "defaulter" shall include a person who has defaulted in the payment of Nirashrit Shulk recoverable by the Market Committee in accordance with the provisions of the Madhya Pradesh Nirashriton Avam Nirdhan Vyaktiyon Ki Sahayata Adhiniyam, 1970 (No. 12 of 1970);

(d) Such member of the State Legislative Assembly and House of the People in whose constituency at least fifty per cent of population resides in rural areas that is outside the local limits of a Municipal Corporation, Municipal Council or Nagar Panchayat :

Provided that in a constituency where more than one Market Committee exists 4[the member of the house of people shall have to give his option], before the election, one of the Market Committees in which he wishes to become a member :

5[Provided further that the member of the House of the People or the member of the State Legislative Assembly who is a member of the Market Committee may nominate his representative who possesses such qualification as may be prescribed for the purpose of attending the meeting of the Market Committee;]

(e) One representative of the Co-operative Marketing Society functioning in the market area who shall be elected by the Managing Committee of such society :

Provided that if more than one such society functions in the market area, such member shall be elected by all the members of the Managing Committees of such societies :

Provided further that nothing in this clause shall apply if the Managing Committee of any society stands superseded under the provisions of the Madhya Pradesh Co-operative Societies Act, 1960 (No. 17 of 1961);

(f) An Officer of the Agriculture Department of the State Government to be nominated by the Collector;

(g) One representative of the weighmen and hammals operating in the marketing area holding licence from the Market Committee to be nominated by the Chairman;

(h) One representative of the District Central Co-operative Bank who shall either be the Chairman of such Bank or such other member of the Managing Committee thereof, as may be nominated by the Chairman of such Bank;

(i) One representative of the District Land Development Bank who shall either be the Chairman of such Bank or such other member of the Managing Committee thereof, as may be nominated by the Chairman of such Bank;

"Provided further that the member of the Legislative Assembly shall be a special invitee in all other Market Committees in his constituency."

(j) One representative of the Gram Panchayat or Janpad Panchayat or Zila Panchayat which falls within the jurisdiction of the market area nominated by the Chairperson of the Zila Panchayat :

Provided that in Market Committee situated in the District headquarters the representative shall be nominated from amongst the members of the Zila panchayat only.

(2) All members under sub-section (1) shall have a right to vote except the member nominated under clause (f) and the special invitees under the second proviso to clause (d) of sub-section (1).

(3) The State Government may make rules for the preparation of voters list and conduct of elections.

(4) If the electorate under clause (b) or (c) of sub-section (1) fails to elect a representative, the Collector shall nominate the representative of the agriculturists or traders, as the case may be.

(5) Every election and nomination of a member shall be notified by the Collector in the official gazette.]

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Inserted by M.P. Act No. 21 of 2000.

3. Substituted by M.P. Act No. 21 of 2000, for the word "further".

4. Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001), for "the member shall have to give his option".

5. Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001). Prior to substitution it read as under :

11A. Division Of Market Area For Constituencies And Reservation Of Seats :-

1[(1) The Collector shall by notification in the local Newspaper divide a market area into as many numbers of constituencies equal to the number of the

representatives of the agriculturists to be chosen from that area.

(2) Seats shall be reserved for Scheduled Castes and Scheduled Tribes in every Market Committee and the number of seats so reserved shall bear as nearly as may be the same proportion to the total number of seats to be filled in that Market Committee as the population of Scheduled Castes or Scheduled Tribes in that market area bears to the total population of that area and such seats shall be allotted to the constituencies in the prescribed manner.

(3) Where the total number of seats belonging to Scheduled Castes and Scheduled Tribes in a market area is fifty per cent or less than fifty per cent, twenty-five per cent of total number of seats shall be reserved for Other Backward Classes.

(4) Not less than one-third of the total number of seats reserved under sub-sections (2) and (3) shall be reserved for women belonging to Scheduled Castes or Scheduled Tribes or Other Backward Classes, as the case may be.

(5) Not less than one-third (including the number of seats reserved for women belonging to Scheduled Castes, Scheduled Tribes and Other Backward Classes) of the total number of seats shall be reserved for women and such seats shall be allotted by the Collector to different constituencies in the prescribed manner.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

11B. Qualifications To Vote And To Be A Representative Of Agriculturists :-

(1) Every person,--

(a) whose name is entered as Bhumiswami in the village land records;

(b) who ordinarily resides in the market area;

(c) who has completed the age of 18 years; and

(d) whose name is included in the voters list prepared under the provisions of this Act and the rules made thereunder; shall be qualified to vote at the election of a representative of agriculturists :

Provided that no person shall be eligible to vote in more than one constituency.

Explanation.--The word "Bhumiswami" shall have the same meaning as assigned to it in the Madhya Pradesh Land Revenue Code, 1959 (No. 20 of 1959).

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

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

(b) he is an agriculturist;

(c) he is otherwise not disqualified for being so elected :

1[(cc) he has not more than two living children one of whom is born on or after 26th January, 2001 :

Provided that any elected representative of agriculturists shall become disqualified to hold such office if on or after 26th January, 2001 a child is born which increases the number of his children to more than two.]

(3) A person shall be disqualified for being a representative of agriculturist if he is disqualified for being an office bearer of a Panchayat under Section 36 of the Madhya Pradesh Panchayat Raj Adhiniyam, 1993 (No. 1 of 1994).

(4) No person shall be eligible for election from more than one market committee or constituency as the case may be.]

1. Inserted by MP. Act No. 21 of 2000.

12. Election Of Chairman And Vice-Chairman :-

1[(1) The Chairman shall be chosen by direct election by the persons qualified to vote for the election of representatives of the agriculturists and traders in the prescribed manner :

Provided that no person shall be eligible for election as Chairman

unless he is qualified to be elected under sub-sections (2) and (3) of Section 11-B.

(2) The offices of the Chairman shall be reserved for the Scheduled Castes and Scheduled Tribes and the number of offices so reserved shall bear, as nearly as may be, the same proportion to the total number of such offices in the State as the population of the Scheduled Castes and Scheduled Tribes in the States bears to the total population of the State and these offices shall be allotted, by the Managing Director to the Market Committees in the prescribed manner.

(3) Twenty-five per cent of the total number of offices of Chairman shall be reserved for Other Backward Classes and such seats shall be allotted in the prescribed manner by the Managing Director, to such Market Committees, which are not reserved for Scheduled Castes or Scheduled Tribes.

(4) Not less than one-third of the total number of offices of Chairman reserved under sub-sections (2) and (3) shall be reserved for women belonging to Scheduled Castes or Scheduled Tribes or Other Backward Classes, as the case may be.

(5) Not less than one-third (including the number of offices) reserved for women belonging to the Scheduled Castes and Scheduled Tribes and Other Backward Classes of the total number of offices of Chairman in the State shall be reserved for women and such offices shall be allotted by the Managing Director to different Market Committees in the prescribed manner.

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

(7) If any market area fails to elect a Chairman fresh election proceedings shall be initiated to fill the office within six months :
Provided that further proceedings for constituting the Market Committee shall not be stayed pending the election of Chairman :
Provided further that pending the election of Chairman under this subsection the Vice-Chairman shall discharge all the functions of the Chairman.

(8) There shall be a Vice-Chairman of the Market Committee who shall be elected by and from amongst the elected members thereof in the first meeting of the Market Committee convened under sub-section (1) of Section 13 in the prescribed manner :

Provided that if the Chairman of the Market Committee does not belong to Scheduled Castes, Scheduled Tribes or other Backward Classes, the Vice-Chairman shall be elected from amongst the elected members belonging to such castes, tribes or classes :

Provided further that no person shall be eligible for election as Vice-Chairman unless he is an agriculturist.

(9) Every election of Chairman and Vice-Chairman shall be notified in the Official Gazette by the Collector.]

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

12A. Taking Possession Of Record And Property :-

1[(1) Where the Collector is satisfied that the books and records of a Market Committee are likely to be suppressed, tempered with or destroyed, or the funds and property of a Market Committee are likely to be misappropriated or misapplied, the Collector or the person authorised by him may apply to the Executive Magistrate within whose jurisdiction the Market Committee is functioning for seizing and taking possession of the record and property of the Market Committee.

(2) On receipt of the application under sub-section (1), the Magistrate may authorise any police officer not below the rank of Sub-Inspector to enter and search any place where the records and property are kept or are likely to be kept and to seize them and hand over possession thereof to the Collector or the person authorised by him, as the case may be.]

1. Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

13. First Meeting, Terms Of Office, Resignation By Chairman, Vice-Chairman Or Member And Vacancy In Their Office :-

1[(1) The first meeting of the Market Committee shall be convened by the Collector within one month from the date of publication of result of election of Chairman and members in the official gazette.

(2) The Chairman, Vice-Chairman and Members of the Market Committee shall hold office for a period of five years from the date of first meeting of the Market Committee :

2[Provided that if on the expiry of the term of the Market Committee, a new Market Committee is not constituted, the State Government may, by notification, extend the term of the Market Committee for a period of six months from the date of expiry, with reasons such extension being placed on record, and if the new Market Committee is not constituted within this extended term, it shall be deemed to have been dissolved and in such an event the provisions of Section 57 shall apply]

(3) The Chairman, Vice-Chairman or a member may resign his office at any time in writing addressed to the Collector and such resignation shall be effective from the date of its acceptance by the Collector.

(4) Any person who is elected as a Chairperson or Vice-Chairperson of a Municipal Corporation/Municipal Council, Nagar Panchayat,

Panchayat or Co-operative Society is elected as a Chairperson or Vice-Chairperson of the Market Committee or vice versa may, by notice in writing signed by him and delivered to the 3[Collector] within thirty days from the date, or the later of the dates, on which he is elected, intimate in which of the office he wishes to serve, and thereupon, his seat in the body in which he does not wish to serve shall become vacant and in default of such intimation within the aforesaid period, his seat in the Market Committee shall, at the expiration of that period, become vacant.

(5) In the event of death, resignation, or removal of the Chairman, Vice-Chairman or a Member before the expiry of his term or on the occurrence of a vacancy under sub-section (4), or otherwise, a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled within six months by election in accordance with the provisions of the Act and the rules and a person so elected or nominated shall hold office for the unexpired portion of the term of his predecessor :

Provided that if the remaining term of the office is less than six months, such vacancy shall not be filled in.

(6) In the event of occurrence of any vacancy in the office of the Chairman by reason of his death, resignation or removal or otherwise the Vice-Chairman

if the office of the Vice-Chairman is also vacant then notwithstanding anything contained in this Act, such member of the Market Committee who is elected under clause (b) of sub-section (1) of Section 11, as the Collector may appoint shall exercise powers and perform the functions of the Chairman till the Chairman is duly elected.]

1. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Substituted by M.P. Act No. 4 of 2005 (w.e.f. 14-3-2005). Prior to substitution it read as under :

"Provided that if on the expiry of the term of the Market Committee, a new Market Committee is not constituted the Market Committee shall be deemed to have been dissolved and in such an event the provisions of Section 57 shall apply."

3. Substituted by M.P. Act No. 28 of 2001, for "prescribed authority".

14. Omitted :-

1[x x x]

1. Omitted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

15. Procedure And Quorum Of Meeting Of Market Committee :-

1[The procedure of meeting of Market Committee and quorum thereof shall be such as may be prescribed.]

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

16. Chairman To Preside Over Meetings Of Market Committee :-

The Chairman and if he is absent, the Vice-Chairman shall preside over every meeting of the Market Committee and if at any meeting both the Chairman and the Vice-Chairman are absent, such one of the members present in the meeting as may be chosen by the meeting may act as Chairman.

17. Powers And Duties Of Market Committee :-

(1) Subject to the provisions of this Act, it shall be the duty of a Market Committee,--

(a) to implement the provisions of this Act, the rules and the bye-laws made thereunder in the market area;

(b) to provide such facilities for marketing of notified agricultural produce therein as the 1[Managing Director] may, from time to time, direct;

(c) to do such other acts as may be necessary in relation to the superintendence, direction and control of market or for regulating marketing of notified agricultural produce in any place in the market area, and for purposes connected with the matters aforesaid, and for that purpose may exercise such powers and discharge such functions as may be provided by or under this Act.

(2) Without prejudice to the generality of the foregoing provisions a Market Committee shall,--

1[(i) construct, maintain and manage the market yards and sub-market yards and promote development of Haat Bazars in the market area;]

(ii) provide the necessary facilities for the marketing of agricultural produce in the market yard;

(iii) grant or refuse licences to the market functionaries and renew, suspend or cancel such licences;

(iv) supervise the conduct of the market functionaries;

- (v) regulate the opening, closing and suspending of trading in the market yards;
- (vi) enforce the conditions of the licences;
- (vii) regulate the making, carrying out and enforcement or cancellation of agreement of sales, the weighment, delivery, payment and all other matters relating to the marketing of notified agricultural produce;
- (viii) provide for the settlement of all disputes between the seller and the buyer arising out of any kind of transaction connected with the marketing of notified agricultural produce and all matters ancillary thereto;
- (ix) collect and maintain information in respect of production, sale, storage, processing, prices and movement of notified agricultural produce and disseminate such information as directed by the 1[Managing Director].
- (x) take all possible steps to prevent adulteration of goods and promote grading and standardization of the notified agricultural produce;
- (xi) with a view to maintain stability in the market (a) take suitable measure to ensure that traders do not buy agricultural produce beyond their capacity and avoid risk to the sellers in disposing of the produce; and (b) grant licences only after obtaining necessary security in cash as bank guarantee according to the capacity of the buyers;
- (xii) levy and recover all moneys related to fees and other charges due, which the Market Committee is authorised to receive;
- (xiii) (a) ensure payment in respect of transactions which take place in the market yard or market proper to be made on the same day to the seller, and in default to seize the agricultural produce in question along with other property of the person concerned and to arrange for re-sale thereof and in the event of loss, to recover the same from the original buyer together with charges for recovery of the loss, if any, from the original buyer and effect payment of the price of the agricultural produce to the seller;
- (b) recover the charges in respect of weighment and hammali and to distribute the same to weighmen and hammals;
- (xiv) employ the necessary number of officers and servants for the efficient implementation of the provisions of this Act, and the rules and the bye-laws made thereunder;
- (xv) regulate the entry of persons and vehicular traffic into the market yard;
- (xvi) prosecute persons for violating the provisions of this Act, and

the rules and the bye-laws made thereunder and to compound such offences if necessary;

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

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

(xix) make arrangements for employing by rotation, weighmen and hammals for weighing and transporting of goods in respect of transactions held in the market yard :

Provided that nothing in this clause shall apply for employing hammals by traders for transporting their goods from the market yard to their godowns.

(3) With the prior sanction of the 1[Managing Director] the Market Committee may, at its discretion, undertake the following duties :

2[(i) to give grant or advance funds to 1[the Board, the Public Works Department or any other department or undertaking of the State Government] or any other agency authorised by the 1[Managing Director] for the construction of roads or godowns in the market area to facilitate transportation and storage of agricultural produce or for the purpose of development of the market yard;]

1[(ii) maintain stocks of fertilizer, pesticides, insecticides, improved seeds, agricultural equipments and inputs for sale;]

(iii) to provide on rent 3[storage facilities] for stocking of agricultural produce to agriculturists;

4[(iv) to give grant for maintenance of the Goshala, or institutions which have been registered under the Madhya Pradesh Goseva Ayog Adhiniyam, 1995 (No. 18 of 1995).]

(4) In addition to the duties aforementioned the Market Committee shall also be responsible for,--

(i) the maintenance of proper checks on all receipts and payments by its officers;

(ii) the proper execution of all works chargeable to the Market Committee Fund;

"(iv) to give grant for maintenance of the Goshalas recognised by the State Government".

(iii) keeping a copy of this Act and of the rules and notifications issued thereunder and of its bye-laws, open to inspection free of charge at its office; and

(iv) arranging for preventive measures against spread of contagious cattle disease.

(5) The Market Committee shall carry out any direction which the State Government may issue from time to time for providing reasonable facilities in the market yard.

(6) If a Market Committee fails to comply within a reasonable time with any direction issued under sub-section (5), the State Government shall have all the powers necessary for the enforcement of such direction at the cost of Market Committee.

(7) If a Market Committee makes default in payment of any sum the amount whereof is fixed or has become payable by virtue of any directions under sub-section (5), the State Government may make an order directing the person having the custody of the balance of the Market Committee Fund to make such payment either in whole or in such part as is possible from such fund.

(8) The Market Committee shall furnish all information which the Collector or the 1[Managing Director] or the officers duly authorised by either of them may require.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

3. Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

4. Substituted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003). Prior to substitution it read as under:

18. Appointment Of Sub-Committees And Delegation Of Powers :-

Subject to such conditions and restrictions as may be prescribed, the Market Committee may appoint sub-committees consisting of one or more of its members for the performance of any of its duties or functions for reporting or giving opinion on any matter and may delegate to any such sub-committee such of its powers as may be necessary.

19. Power To Levy Market Fee :-

1[(1) Every Market Committee shall levy market fee,--

(i) on the sale of notified agricultural produce whether brought from within the State or from outside the State into the market area; and

(ii) on the notified agricultural produce whether brought from within the State or from outside the State into the market areas and used for processing;

at such rates as may be fixed by the State Government from time to time subject to a minimum rate of fifty paise and a maximum of

two rupees for every one hundred rupees of the price in the manner prescribed :

Provided that no Market Committee other than the one in whose market area the notified agricultural produce is brought for sale or processing by an agriculturist or trader, as the case may be, for the first time shall levy such market fee.]

(2) The market fees shall be payable by the buyer of the notified agricultural produce and shall not be deducted from the price payable to the seller :

2[Provided that where the buyer of a notified agricultural produce cannot be identified, all the fees shall be payable by the person who may have sold or brought the produce for sale in the market area :

Provided further that in case of commercial transaction between traders in the market area, the market fees shall be collected and paid by the seller] :

3[Provided also that no fees shall be levied upto 31st March, 1990 on such agricultural produce as may be specified by the State Government by notification in this behalf if such produce has been sold outside the market yard or sub-market yard by an agriculturist to a co-operative society of which he is a member :]

4[Provided also that for the agricultural produce brought in the market area for commercial transaction or for processing the market fee shall be deposited by the buyer or processor as the case may be, in the Market Committee office within 5[fourteen days] if the buyer or processor has not submitted the permit issued under sub-section (6) of Section 19.]

6[(3) The market fees referred to in sub-section (1) shall not be levied on any notified agricultural produce,--

(i) in more than one market area, in the State; or

(ii) more than once in the same market area;

if it is re-sold,--

(a) in the case of (i) in the market other than the one in which it was brought for sale or bought or sold by an agriculturist or trader, as the case may be, for the first time and has suffered fee therein; or

(b) in the case of (ii), in the same market area;

in the course of commercial transactions between the traders or to consumers 7[subject to furnishing of information in such form as may be prescribed in the bye-laws by the person concerned to the effect] that the notified agricultural produce being so re-sold has already suffered fee in the other market area of the State.]

8[(4) If any notified agricultural produce is found to have been processed, re-sold or sold out of yard without payment of market fee payable on such produce the market fee shall be levied and recovered on five times the market value of the processed produce or value of the agricultural produce as the case may be.]

(5) The market functionaries, as the Market Committee may by bye-laws specify, shall maintain account relating to sale and purchase 3[or processing] in such forms and submit to the Market Committee such periodical returns as may be prescribed.

9[(6) No notified agricultural produce shall be removed out of the market yard, market proper or the market area as the case may be, except in accordance with a permit issued by the Market Committee, in such form and in such manner as may be prescribed by the bye-laws :

Provided that if any person removes or transports the processed product of notified agricultural produce from the market yard, market proper or the market area, as the case may be, such person shall carry with him the bill or cash memorandum issued under Section 43 of the Madhya Pradesh Vanijyik Kar Adhiniyam, 1994 (No. 5 of 1995).]

(7) The Market Committee may levy and collect entrance fee on vehicles, plying on hire, which may enter into market yard at such rate as may be specified in the bye-laws.

1. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-2-1979).

3. Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

4. Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

5. Substituted by M.P. Act No. 11 of 1998 (w.e.f. 9-6-1998).

6. Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

7. Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for the words "subject to furnishing of declaration in such form as may be prescribed by the person concerned to the effect."

8. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).1.

Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

9. Substituted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003). Prior to substitution it read as under :

19A. Omitted :-

1[x x x]

1. Omitted by MP. Act No. 5 of 1990 (w.e.f. 8-2-1990).

19B. Default In Payment Of Market Fee :-

1[(1) Any person liable to pay market fee under this Act shall pay the same to the Market Committee within fourteen days of the purchase of the notified agricultural produce or its import into the market area for processing and in default he shall be liable to pay the market fee together with the interest at the rate of twenty four percent per annum.

(2) If the person liable to pay the market fee and the interest under sub-section (1) fails to pay the same within one month, such person shall not be allowed to enter into further transactions in that market area or any other market area and the market fee with interest shall be recovered as arrears of land revenue and the licence of such person shall be liable to be cancelled.]

1. Substituted by M.P. Act No. 11 of 1998 (w.e.f. 9-6-1998).

20. Power To Order Production Of Accounts And Powers Of Entry, Inspection And Seizure :-

(1) 1[The Secretary of the Market Committee or any officer or servant of the State Government or the Board] empowered by the State Government in this behalf, may, for purposes of this Act, require any person carrying on business in any kind of notified agricultural produce to produce before him the accounts and other documents and to furnish any information relating to the stocks of such agricultural produce, or purchase, sale and delivery of such agricultural produce by such person and also to furnish any other information relating to payment of the market fees by such person.

(2) All accounts and registers maintained by any person in the ordinary course of business in any notified agricultural produce and documents relating to the stocks of such agricultural produce or purchases, sales and deliveries of such agricultural produce in his possession and the offices, establishments, godowns, vessels or vehicles of such person shall be open to inspection at all reasonable times by such officers and servants of the Board or the Market Committee as may be authorised by the State Government in this behalf.

(3) If any such officer or servant has reason to suspect that any person is attempting to evade the payment of any market fee due from him under Section 19 or that any person has purchased any notified agricultural produce in contravention of any of the provisions of this Act or the rules, or the bye-laws in force in the market areas, he may for reasons to be recorded in writing, seize such accounts, registers or documents of such person as may be necessary, and shall grant a receipt for the same and shall retain the same only so long as may be necessary for examination thereof or for a prosecution.

(4) For purposes of sub-section (2) or sub-section (3) such officer or servant may enter or search any place of business, warehouse,

office, establishment, godown, vessel or vehicle where such officer or servant has reason to believe that such person keeps or for the time being kept accounts, registers or documents of his business, or stock of notified agricultural produce relating to his business.

(5) The provisions of Sections 102 and 103 of the Code of Criminal Procedure, 1973 (Act No. II of 1974), shall, so far as may be, apply to a search under sub-section (4).

(6) Where any books of account or other documents are seized from any place and there are entries therein making reference to quantity, quotations, rates, receipt or payment of money or sale or purchase of goods, such books of account or other documents shall be admitted in evidence without witness having to appear to prove the same, and such entries shall be prima facie evidence of matters, transactions and accounts purported to be therein recorded.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

21. Best Judgment Assessment Of Fee :-

1[(1) Every Trader, Processor or Commission Agent carrying on business of notified agricultural produce shall before the 30th April, every year submit to the Secretary a statement of purchase or sale of notified agricultural produce by or through him, in the prescribed manner, during the previous financial year ending on the 31st March.

(2) Any person aggrieved by the proceeding of the Secretary, may within 30 days from the date of communication of notice to him, appeal to the Market Committee.

(3) The State Government or any officer authorised by the State Government or the Board may, on its or his own motion or on an application made to the State Government 2[re-verify, the statement verified by the Secretary, within two years from the date of verification] and for this purpose such officer shall exercise the powers under Section 20.

(4) If any person required to produce accounts or furnish information under sub-section (1) of Section 20 fails to produce such accounts or to furnish information or knowingly furnishes incomplete or incorrect accounts or information or has not maintained proper accounts of the purchases, sales and delivery of the notified agricultural produce, the Secretary shall in the prescribed manner assess such person for fees levied under Section 19.

(5) The re-verification of re-assessment made by the officers of the State Government or the Board empowered shall be final.]

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for the words "revivify the statement verified by the Secretary."

22. Power To Remove Encroachment In Market Yard :-

1[Subject to such directions as the Market Committee may give in this behalf, the Secretary] shall have power to remove any encroachment in any open space in the market yard and the expenses of such removal shall be paid by the person who has caused the said encroachment and shall be recovered in the same manner as a sum due to Market Committee recoverable under Section 61.]

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

23. Power To Stop Vehicles :-

1[(1) At any time when so required,--

2[(i) by any officer or servant of the Board or any Government Officer or servant so empowered by the Board or the Collector in this behalf in any market area, or;]

(ii) by any member of the 3[State Mandi Board Service] in the market area concerned; or

(iii) by any officer or servant of the Market Committee empowered by the Market Committee in this behalf in the market area concerned, the driver or any other person incharge of any vehicle, vessel or other conveyance shall stop the vehicle, vessel or other conveyance, as the case may be, and keep it stationery as long as may reasonably be necessary and allow such persons to examine the contents in the vehicle, vessel or other conveyance and inspect all records relating to the notified agricultural produce carried, and give his name, address and name and address of the owner of the notified agricultural produce carried in such vehicle, vessel or other conveyance.

(2) Persons empowered under sub-section (1) shall have power to seize any notified agricultural produce brought into or taken out or proposed to be taken out of the market area in any vehicle, vessel or other conveyance, if such person has reason to believe that any fee or other amount due under this Act or the value payable to the seller in respect of such produce has not been paid.

(3) If any person empowered under sub-section (1) has reason to

suspect that any person is attempting to evade the payment of any market fee due from him under Section 19 or that any person has purchased or stored any notified agricultural produce in contravention of any of the provisions of this Act or the rules or the bye-laws in force in the market areas, he may enter or search any place of business, warehouse, office, establishment or godown where the person empowered under sub-section (1) has reason to believe that such person keeps or has for the time being kept stock of notified agricultural produce 4[and may seize the stored agricultural produce and the agricultural produce so seized may be confiscated in favour of Market Committee, in such manner as may be prescribed for the purpose :]

5[Provided that before confiscation of the agricultural produce the person concerned shall be given a reasonable opportunity of being heard.]

(4) The provisions of Sections 100, 457, 458 and 459 of the Code of Criminal Procedure, 1973 (No. 2 of 1974) shall, apply to entry, search and seizure under sub-sections (1), (2) and (3) as they apply in relation to the entry, search and seizure of property by police officer. Such seizure shall forthwith be reported by the person aforesaid to a Magistrate having jurisdiction to try the offence under this Act.

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

2. Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to substitution it read as under: "(i) by any officer or servant of the Board so empowered by the Board in this behalf in any market area, or"

3. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

4. Substituted by MP. Act No. 28 of 2001 (w.e.f. 27-12-2001), for the words "and may seize the stored agricultural produce".

5. Inserted by MP. Act No. 28 of 2001 (w.e.f. 27-12-2001).

24. Power To Borrow :-

A Market Committee may, with the previous sanction of the 1[Managing Director], borrow money from the Board or Bank or any other public financial institution, required for carrying out the purposes of this Act and nothing contained in sub-section (2) of Section 38 shall apply to the money so borrowed.

1. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

25. Mode Of Making Contracts :-

(1) Subject to the provisions of this Act, no contract or agreement on behalf of the Market Committee for the purchase, sale, lease, mortgage or other transfer of, or acquisition of, interest in immovable property shall be executed on behalf of the Market Committee except with the sanction of the Market Committee.

(2) Save as provided in sub-section (1),--

(a) the Secretary of the Market Committee may execute contract or agreement on behalf of the Market Committee where the amount or value of such contract or agreement does not exceed rupees 1[one thousand] regarding matters in respect of which he is generally or specially authorised to do so by a resolution of the Market Committee;

(b) The Chairman and the Secretary of the Market Committee may jointly execute contract or agreement on behalf of the Market Committee where the amount or value of such contract or agreement does not exceed rupees 1[five thousand];

(c) in any case other than those referred to in clauses (a) and (b), a contract or agreement on behalf of the Market Committee shall be executed by the Chairman, the Secretary, and one other member of the Market Committee, who shall have been generally or specially authorised by a resolution of the Market Committee to do so.

(3) Every contract entered into by the Market Committee shall be in writing and shall be signed on behalf of the Market Committee by the person or persons authorised to do so under sub-section (2).

(4) No contract other than a contract executed as provided in sub-section (1), (2) or (3) shall be valid or binding on the Market Committee.

(5) (a) Notwithstanding anything contained in the Registration Act, 1908 (No. 16 of 1908), it shall not be necessary for the Chairman or any Member or Officer or Secretary of a Market Committee to appear in person or by agent at any registration office in any proceeding connected with the registration of any instrument executed by him in his official capacity or to sign as provided in Section 58 of that Act.

(b) Where any instrument is so executed, the Registration Officer to whom such instrument is presented for registration may, if he thinks fit, refer to such Chairman, Member, Officer or Secretary for furnishing information respecting the same and shall, on being satisfied of the execution thereof, register the instrument.

(6) Where a contract or agreement is entered into on behalf of a Market Committee, the Secretary of the Market Committee shall

report the fact to the Market Committee at its meeting convened and held immediately following the date of entering into a such contract or agreement.

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

Chapter : IVA - BUDGET

25A. Preparation And Sanction Of Budget :-

2[(1) The Managing Director shall classify the Market Committees in either A, B, C or D categories on the standard as may be prescribed. All the Market Committees shall prepare and pass their budget of income and expenditure for the ensuing year before first April every year in accordance with the guidelines prescribed by the Board :

Provided that budgets of Market Committees classified as A and B categories shall be passed by the Managing Director.]

(2) No expenditure shall be incurred by a Market Committee on any item, if there is no provision in the sanctioned budget therefor, unless it can be met by re-appropriation from saving under any other head.

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

3[(4) The Market Committee may sanction and cause to undertake execution of construction works out of its fund other than the permanent fund referred to in sub-section (6) on the basis of the plans and designs approved by the Market Committee, in such manner as may be prescribed by the Board.

(5) The construction works may be entrusted for execution to the Board or any Department or undertaking of the State Government authorised by the State Government for this purpose.]

4[(6) The Market Committee shall make provision in its budget for crediting the amount into the permanent fund at the rate of twenty percent of its gross receipt comprising of licence fee and market fee. No expenditure from the permanent fund shall be incurred except with the prior approval or as per direction given by the 5[Managing Director]. No expenditure from this fund or from surplus amount as provided under sub-section (1) of Section 38 shall be proposed in the budget referred to in sub-section (1).]

1. Inserted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

2. Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to substitution it read as under: "(1) Every Market Committee shall prepare and pass the budget of its income and expenditure for the ensuing year before 1st April every year in the prescribed form and on the basis of the guidelines given by the Board :

Provided that the budget of "A" and "B" Grade Market Committee shall be passed by the Managing Director."

3. Substituted by M.P. Act No. 11 of 1998 (w.e.f. 9-6-1998).

4. Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

5. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

CHAPTER 5

THE STATE MANDI BOARD SERVICE

26. Constitution Of State Mandi Board Service :-

1[(1) For the purpose of providing officers and employees to the Board and the Market Committees there shall be constituted, a

service by the Board to be called the State Mandi Board Service.

(2) The Board shall make regulations in respect of recruitment, qualifications, appointment, promotion, scale of pay, leave, leave salary, acting allowance, loan, pension, gratuity, annuity, compassionate fund, provident fund, dismissal, removal, conduct, departmental enquiry, punishment, appeal and other service conditions of the members of the State Mandi Board Service.

(3) The salary, allowances, gratuity and other payments required to be made to the members of the State Mandi Board Service who are working under the control of the Market Committee shall be a charge on the Market Committee Fund.

(4) The officers and employees appointed or absorbed under any rules or regulations and belonging to the State Marketing Service, Board Service and the Nakedars (Assistant Sub-Inspector) of Market Committee Service immediately before the constitution of the State Mandi Board Service under sub-section (1) shall be treated as members of the State Mandi Board Service.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

27. Secretary And Other Officers :-

1[(1) There shall be a Secretary and other officers for every Market Committee 2[who shall be members of State Mandi Board Service or who are members of the services of the State Government or Government aided co-operative institutions or public sector undertakings whose services are obtained on deputation by the Board] :

Provided that an officer may be appointed for more than one Market Committee.

(2) The Secretary shall be the Principal Executive Officer of the Market Committee and all officers and employees posted in the Market Committees shall be subordinate to him.

(3) The Secretary shall be accountable to the Market Committee and shall be under the control of the Market Committee.]

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001), for the words "who shall be members of the State Mandi Board Service".

28. Omitted :-

1[x x x]

1. Omitted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

29. Omitted :-

1[x x x]

1. Omitted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

30. Appointment Of Staff :-

(1) Every Market Committee may appoint such other officers and servants as may be necessary and proper for the efficient discharge of its duties :

Provided that no post shall be created save with the prior sanction of the 1[Managing Director].

(2) The Market Committee may make bye-laws for regulating the appointment, pay, leave, leave allowances, pensions, gratuities, contribution to provident fund and other conditions of service of officers and servants appointed under sub-section (1) and for providing for the delegation of powers, duties and functions to them.

2[(3) Notwithstanding anything contained in this Act or any rules or bye-laws made thereunder, the 1[Managing Director] may, subject to the conditions specified in sub-section (4), transfer on deputation any officer or servant of any Market Committee carrying a maximum scale of pay exceeding rupees six hundred to any other Market Committee of the Revenue Division and it shall not be necessary for the 1[Managing Director] to consult either the Market Committee or the officer or servant concerned before passing an order of transfer on deputation under this sub-section.

(4) The officer or servant concerned transferred under sub-section (3) shall,--

(a) have his lien on the post held in the parent Market Committee;
(b) not be put to disadvantageous position in respect of pay and allowances which he would have been entitled to, had he continued in the parent Market Committee;

(c) be entitled to deputation allowance at such rate as the 1[Managing Director] may by general or special order, specify; and
(d) be governed by such other terms and conditions including disciplinary control as the 1[Managing Director] may, by general or special orders, specify.]

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

CHAPTER 6

REGULATION OF TRADING

31. Regulation Of Persons Operating In Market Area :-

No person shall, in respect of any notified agricultural produce, operate in the market area as commission agent, trader, broker, weighman, hammad, surveyor, warehouseman, owner or occupier of processing or pressing factories or such other market functionary except in accordance with the provisions of this Act and the rules and bye-laws made thereunder.

32. Power To Grant Licences :-

(1) Every person specified in Section 31 who desires to operate in the market area shall apply to the Market Committee for grant of a licence or renewal thereof in such manner and within such period as may be prescribed by bye-laws.

(2) Every such application shall be accompanied by such fee as the 1[Managing Director] may, subject to the limits prescribed, specify in this behalf.

(3) The Market Committee may grant or renew the licence or for reasons to be recorded in writing refuse to grant or review the licence :

2[Provided that if the Market Committee fails to grant or renew a licence within a period of six weeks from the date of receipt of application therefor the licence shall be deemed to have been granted or renewed, as the case may be :

1[Provided further that the licence shall not be renewed, if any Mandi Committee dues including dues under the Madhya Pradesh Nirashriton Avam Nirdhan Vyaktion Ki Sahayata Adhiniyam, 1970 are outstanding against the applicant :

Provided also that no licence shall be granted to a minor.]

(4) All licences granted or renewed under this section shall be subject to the provisions of this Act and the rules and bye-laws made thereunder.

3[(5) No commission agent or a broker or both shall act in any transaction between the agriculturist-seller or trader-purchaser, on behalf of an agriculturist-seller nor shall he deduct any amount towards commission or dalali from the sale proceeds payable to the agriculturist-seller.]

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

3. Inserted by MP. Act No. 26 of 1987 (w.e.f. 1-6-1987).

32A. Licence For More Than One Market Area :-

1[(1) Every person specified in Section 31 who desires to operate in more than one market areas, shall apply to such authority/officer notified by the State Government for grant of a licence or renewal thereof in such manner and within such period and on such condition as may be prescribed in the rules.

(2) The authority/officer notified by the State Government may grant or renew the licence or for reasons to be recorded in writing, refuse to grant or renew the licence.

(3) All licences granted or renewed under this section shall be subject to the provisions of this Act and the rules and bye-laws made thereunder.]

1. Inserted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003).

33. Power To Cancel Or Suspend Licences :-

(1) Subject to the provisions of sub-section (4) a Market Committee may, for reasons to be recorded in writing, suspend or cancel a licence,--

(a) if the licence has been obtained through wilful misrepresentation or fraud; or

(b) if the holder of the licence or any servant or any one acting on his behalf with his express or implied permission, commits a breach of any of the terms or conditions of the licence; or

(c) if the holder of the licence in combination with other licence holders commits any act or abstains from carrying on his normal business in the market area with the intention of wilfully obstructing, suspending or stopping the marketing of notified agricultural produce in the market yard/yards and in consequence whereof the marketing of any produce has been obstructed, suspended or stopped;

(d) if the holder of the licence has become an insolvent;

(e) if the holder of the licence incurs any disqualification as may be prescribed, or

(f) if the holder of the licence is convicted of any offence under this Act.

(2) Subject to the provisions of sub-section (4), the Chairman may, for reasons to be recorded in writing, suspend a licence for a period not exceeding one month for any reason for which a Market Committee may suspend a licence under sub-section (1) :

Provided that such order shall cease to have effect on expiry of a period of 1[tен days] from the date on which it is made, unless confirmed by the Market Committee before such expiration.

(3) Notwithstanding anything contained in sub-section (1) but subject to the provision of sub-section (4), the 2[Managing Director] may, for reasons to be recorded in writing, by order suspend or cancel any licence granted or renewed by the Market

Committee :

Provided that no order under this sub-section shall be made without notice to the Market Committee.

(4) No licence shall be suspended or cancelled under this section without giving an opportunity to show cause against such suspension or cancellation.

1. Substituted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003), for "seven days."

2. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

34. Appeal :-

(1) Any person aggrieved by an order of the Chairman, Market Committee or the 1[Managing Director] passed under 2[Section 32 or Section 33 as the case may be] prefer an appeal,--

(a) to the Market Committee, where such order is passed by the Chairman;

(b) to the 1[Managing Director] where such order is passed by the Market Committee; and

(c) to the 2[Commissioner] where such order is passed by the 1[Managing Director].

(2) An appeal under sub-section (1) shall be made,--

(i) within seven days from the date of receipt of the order, where such appeal is against the order of the Chairman; and

(ii) within thirty days from the date of receipt of the order where such appeal is against the order of the Market Committee or the 1[Managing Director];

in such manner as may be prescribed 3[x x x].

(3) The Appellate Authority may if it considers it necessary so to do, grant a stay of the order appealed against for such period as it may deem fit.

(4) The order passed by the Chairman, the Market Committee and the 3[Managing Director] shall, subject to the order in appeal under this section, be final and shall not be called in question in any Court of law.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

3. Omitted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

35. Prohibition Of Trade Allowances Other Than Those Prescribed Under This Act :-

(1) No trade allowance, other than an allowance prescribed by or

under this Act, shall be made or received by any person in any market area in any transaction in respect of the notified agricultural produce and no Civil Court, shall, in any suit or proceeding arising out of any such transaction, have regard to any trade allowance not so prescribed.

(2) The weight of a container shall be counter-balanced by the same type of container and no deduction in any form whatsoever shall be allowed for counter-balancing the weight of the container.

36. Sale Of Notified Agricultural Produce In Markets :-

1[(1) All notified agricultural produce brought into the market proper for sale shall, subject to the provisions of sub-section (2), be sold in the market yard /yards specified for such produce or at such other place as provided in the bye-laws :]

2[Provided that it shall not be necessary to bring agricultural produce under contract farming, in the market yard and it shall be sold at any other place to the person agreed to purchase the same under agreement.]

(2) Such notified agricultural produce as may be purchased by the licensed traders from outside the market area in the course of commercial transaction may be brought and sold any where in marker area in accordance with the provisions of the bye-laws.

(3) The price of the notified agricultural produce brought into the market yard for sale shall be settled by tender bid or open auction system and no deduction shall be made from the agreed price on any account whatsoever :

3[Provided that in the market yard the price of such notified agricultural produce of which support price has been declared by the State Government, shall not be settled below the price so declared and no bid shall be permitted to start, in the market yard, below the rate so fixed.]

1[(4) 4[Weighment or measurement of all the notified agricultural produce so purchased shall be done by such person and by such procedure as may be provided in the bye-laws] or any other place specified by the Market Committee for the purpose :

Provided that the weighment, measurement or counting as the case may be, of Plantain, Papaya or any other perishable agricultural produce as may be specified by the State Government, by notification, shall be done by a licensed weighman in the place where such produce has been grown.]

1. Substituted by MP. Act No. 9 of 2002 (w.e.f. 20-6-2002). Prior

t o substitution it read as under : "(1) All notified agricultural produce brought into the market proper for sale shall be brought into the market yard/yards specified for such produce and shall not, subject to the provisions of sub-section (2), be sold at any other place outside such yard."

2. Inserted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003).

3. Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

4. Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001), for the words "Weighment or measurement of all the notified agricultural produce so purchased shall be done by a weighman in the market yard"

37. Conditions Of Buying And Selling :-

(1) Any person who buys notified agricultural produce in the market area shall execute an agreement in triplicate in such form as may be prescribed, in favour of the seller. One copy of the agreement shall be kept by the buyer, one copy shall be supplied to the seller and the remaining copy shall be kept in the record of the Market Committee.

1[(2) (a) The price of the agricultural produce bought in the market yard shall be paid on the same day to the seller at the market yard;

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

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

Explanation.--For the purpose of this clause "relative" means the relative as specified in the explanation in clause (a) of sub-section (1) of Section 11.]

(3) No wholesale transaction of notified agricultural produce shall be entered into directly by licensed traders with producers of such produce 2[except in the market yards or such other place as provided in the bye-laws.]

(4) The Commission Agent shall recover his commission only from his principal 3[trader] at such rates as may be specified in the bye-

laws including all such expenses as may be incurred by him in storage of the produce and other services rendered by him.

(5) Every Commission Agent shall be liable,--

(a) to keep the goods of his principal in safe custody without any charge other than the commission payable to him; and

(b) to pay the principal, as soon as the goods are sold, the price thereof, irrespective of whether he has or has not received the price from the buyer of such goods.

NOTE Cancellation of licence.--In enacting clause (c) of sub-section (2) of Section 37, on the other hand, the Legislature made a deliberate departure in the matter of issuing show-cause notice to the person whose licence was deemed to have been cancelled on the happening of the contingencies enumerated in clauses (a) and (b) of sub-section (2) of Section 37. The Adhiniyam itself was enacted, as is well known for the benefit of the agriculturists and sub-section (2) of Section 37 is aimed at archiving that purpose. An agriculturist, particularly in a State like M.P. having vast area, has to go to the market yard sometimes from long distance for selling his agricultural produce and the purpose of requiring payment of price of agricultural produce so sold as contained in clause (a) obviously was to ensure that the agriculturist may not be put to any inconvenience and discomforts, that he may be in a position to go back home to attend to his normal duties after selling the agricultural produce. In order to meet the situation where the purchaser may not be in a position to pay the price of the agricultural produce on the same day, concession was given to him to make payment within five days of the date of sale with interest as already indicated above. Requirement of paying additional amount as interest as contained clause (b) was again aimed as to compensate him for the expenditure which he may incur in staying on at a place away from his home. It is to ensure compliance of the requirement of payment of price of agricultural produce to the agriculturists that the consequence of deemed cancellation of the licence was provided for in clause (c) as deterrent. In Courts opinion, in this background, it cannot be said that excluding the rule of natural justice would render clause (c) as ultra vires. [Chandra Shekhar Agarwal v. Krishi Upaj Mandi Samiti, 1988 MPLJ 13 at 16.]

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

2. Substituted by M.P. Act No. 9 of 2002, for the words "except in the market yards" (w.e.f. 20-6-2002).

3. Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

37A. Regulation Of Marketing Of Notified Agricultural Produce Under Contract Farming :-

1[(1) The contract farming shall be performed only under a written agreement between producer and buyer of produce of contract farming in such manner and in accordance with such procedure as may be prescribed in the bye-laws. The agreement to be executed for contract farming shall be in such form containing such particulars, terms and conditions as may be prescribed by bye-laws.

Explanation.--For the purpose of this section "producer and buyer" means the person who respectively produce and buy agricultural produce under a written agreement of contract farming.

(2) The buyer shall submit an application for registration of the written agreement of contract farming to the Market Committee. The Market Committee shall register it in such manner and on such terms and conditions as may be prescribed by the bye-laws.

(3) If any dispute arises between the parties in respect of provisions of the agreement, the either party may submit an application to the Chairman of Market Committee to arbitrate upon the disputes. The Chairman of the Market Committee shall resolve the dispute after giving the parties a reasonable opportunity of being heard.

(4) The party aggrieved by the decision of the Chairman of the Market Committee under sub-section (3) may prefer an appeal to the Managing Director or the Officer authorised by him in this behalf within thirty days from the date of decision. The Managing Director or the Officer authorised by him shall dispose of the appeal after giving the parties a reasonable opportunity of being heard and the decision of the Managing Director or the Officer authorised by him shall be final.

(5) The agricultural produce produced under contract farming shall be sold to the buyer out of the market yard as may be prescribed by the bye-laws. The market fees shall be payable by the buyer of agricultural produce at the rates prescribed under Section 19, in such manner as may be prescribed by the bye-laws.]

1. Inserted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003).

CHAPTER 7

MARKET COMMITTEE FUND

38. Market Committee Fund :-

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

Provided that all such sums of money received by the Market Committee as security deposit, contributions to Provident Fund or for payment in respect of any notified agricultural produce, or charges payable to weighman, hammal and other functionaries shall not form part of Market Committee Fund but shall be accounted for separately.

(2) All moneys in the Market Committee Fund and other sums

specified in sub-section (1) shall be deposited in a Co-operative Bank or if such Bank does not exist at the headquarters of the Market Committee, in Post Office Savings Bank or any Bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (No. 5 of 1970), as a corresponding new bank.

NOTE Purpose of the Act.--

Sub-section (1) of Section 38 provides that all expenditure incurred by the market committee under or for the purpose of this Act shall be defrayed out of the "Market Committee Fund". Sub-section (2) of Section 38 prescribes the mode of depositing this fund in some Co-operative Bank or any Scheduled Bank. Section 39 enumerates the purpose for which and even if each one of them is most liberally construed yet the provision for purchasing of gifts to members of the market committee chargeable on the market committee fund cannot be adjusted or accommodated under or against any one of the heads. [Mangilal v. Krishi Upaj Mandi Samiti, Bhopal, 1992 J.L.J. 193.]

39. Application Of Market Committee Fund :-

Subject to the provisions of Section 38, the Market Committee Fund may be expended for the following purposes only, namely,--

- (i) the acquisition of a site or sites for the market yards;
- (ii) the maintenance and improvement of the market yards;
- (iii) the construction and repairs of buildings necessary for the purposes of the market and for convenience or safety of the persons using the market yard;
- (iv) the maintenance of standard weights and measures;
- (v) the meeting of establishment charges including payments and contributions towards provident fund, pension and gratuity of the officers and servants employed by a Market Committee;
- (vi) the payment of interest on the loans that may be raised for the purpose of the market and provisions of sinking fund in respect of such loans;
- (vii) the collection and dissemination of information relating to crops statistics and marketing of agricultural produce;
- (viii) (a) the expenses incurred in auditing the accounts of the Market Committee;
- (b) payment of honorarium to Chairman, travelling allowance of Chairman, Vice-Chairman and other members of the Market Committee and sitting fees payable to member for attending the

meeting;

(c) contribution to State Marketing Development Fund;

(d) meeting any expenditure for carrying out order of the State Government and any other work entrusted to Market Committee under any other Act;

(e) contribution to any scheme for increasing agricultural production and scientific storage;

1[(f) for development of market area in the manner prescribed;]

1[(g) to educate or promote and undertake sale of agricultural inputs, for increasing production, with the prior sanction of the Managing Director;

(gg) to undertake development of Haat Bazars for marketing of agricultural produce;]

2[(h) payment of expenses on elections under this Act;]

(ix) any other purpose whereon the expenditure of the Market Committee Fund is in the public interest, subject to the prior sanction of the State Government.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

CHAPTER 8

MADHYA PRADESH STATE AGRICULTURAL MARKETING BOARD

40. Madhya Pradesh State Agricultural Marketing Board :-

(1) With effect from such date as the State Government may, by notification, appoint in this behalf, there shall be established for the State of Madhya Pradesh a Board called the Madhya Pradesh State Agricultural Marketing Board.

(2) The Board shall be a body corporate having perpetual succession and a common seal and may sue and be sued in its corporate name and shall be competent to acquire and hold, lease, sell or otherwise transfer any property and to contract and to do all other things necessary for the purposes of this Act.

40A. Power Of State Government To Give Direction :-

1[(1) The State Government may give directions to the Board and Mandi Committees.

(2) The Board and the Mandi Committees shall be bound to comply with directions issued by the State Government under sub-section (1).]

1. Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

41. Constitution Of Board :-

1[(1) The State Government shall constitute the Board which shall consist of the President and the following members, namely :--

A. Ex-officio Members

- (a) Minister having the charge of Agriculture, Madhya Pradesh;
- (b) Secretary/Special Secretary to the Government of Madhya Pradesh, Agriculture Department;
- (c) Registrar, Co-operative Societies, Madhya Pradesh;
- (d) Managing Director of Agriculture, Madhya Pradesh;
- (e) Managing Director appointed under clause (f) of sub-section (1) of Section 2.

B.--Members Nominated by the State Government

- (f) Two members of the Madhya Pradesh Legislative Assembly nominated in consultation with the Speaker of the Legislative Assembly;
- (g) Ten Chairmen of Market Committees of which not more than one shall be from each Revenue Commissioners Division;
- (h) Two representatives of traders holding licence in any Market Committee within the State;
- (i) Chairman or Managing Director of the Madhya Pradesh State Co-operative Marketing Federation of the Madhya Pradesh State Commodities Trading Corporation;

2[(j) Two experts in the field of marketing of agricultural produce.]

(2) The Minister having the charge of Agriculture, Madhya Pradesh shall be the President of the Board and Vice-President thereof shall be nominated by the State Government from the members other than ex-officio members referred to in sub-section (1).

2[(3) If any casual vacancy occurs in the office of the President the State Government shall make interim arrangement.]

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

2. Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

42. Term Of Office Of Vice-President And Members :-

1[(1) Save as otherwise provided by or under this Act, the Vice-President or a member of Board other than ex-officio member, shall hold office for a term of three years from the date of his nomination :

Provided that the Vice-President or a member shall, notwithstanding the expiration of his term, continue to hold office until his successor enter upon his office.

(2) The term of office of a member of the Board shall come to an end as soon as he ceases to hold the office by virtue of which he

was nominated.

(3) The State Government may if it thinks fit remove any member of the Board before the expiry of his term of office, after giving him a reasonable opportunity of showing cause against the same.

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

42A. Resignation Of Vice-President Or Member :-

(1) A person holding office of the Vice-President or Member may resign his office at any time in writing addressed to the Secretary to the Government of Madhya Pradesh, Agriculture Department, and his office shall become vacant on the expiry of fifteen clear days from the date of such resignation, unless within the said period of fifteen days he withdraws his resignation in writing.

(2) In the event of death or resignation or disqualification or removal of Vice-President or any Member of the Board before the expiry of his term of office a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled, as soon as may be, by nomination by the State Government. The person so nominated shall hold such office for the un-expired term of his predecessor.

42B. Allowances To Members Of The Board :-

The members of the Board other than ex-officio member shall be paid from the Madhya Pradesh State Marketing Development Fund such sitting fees and allowances for attending its meetings and for attending to any other work as may be fixed by the State Government from time to time.

42C. Disqualification Of Member Of The Board :-

No person shall be a member of the Board who,--

(a) is, or at any time has been, adjudged insolvent; or

(b) is, or has been convicted of an offence which, in the opinion of the State Government involves moral turpitude; or

(c) is of unsound mind and stands so declared by the competent Court; or

(d) is a 1[Managing Director] or a Secretary, Manager or other salaried officer or employee of any company or firm having any contract with the Board or a Market Committee; or

(e) is, or at any time been, found guilty under Section 58; or

(f) has so abused, in the opinion of the State Government, his position as a member, as to render his continuance on the Board detrimental to the interest of the general public.

1. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

42D. Appointment Of Managing Director And Other Officers And Employees Of The Board :-

1[(1) The Board shall have a Managing Director who shall be appointed by the State Government.

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

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

(4) The superintendence and control over all the officers and employees of the

Board shall vest in the Managing Director.]

1. Substituted by ibid.

42E. Appointment Of Sub-Committees :-

The Board may appoint subcommittees consisting of three or more of its members which shall include President or Vice-President and the 1[Managing Director], for the performance of any of its duties or functions or for giving advice on any matter incidental thereto and may delegate to such sub-committee any of its duties or functions as may be deemed necessary]

1. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

43. State Marketing Development Fund :-

1[(1) Every Market Committee shall pay on the 10th day of every month to the Board at such percentage of its gross receipts comprising of licence fees and market fees as the State Government may, by notification, declare from time to time. The amount so paid and collected shall be called "Madhya Pradesh State Marketing Development Fund".]

(2) All expenditures incurred by the Board, according to the budget sanctioned by it, shall be defrayed out of the said fund.

2[(3) The annual accounts and balance sheet of the Board shall be prepared by 3[the Managing Director] and all moneys accruing to or received by the Board from whatever source and all amounts disbursed or paid shall be entered in the accounts.

(4) The accounts of the Board shall be audited by the 3[Managing Director,] Local Fund Audit, Madhya Pradesh.

(5) At the time of audit 3[the Managing Director] 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 the audit. Any explanation called for by such officer for the removal of any discrepancy shall be immediately furnished to him.

(6) The accounts when audited shall be printed. The copies of accounts and audit report with comments thereon shall be placed before the Board. The audit report with comments of the Board shall be submitted to the State Government.

(7) All moneys received into the Madhya Pradesh State Marketing Development Fund shall be deposited in a Co-operative Bank or if such bank does not exist at the headquarter of the Board in Post Office Savings Bank or any Bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (No. 5 of 1970), as a corresponding new Bank.]

1. Substituted by MP. Act No. 21 of 2000 (w.e.f. 5-2-2000). Prior to substitution it read as under : "(1) Every Market Committee shall

pay every three months to the Board such percentage, not exceeding fifty percent, of its gross receipts comprising of licence fees and market fees as the State Government may, by notification, declare, from time to time. The amount so paid and collected shall be called "Madhya Pradesh State Marketing Development Fund".

2. Inserted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

3. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

44. Purposes For Which Madhya Pradesh State Marketing Development Fund Shall Be Expended :-

The Madhya Pradesh State Marketing Development Fund shall be utilised by the Board for the following purposes,--

(i) market survey and research, grading and standardization of agricultural produce and other allied subjects;

(ii) propaganda and publicity and extension services on the matters relating to general improvement of conditions of buying and selling of agricultural produces;

1[(iii) 2[(a) construction of minimum infrastructure as prescribed by the Board in the market yard or sub-market yard established for the first time and for giving grant to the extent of two lakh rupees to defray the establishment expenses;]

(b) giving aid to financially weak Market Committees 3[x x x] the State in the form of loans and or grants;

(c) loans to any Market Committee for development of market yard and/or sub-market yard, construction of cold storage, godown or warehouses, distribution of plant protection equipments and other purpose as may be considered desirable;]

4[(iv) acquisition or constructions or hiring by lease or otherwise of buildings or land for performing the duties of the Board;

(v) payment of salary, leave allowance, gratuity, other allowances, loans and advances and provident fund to the officers and servants employed by the Board and pension and other contribution to the Government servants on deputation.]

(vi) travelling and other allowances to the members of the Board;

(vii) better control of Market Committee;

(viii) meeting any legal expenses incurred by the Board;

(ix) imparting education in regulated marketing of agricultural produce;

2[(x) training the agriculturists, officers and staff of the Market Committees;]

5[(x-a) provision of technical assistance to the Market Committees in the preparation of site plans and estimates of construction and in the preparation of project reports or master plans for development of market yard;

(x-b) internal audit of the Board and the Market Committees;]

6[(x-c) marketing the sale of agricultural inputs for increasing agricultural production in the market areas;

(x-d) development of Haat Bazars for marketing of agricultural produce and construction of infrastructure for facilitating the flow of notified agricultural produce in the market area;

(x-e) payment of expenses of election of financially weak Market Committees under this Act;]

7[(x-f) investment of surplus funds in the share capital of companies in the co-operative sector which are engaged in agricultural processing industries and use proven technology and whose projects are shown to be bankable and economically viable, with the prior sanction of the State Government;]

8[(x-g) development of testing and communication infrastructure relevant to agriculture and allied sectors.]

(xi) any other purposes of general interest to regulate marketing of agricultural produce.

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

2. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

3. Omitted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

4. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

5. Inserted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

6. Inserted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

7. Inserted by MP. Act No. 11 of 1998 (w.e.f. 9-6-1998).

8. Inserted by MP. Act No. 21 of 2000 (w.e.f. 5-2-2001).

45. Power Of Board To Borrow :-

The Board may, for carrying out the provisions of this Act, borrow money from the State Government or may with the previous approval of the State Government,--

(i) from any other agency; or

(ii) issue debentures on the authority of any property vested in it or on the security of a part of its future income accruing to it under this Act, or the rules made thereunder.

46. Duties And Functions Of Board :-

The Board shall,--

- (a) as far as possible carry out the functions specified in Section 45 on which the fund of the Board may be expended;
- (b) advise on all matters referred to it by the State Government;
- (c) exercise such powers of the State Government under this Act and rules made thereunder as may be delegated to the Board;
- (d) advise the State Government from time to time of its own accord on the following matters :
 - (i) principles to be followed in fixation of price of agricultural produce;
 - (ii) steps to be taken for managing the markets efficiently;
 - (iii) manner in which the data relating to arrivals and dispatches of agricultural produce should be compiled and maintained and disseminated;
 - (iv) amendment in this Act, and the rules made thereunder;
 - (v) in any matter necessary for implementing the provisions of this Act.
- 1[(e) cause to be implemented the provisions of this Act and the rules and bye-laws framed thereunder; and
- (f) exercise supervision and control over the agriculture Market Committee.]

1. Inserted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

47. Powers Of President And Vice-President Of The Board :-

The President and Vice-President of the Board shall exercise such powers as may be prescribed.

CHAPTER 9 **PENALTY**

48. Penalty For Contravention Of Section 6 Or Section 30 :-

Whoever contravenes the provisions of clause (b) of Section 6 1[or Section 31, sub-section (2) of Section 37] shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees, or with both; and in the case of a continuing contravention, with a further fine which may in case of contravention of clause (b) of Section 6 extend to one hundred rupees and in the case of 1[contravention of Section 31 or sub-section (2) of Section 37] to fifty rupees per day during which the contravention is continued after the first conviction :

Provided that in absence of special and adequate reasons to the contrary mentioned in the judgment of the Court the punishment

for the second or any subsequent offence shall not be less than imprisonment for a term of three months and a fine of five hundred rupees.

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

49. Penalty For Contravention Of Other Sections :-

(1) Whoever in contravention of the provisions of Section 35 makes or recovers any unauthorised trade allowance shall on conviction, be punished with imprisonment which may extend to three months, or with fine which may extend to two hundred rupees or with both and in case of subsequent contravention with imprisonment which may extend to six months or with fine which may extend to five hundred rupees or with both.

(2) Whoever contravenes any condition of a licence granted by a Market Committee shall, on conviction, be punished with fine which may extend to five hundred rupees.

(3) Whoever obstructs any officer in carrying out the inspection of accounts or holding an enquiry into affairs of a Market Committee or fails to obey any order issued under clause (d) of sub-section (1) of Section 54 shall, on conviction, be punished with fine which may extend to two hundred rupees for every day during which the offence continues.

(4) If any officer, servant or member of a Market Committee, when required to furnish information in regard to the affairs or proceedings of a Market Committee under clause (a) of sub-section (1) of Section 54,--

(a) willfully neglects or refuses to furnish any information; or

(b) willfully furnishes false information,

shall, on conviction, be punished with fine which may extend to five hundred rupees.

(5) Whoever in contravention of the provisions of sub-section (3) of Section 54 obstructs any authorised persons in seizing or taking possession of any books, records, funds or property of the Market Committee or fails to give delivery thereof to such person, shall, on conviction, be punished with fine which may extend to two hundred rupees.

(6) Any person who fraudulently evades the payment of any fee or other sum due to the Market Committee under the provisions of this Act or the rules or bye-laws made thereunder or evades the payment due towards remuneration to any weighman or hammal, or demands remuneration without authority of the seller or buyer

for his employment or demands remuneration otherwise than in accordance with the provisions of the rules and bye-laws made under this Act, shall, on conviction, be punished with fine which may extend to five hundred rupees and in case of continuing offence with a further fine which may extend to one hundred rupees for every day during which such offence is continued after conviction therefor.

(7) Whoever contravenes any provision of this Act or any rules or bye-laws made thereunder shall, if no other penalty is provided for the offence, be punished with fine which may extend to two hundred rupees.

50. Powers Of Market Committee And Chairman To Impose Penalties :-

(1) A Market Committee and the Chairman thereof may impose the penalties of censure or of fine on any licensed market functionary or seller for contravention of any bye-law :

Provided that the Market Committee shall not be competent to impose fine exceeding two thousand] rupees and the Chairman shall not be competent to impose fine exceeding 1[Five hundred] rupees :

Provided further that no penalty shall be imposed under this section without giving the person concerned a reasonable opportunity of being heard.²

(2) Any person aggrieved by an order made under sub-section (1) may prefer an appeal against such order to the 3[Managing Director] within fifteen days from the date of receipt of order by such person and the decision of the 3[Managing Director] thereon shall be final.

1. Substituted by MP. Act No. 28 of 2001 (w.e.f. 27-12-2001), for "one hundred".

2. Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for "twenty".

3. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

51. Recovery Of Market Dues :-

1[Whenever any person is convicted of -any offence punishable under this Act the Magistrate shall in addition to any fine which may be imposed, recover and pay over to the Market Committee the amount of fees or any other amount due from him under this Act or rules or bye-laws made thereunder and may, in his

discretion, also recover and pay over to the Market Committee costs of the prosecution.]

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

52. Cognizance Of Offences :-

(1) No Court inferior to that of a Magistrate of the second class shall try any offence under this Act or any Rules or Bye-laws made thereunder.

1[(2) No Court shall take cognizance of any offence punishable under this Act or any rule or any bye-laws made thereunder except on the complaint made by the Collector or the Chairman, Vice-Chairman or Secretary of the Market Committee or of any person duly authorised by the Market Committee in this behalf.]

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

53. Composition Of Offences :-

1[(1) A Market Committee or its subcommittee may accept from any person who is alleged to have committed an offence punishable under this Act or Rules or Bye-laws made thereunder in addition to the fees or other amount so recoverable, a sum of money not exceeding rupees 2[Five thousand] by way of composition for such offence.

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

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

2. Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for "five hundred".

CHAPTER 10

CONTROL

54. Inspection Of Markets And Inquiry Into Affairs Of Market Committee :-

(1) The 1[Managing Director] may,--

(a) inspect or cause to be inspected the accounts and offices of the Market Committee;

(b) hold inquiry into the affairs of a Market Committee;

(c) call for from a Market Committee return, statement, accounts or

reports which he may think fit to require such committee to furnish;

(d) require a Market Committee to take into consideration--

(i) any objection on the ground of illegality, inexpediency or impropriety which appears to him to exist to the doing of anything which is about to be done or is being done by or on behalf of such committee; or

(ii) any information he is able to furnish and which appears to him to necessitate the doing of a certain thing by such committee.

(e) direct that anything which is about to be done or is being done should not be done, pending consideration of the reply, and anything which should be done but is not being done should be done within such time as he may direct.

(2) When the affairs of a Market Committee are investigated under this section or the proceeding of any Market Committee are examined by the State Government under Section 59, the Chairman, Vice-Chairman, Secretary and all other officers, and servants and members of such committee shall furnish such information in their possession in regard to the affairs or proceeding of the Market Committee as the State Government, the 1[Managing Director], or the Officer authorised, as the case may be, may require.

(3) An officer investigating the affairs of a Market Committee under sub-section (1) or the State Government examining the proceeding of any Market Committee under Section 59 shall have the power to summon and enforce the attendance of officers or members of the Market Committee and to compel them to give evidence and to produce documents by the same means and as far as possible in the same manner as is provided in the case of a Civil Court by the Code of Civil Procedure, 1908 (No. 5 of 1908).

(4) Where the 1[Managing Director] has reason to believe that the books and records of a Market Committee are likely to be tampered with or destroyed or the funds or property of a Market Committee are likely to be misappropriated or misapplied, the 1[Managing Director] may issue orders directing a person duly authorised by him in writing to seize and take possession of such books and records, funds and property of the Market Committee and the officer or officers of the Market Committee responsible for the custody of such books, records, funds and property, shall give delivery thereof to the person so authorised.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

55. Removal Of Member, Chairman And Vice-Chairman Of Market Committee :-

1[(1) The 2[Managing Director] may on his own motion or on a resolution passed by a majority of two-third of the members constituting the Market Committee for the time being remove any member of the Market Committee for misconduct or neglect of or incapacity to perform his duty and on such removal he shall not be re-elected or re-nominated as a member of the Market Committee for a period of six years from the date of such removal :

Provided that no order of such removal shall be passed unless such member has been given a reasonable opportunity of showing cause why such order should not be passed.]

(2) The 2[Managing Director] may remove any Chairman or Vice-Chairman of a Market Committee from his office, for misconduct, or neglect of or incapacity to perform his duty or for being persistently remiss in the discharge of his duties and on such removal the Chairman or Vice-Chairman, as the case may be, shall not be eligible for re-election as Chairman or Vice-Chairman during the remainder of his term of office as member of Market Committee :

Provided that no order of removal shall be passed unless the Chairman or Vice-Chairman, as the case may be, has been given a reasonable opportunity of showing cause why such order should not be passed.

3[(3) The State Government may suspend, any member or Chairman or Vice-Chairman of a Market Committee, who has been served with the notice under sub-section (1) or sub-section (2) as the case may be, and against whom any complaints have been received or who commits irregularities after the service of such notice, for period from the date of receipt of complaint or the date of noticing of irregularities by the 2[Managing Director] till the final decision is taken in his case.]

1. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

2. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

3. Inserted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

56. Supersession Of Market Committee :-

1[(1) If in the opinion of the 2[Managing Director], a Market Committee is not competent to perform or persistently makes default in performing the duties imposed on it by or under this Act or abuses its power the 2[Managing Director] may, by an order in

writing supersede such Committee for a period not exceeding one year and on expiry of first six months of the period of supersession, action to hold the elections for the constitution of Market Committee shall be started and the period of supersession shall be deemed to expire on the date of first general meeting of the Market Committee so constituted :

Provided that before passing an order of supersession under this subsection the 2[Managing Director] shall give a reasonable opportunity to the Market Committee for showing cause against the proposal and shall consider the explanations and objections, if any, of the Market Committee :

Provided further that where the new Market Committee could not be constituted within one year of its supersession, the State Government may, in special circumstances, extend the period of supersession which shall not, in any case, exceed beyond the term of the Market Committee specified in 2[sub-section (2) of Section 13.]

3[(2) Upon the passing of an order under sub-section (1) superseding a Market Committee, the following consequences shall ensue, namely,--

(a) All the members as well as the Chairman and Vice-Chairman of the Market Committee shall, as from the date of such order, be deemed to have vacated their offices;

(b) All the assets vested in the Market Committee shall, subject to all the liabilities, vest in the State Government.]

4[(3) When a Market Committee has been superseded the 2[Managing Director] may, by an order, appoint a person to be called the Officer-in-Charge, to carry out the functions and exercise the powers of the Market Committee and transfer to such Officer-in-Charge the assets and liabilities of the superseded Market Committee as on the date of such transfer :

Provided that in the event of death or resignation or leave or suspension of the Officer-in-Charge, a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled in, as soon as may be, by appointment of a person thereto by the 2[Managing Director] and until such appointment is made a person nominated by the Collector shall act as Officer-in-Charge.

(4) Any Officer-in-Charge appointed under sub-section (3) may at any time be removed by the 2[Managing Director], who shall have power to appoint another person in his place.

(5) Any person appointed Officer-in-Charge under sub-section (3) shall receive from the Market Committee Fund for his services such

pay and allowances as may be fixed by the 2[Managing Director].

(6) At any time before the expiry of the period of supersession, the State Government may constitute a new committee under Section 11 and transfer thereto the assets and liabilities of the superseded committee as on the date of such transfer.

4[(7) The Officer-in-Charge shall cease to hold office on the date appointed for the first meeting of the Market Committee as reconstituted.]

1. Substituted by M.P. Act No. 11 of 1985 (w.e.f. 12-6-1985).

2. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

3. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

4. Substituted by M.P. Act No. 8 of 1994 (w.e.f. 16-1-1994).

57. Consequences Of Dissolution Under Section 13 :-

Consequences of dissolution under Section 2[13]

1[(1) Where a Market Committee stands dissolved under 2[proviso to sub-section (2) of Section 13], the following consequences shall ensue, namely,--

(a) all the members as well as the Chairman and Vice-Chairman of the Market Committee shall, as from the date of dissolution of such Market Committee under the said sub-section, be deemed to have vacated their offices;

(b) all powers and duties of the Market Committee under this Act, shall, subject to the control of the 2[Managing Director], be exercised and performed by a person to be called the Officer-in-Charge as the 2[Managing Director] may, by order appoint in that behalf :

Provided that in the event of death, resignation, leave or suspension of the Officer-in-Charge a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled in as soon as may be, by appointment of a person thereto by the 2[Managing Director] and until such appointment is made a person nominated by the Collector shall act as officer-in-Charge;

(c) all property vested in the Market Committee shall vest in the Officer-in-Charge in trust for the purposes of this Act.

(2) Any Officer-in-Charge appointed under sub-section (1) may at any time be removed by the 2[Managing Director] who shall have power to appoint another person.

(3) Any person appointed Officer-in-Charge under sub-section (1) shall receive from the Market Committee Fund for his services such pay and allowances as may be fixed by the 2[Managing Director].

(4) The Officer-in-Charge shall cease to hold office on the date appointed for the first general meeting of the Market Committee as reconstituted.]

1. Substituted by M.P. Act No. 8 of 1994 (w.e.f. 16-1-1994).
2. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

57A. Power Of State Government To Postpone Elections :-

1[2[(1) If the State Government is of the opinion that circumstances exist which render it necessary, so to do, the State Government may, notwithstanding anything contained in this Act or the rules made thereunder, by notification, for reasons to be specified therein, postpone from time to time, the election of members of a Market Committee under sub-section (1) of Section 11, for such period not exceeding one year at a time as may be specified in such notification provided that the total period shall not exceed 2[three years and six months] in the aggregate.

(2) On issue of the notification under sub-section (1), following consequences shall ensue, namely,--

- (a) no election shall be held during the period specified in the notification;
- (b) the election proceedings at whatever stage they may be shall stand abrogated; and
- (c) the deposits made by the candidates for the election as member shall be refunded to them.]

3[Explanation.--For the purposes of this sub-section "election proceedings" means the process commencing from the date calling upon the constituencies to elect and ending with the declaration of the result of the election.]

1. Inserted by MP. Act No. 39 of 1974 (w.e.f. 12-5-1974).
2. Substituted by MP. Act No. 43 of 1976 (w.e.f. 12-5-1974).
3. Inserted by M.P. Act No. 26 of 1975 (w.e.f. 12-5-1974).

58. Liability Of Chairman, Vice-Chairman, Members And Employees For Loss, Waste Or Mis-Application Etc. :-

(1) If, in the course of inquiry or inspection under Section 54 or in the course of audit under this Act it is found that any person who is or was entrusted with the management of a Market Committee or 1[any deceased, past or present Chairman, Vice-Chairman, Member, Officer-in-Charge of Market Committee, Secretary or any other officer or employee, of Market Committee or an officer of the State Government] has made or directed by assenting or concurring or participating in any affirmative vote or proceeding related thereto, any payment or application of any money or other property belonging to or under the control of, such committee to any purpose contrary to the provisions of this Act or rule or bye-laws made thereunder or has caused any deficiency or loss by gross negligence or misconduct or has misappropriated or fraudulently retained any money or other property belonging to the Market Committee, the 2[Managing Director] may, on his own motion or on the application of the Market Committee, enquire himself or direct

any officer subordinate to him duly authorised by him by an order in writing in this behalf to enquire into the conduct of such person 1[within two years of the date of report of audit, enquiry or inspection, as the case may be.]

(2) If on enquiry made under sub-section (1) the 2[Managing Director] is satisfied that there are good grounds for an order under this sub-section, he may make an order requiring such person, or, in the case of a deceased person, his legal representative inherits his estate, to repay or restore the money or property and any part thereof, with interest at such rate, or to pay contribution to such extent as the 2[Managing Director] may consider just and equitable :

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

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

(3) Any person aggrieved by an order made under sub-section (2) may, 1[within thirty days from the date of communication of the order to him] appeal to the State Government and subject to the order of the State Government the order of the 2[Managing Director] shall be final and conclusive :

4[Provided that in computing the period of limitation, the time required for obtaining a copy of the order appealed against shall be excluded.]

(4) No order passed under sub-section (2) or sub-section (3) shall be called in question in any Court of law.

(5) Any order made under sub-section (2) or sub-section (3) shall, on the application of the 2[Managing Director], be enforced by any Civil Court having local jurisdiction in the same manner as if it were a decree of such Court, or any sum directed to be paid by such order may be recovered as an arrear of land revenue.

3[(6) If the 2[Managing Director] is satisfied on an affidavit, enquiry or otherwise that any person with intent to delay or obstruct the enforcement of any order that may be passed against him under this section,--

(a) is about to dispose of the whole or any part of his property; or
(b) is about to remove the whole or any part of his property from the State,

he may, unless adequate security is furnished, direct the conditional attachment of the said property or such part thereof as

he thinks necessary and such attachment shall have the same effect as is made by a competent Civil Court.]

1. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
2. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).
3. Inserted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

59. Power To Call For Proceedings Of Market Committee :-

1[(1) The 2[Managing Director] may, on his own motion, or on an application made to him, call for and examine the proceeding of any Market Committee and the State Government may on its own motion or on an application made to it, call for and examine the proceedings of the 2[Managing Director], for the purpose of satisfying himself or itself, as the case may be, as to the legality or propriety of any decision taken or order passed and as to the regularity of the proceedings of the committee or the 2[Managing Director], as the case may be. If in any case, it appears to the 2[Managing Director] or the State Government that any such decision or order or proceeding so called for should be modified, annulled, reversed, or remitted for reconsideration he or it may pass such order thereon as he or it may deem fit :

Provided that every application to the 2[Managing Director] or the State Government for the exercise of the powers under this section shall be preferred with sixty days from the date on which the decision or order to which the application relates was communicated to the applicant :

Provided further that no such order shall be passed under sub-section (1) without giving a reasonable opportunity of being heard to the parties affected thereby.

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

1. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).
2. Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

CHAPTER 11

MISCELLANEOUS

60. Power Of State Government To Amend Schedule :-

The State Government may, by notification add to amend or delete any of the items of agricultural produce specified in the Schedule and thereupon the Schedule shall be deemed to be amended

accordingly :

Provided that no notification shall be issued under this section without giving in the Gazette previous notice of not less than six weeks as the State Government may consider reasonable of its intention to issue such notification.

61. Recovery Of Sums As An Arrear Of Land Revenue :-

1[(1) Any sum due to a Market Committee or the Board 2[or to a seller of agricultural produce] on account of any charge, costs, expenses, fees, rent or any other account under the provisions of this Act or any rule or bye-law made, thereunder shall be recoverable in the same manner as an arrear of land revenue.

(2) Any sums due from a Market Committee to the Board or to the State Government, as the case may be, shall be recoverable in the same manner as an arrear of land revenue :

2[Provided that from the sum so recovered an incentive may be allowed to be paid to the person making such recovery, in accordance with the rules as may be made in this behalf.]

(3) Any person aggrieved by the proceedings made under sub-sections (1) and (2) may, within thirty days from the date of communication of notice to him appeal to the 3[Managing Director] whose order thereon shall be final and shall not be called in question in any Court of law.

(4) The 2[Managing Director] may if he considers it necessary so to do, grant a stay of the proceedings appealed against, for such period as he may deem fit.]

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

2. Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

3. Inserted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001).

62. Duties Of Police Officers :-

If shall be the duty of every police officer to communicate, as soon as may be, to the Market Committee any information which he receives regarding any attempt to commit or the commission of any offence against this Act or any rule or bye-law made thereunder and to assist the Secretary or any officer or servant of the Market Committee demanding his aid in the exercise of his lawful authority.

63. Power To Write-Off Loss, Shortage And Irrecoverable Fees :-

Whenever it is found that any amount due to a Market Committee is irrecoverable or should be remitted or whenever any loss of a committee's money or stores or other property occurs through the fraud or negligence of any person or for any other cause and the property or money is found to be irrecoverable, 1[the Chairman shall in the case of sum not exceeding one hundred rupees and in the case of sum more than this] the Market Committee may order to write-off as lost, irrecoverable or remitted, as the case may be : Provided that if in any case the amount is in excess of 2[five] hundred rupees such order shall not take effect without the prior approval of the 3[Managing Director].

1. Inserted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).
2. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).
3. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

64. Chairman, Vice-Chairman, Members, Officers And Servants Of Market Committee Or President, Vice-President Etc. Of Board To Be Public Servants :-

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

65. Delegation Of Powers :-

1[(1) The State Government may, delegate to any officer of the State Government not below the rank of 2[Managing Director] any of the powers conferred on it by or under this Act other than powers to make rules under Section 79.]

2[(2) The Managing Director may delegate to any officer of the State Mandi Board Service any of the powers conferred on him by or under this Act.]

3[(3) The 2[Managing Director] or the officer empowered under this section, while exercising powers under this Act or the rules made thereunder to enquire into or to decide any question arising for determination between the Market Committee and any person or between parties to any proceedings, shall be deemed to be a Court.]

1. Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).
2. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

3. Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

66. Bar To Civil Suit :-

No suit in respect of anything in good faith done or intended to be done under this Act or rules or bye-laws made thereunder, shall lie against the 1[Managing Director] or any officer of the State Government or against the Board or any Market Committee, or against any officer or servant of the Board or any Market Committee or against any person acting under and in accordance with the directions of the 1[Managing Director], such officer, or such committee.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

66A. Election Petition :-

1[(1) An election under this Act shall be called in question only by a petition presented in the prescribed manner to the Commissioner of the Division.

(2) No such petition shall be admitted unless it is presented within thirty days from the date on which the election in question was notified.

(3) Such petition shall be enquired into or disposed of according to such procedures as may be prescribed.]

1. Inserted by M.P. Act No. 14 of 1999 (w.e.f. 6-5-1999).

67. Bar Of Suit In Absence Of Notice :-

No suit shall be instituted against the Board or any Market Committee, until the expiration of two months next after notice in writing stating the cause of action, name and place of abode of the intending plaintiff, and the relief which he claims has been delivered or left at its office. Every such suit shall be dismissed unless it is instituted within six months from the date of the accrual of the alleged cause of action.

68. Vacancy Not To Invalidate Proceedings :-

No act of the Board or a Market Committee or any of its sub-committees shall be invalid merely by reason of--

(a) any vacancy in, or defect in the constitution thereof; or

(b) any defect in the election, nomination or appointment of a person acting as a member thereof; or

(c) any irregularity in its procedure not affecting the merits of the case.

CHAPTER 12

ALTERATION OF LIMITS OF MARKET

69. Power To Grant Exemption From Market Fee :-

1[(1) The State Government may, by notification and subject to such conditions and restrictions, if any, as may be specified therein exempt in whole or in part any agricultural produce brought for sale or brought or sold in the market area specified in such notification from the payment of market fees for such period as may be specified therein.

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

1. Substituted by M.P. Act No. 6 of 1987 (w.e.f. 17-10-1986).

70. Notification Of Intention To Alter Limits Of Or To Amalgamate Or To Split Up Market Areas :-

(1) The State Government may, by notification, signify its intention,--

(i) to alter the limits of a market area by including within it any other area in the vicinity thereof or by excluding therefrom any area comprised therein; or

(ii) to amalgamate two or more market areas and constitute one Market Committee therefor; or

(iii) to split up a market area and to constitute two or more Market Committees therefor; or

(iv) to disestablish a market.

(2) Every notification issued under sub-section (1) shall define the limits of the area which is intended to be included in or excluded from a market area, or of the market area intended to be amalgamated into one, or of the area of each of the markets intended to be constituted after splitting up an existing market area or of the area of the market intended to be disestablished, as the case may be, and shall also specify the period which shall not be less than six weeks within which objections, if any, shall be received by the State Government.

71. Notification Of Intention To Alter Limits Of Or To Amalgamate Or To Split Up Market Areas :-

(1) The State Government may, by notification, signify its intention,--

(i) to alter the limits of a market area by including within it any

other area in the vicinity thereof or by excluding therefrom any area comprised therein; or

(ii) to amalgamate two or more market areas and constitute one Market Committee therefor; or

(iii) to split up a market area and to constitute two or more Market Committees therefor; or

(iv) to disestablish a market.

(2) Every notification issued under sub-section (1) shall define the limits of the area which is intended to be included in or excluded from a market area, or of the market area intended to be amalgamated into one, or of the area of each of the markets intended to be constituted after splitting up an existing market area or of the area of the market intended to be disestablished, as the case may be, and shall also specify the period which shall not be less than six weeks within which objections, if any, shall be received by the State Government.

72. Powers Of State Government To Issue Consequential Order With Respect To Constitution, Etc. Of Market Committees On Alteration Of Limits, Amalgamation Or Splitting Up :-

(1) Where a notification under Section 71 has been issued the State Government may issue such consequential orders as it may deem fit in respect of--

(a) the constitution of the Market Committee for the altered area where a local area has been included or excluded from market area;

(b) the dissolution of the existing Market Committees which have been amalgamated and the constitution of the amalgamated Market Committee thereafter where two or more Market Committees are amalgamated;

(c) the dissolution of the Market Committee split up and the constitution of the Market Committees established in its place thereafter and matters ancillary thereto.

1[(2) Consequent to the orders passed in accordance with the provisions of clauses (b) and (c) of sub-section (1), the State Government shall, by notification, constitute a committee-in-charge for newly established market during the period of pendency of the constitution of the Market Committee.

(3) In the event of amalgamation of dissolved Market Committees, the committee-in-charge shall consist of the following members,

namely :--

- (a) a Chairman to be nominated by the State Government from amongst the elected Chairman of dissolved Market Committees;
- (b) ten representatives of agriculturists to be nominated by the State Government from amongst the elected representatives of agriculturists of dissolved Market Committees;
- (c) one representative of traders to be nominated by the State Government from amongst the elected representatives of traders of dissolved Market Committees;
- (d) a Member of the State Legislative Assembly elected from the district, to be nominated by the State Government who may nominate his representative for the purpose of attending the meeting of the Market Committee;
- (e) one representative of the Co-operative Marketing Society functioning in the market area who shall be elected by the Managing Committee of such society;
- (f) an officer of Agriculture Department working in the district to be nominated on the recommendation of the Collector;
- (g) one member of the Weighmen and Hammals operating in the market area holding licence from the Market Committee to be nominated on the recommendation of the Chairman;
- (h) Chairman of the District Central Co-operative Bank;
- (i) Chairman of the District Land Development Bank;
- (j) one member of Gram Panchayat or Janpad Panchayat or Zila Panchayat to be nominated on the recommendation of the Chairperson of the Zila Panchayat.

(4) (a) Where in case of split up of a Market Committee, each committee in-charge consisting of a Chairman, ten representatives of agriculturists and a representative of traders shall be constituted :

Provided that,--

- (i) Chairman of the dissolved Market Committee shall be nominated Chairman of the newly established Market Committee of which he is a voter and for the other Market Committee, the State Government shall nominate a Chairman who possesses the qualifications prescribed in sub-sections (2) and (3) of Section 11-B;
- (ii) Representatives of agriculturists of dissolved Market Committee shall also be nominated as member of newly established Market Committee of which he is a voter and remaining representatives of the agriculturists shall be nominated by the State Government who possesses the qualifications prescribed in sub-sections (1), (2) and

(3) of Section 11-B;

(iii) Representative of traders of the dissolved Market Committee shall be nominated as a member of the newly established Market Committee of which he is a voter and for the other Market Committee, the State Government shall nominate such licensee trader as representative of traders who possesses the qualifications prescribed in clause (c) of sub-section (1) of Section 11;

(b) A Member of the State Legislative Assembly elected from the district, nominated by the State Government who may nominate his representative for the purpose of attending the meeting of the Market Committee;

(c) One representative of the Co-operative Marketing Society functioning in the market area who shall be elected by the Managing Committee of such society;

(d) An officer of the Agriculture Department working in the District to be nominated on the recommendation of the Collector;

(e) One member of the Weighmen and Hammals operating in the market area holding licence from the Market Committee to be nominated by the Chairman;

(f) Chairman of the District Central Co-operative Bank;

(g) Chairman of the District Land Development Bank;

(h) One member of Gram Panchayat or Janpad Panchayat or Zila Panchayat to be nominated on the recommendation of the Chairperson of the Zila Panchayat.

(5) The committee-in-charge constituted under sub-section (2) shall subject to the control of the Managing Director, exercise all the powers and perform all the duties of the Market Committee under this Act.]

1. Sub-section (2) Substituted and sub-sections (3), (4) and (5) Inserted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003). Prior to substitution sub-section (2) read as under :

"(2) The provisions of Section 10 shall apply to the Constitution of a Market Committee under sub-section (1) as they apply to Constitution of a Market Committee for a market established for the first time."

73. Effect Of Alteration Of Limits :-

Where a notification under Section 71 has been issued excluding any area from the market area and including any such area in any other market area the State Government shall after consulting the Market Committee, frame a scheme to determine what portion of

the assets and other properties vested in one Market Committee shall vest in the other Market Committee and in what manner the liabilities of the Market Committees shall be apportioned between the two Market Committees and such scheme shall come into force on the date of publication in the Gazette.

74. Effect Of Amalgamation :-

On the issue of a notification under Section 71 constituting a new Market Committee for the market areas amalgamated the following consequences shall ensue, namely :

- (a) all the property under the control of a Market Committee immediately before the date of amalgamation under Section 71 including funds shall be property and fund of the new Market Committee;
- (b) the staff of the Market Committees of the amalgamated market areas shall until otherwise ordered by the Collector in accordance with the provisions of this Act, be continued and deemed to be the staff appointed by the new Market Committee;
- (c) all rules, bye-laws, order and notifications in force in the area of the Market Committees amalgamated immediately before the date of amalgamation under Section 71 shall, except the rules, bye-laws, orders and notifications in respect of such matters, as may be specified by the State Government by notification issued in that behalf, stand repealed and the rules, bye-laws, order and notification in respect of matters specified therein shall operate throughout the area of new Market Committee until altered, amended or cancelled in accordance with the provisions of this Act : Provided that such repeal shall be governed by the provisions of Section 10 of the Madhya Pradesh General Clauses Act, 1957 (No. 3 of 1958), in respect of all actions taken and things done; and
- (d) any right, privilege, obligation or liability acquired, accrued or incurred by the Market Committees amalgamated under Section 71 shall be deemed to be the right, privilege, obligation or liability acquired, accrued or incurred by the new Market Committee.

75. Effect Of Splitting Up :-

(1) On the issue of a notification under Section 71 splitting up a market area into two or more market areas the following consequences shall ensue, namely :

- (a) all rules, bye-laws and orders in force in the area of the original Market Committee immediately before the market area of such

Market Committee is splitted up under Section 71 shall continue until altered, amended or cancelled in accordance with the provisions of this Act;

(b) all powers and duties which are under this Act to be exercised or performed by the several authorities shall, until a Market Committee constituted for each of the new market areas be exercised and performed by the Collector or such other officer as the State Government may, by notification direct;

(c) all property vested in the original Market Committee shall subject to any orders of the State Government be held and expended by the Collector or such other officer for the purposes of the areas of the newly constituted Market Committee; and

(d) until the Market Committees are constituted the Collector or such other officer shall be deemed to be the representative of the original Market Committee for the purposes of suing or being used by or for continuing pending suit or proceedings by or against the original Market Committee.

(2) On the day on which the Market Committees are constituted in the new market areas, Collector shall hand over the administration to the Market Committee or each such market area in respect of area under its jurisdiction.

76. Apportionment Of Assets And Liabilities Of Market Committee Split Up :-

(1) The assets and liabilities of a Market Committee of the original market area shall in accordance with the provisions of this Act, be apportioned to the several Market Committees of the new market areas newly constituted.

(2) Such officer not below the rank of a Deputy Collector as the State Government may by order appoint in this behalf shall report to the Collector on the following matters, namely,--

(a) the assets and liabilities of the Market Committee of the original market area;

(b) the apportionment of the assets and liabilities between the Market Committees of the new market areas;

(c) the manner in which the existing officer, servants and other permanent employees of the Market Committee of the original market area should be absorbed by the Market Committees of the new market areas;

(d) generally on all matters incidental, supplemental and consequential to the constitution of the Market Committees of the

new market areas.

(3) The report referred to in sub-section (2) shall be submitted to the State Government which shall publish it in such manner as may be prescribed.

(4) Any person interested may make a representation to the State Government in writing against the proposals made in the report within one month from the date of its publication.

(5) On the expiration of the period specified in sub-section (4) the State Government may take into consideration the report of the officer appointed under sub-section (2) and the representations received, if any, and pass such orders in respect thereof as it deems fit.

(6) The orders of the State Government on all such points shall be final and shall not be questioned in any Court of law.

77. Suits By Or Against New Market Committees :-

(1) On matters covered by the decision of the State Government under Section 76, the Market Committees of the new market areas shall severally be deemed to be the representatives of the original Market Committees for the purposes of suing and being sued or for continuing pending suits or proceedings by or against the Market Committee of the original market area.

(2) In respect of matters not covered by the decision of the State Government under the provisions of Section 76, the Market Committees of new market areas shall jointly be deemed to be the representative of the Market Committees of the original market area for the purposes of suing or being sued or for continuing pending suits or proceedings by or against the Market Committee of the original market area.

(3) If any dispute arises between the Market Committees of the new market areas as regards their respective liability or claim under a decree or order the matter shall be referred to the State Government whose decision shall be final.

78. Savings As To Existing Employer Of Market Committee Or Committees Amalgamated Or Split Up :-

When under Section 71, a new Market Committee is constituted by amalgamation of two or more Market Committees or where two or more new Market Committees are constituted by splitting up of an existing Market Committee, the pay and allowances, pension and retirement benefits, if any, of all permanent officers and servants or

other employees of the Market Committee or committees amalgamated or splitted up shall be the pay and allowances, pension and retirement benefits as in force immediately before the date of amalgamation or splitting up as the case may be.

CHAPTER 13

RULES AND BYE-LAWS

79. Power To Make Rules :-

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

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

(i) 1[x x x]

1[(i-a) other manners of publication of notification under Section 3 (1);

(ii) (a) qualifications which the representatives of agriculturists shall possess under Section 11 (1) 1(b);

(b) qualifications which the representatives of traders shall possess under Section 11 (1) 2(c);

(c) authority which shall conduct elections, determination of constituencies, preparation and maintenance of list of voters, disqualifications for being chosen as, or for being, a member, the right to vote, the payment of deposit and its forfeiture, the election affiances, the determination of election disputes and all matters ancillary thereto under Section 11 (3);

(iii) the powers to be exercised and the duties to be performed by the Market Committee and its Chairman and Vice-Chairman;

(iv) the election of Chairman and Vice-Chairman of the Market Committee;

2[(iv-a) the procedure and quorum at a meeting of Market Committee under Section 15;]

(iv-b) 3[x x x]

(v) the management of market, the procedure for recovery of market fees, fine for evasion of market fees and manner for assessment of market fees in default of furnishing returns.

(vi) classification of market functionaries for grant of licences, regulation of licences under this Act, the persons required to take out licence, the forms in which and terms and conditions subject to which such licences shall be issued or renewed;

(vii) the provisions for the persons by whom and the forms in which copies of documents and entries in the books of the Market

Committee may be certified and the charges to be levied for the supply of such copies;

(viii) the kind and description of weights and measures and the weighing and measuring instruments which shall be used in the transactions in the notified agricultural produce in a market yard;

(ix) the periodical inspection of all weights and measures and the weighing and measuring instruments in use in a market yard; (x) the trade allowance which may be made or received by any person in any transaction in the notified agricultural produce in a market yard;

(xi) facilities for the settlement of any dispute between a buyer and seller of notified agricultural produce or their agents including disputes regarding the quality or weight of the articles, payment in respect of the price of goods sold and the allowances for wrappings, containers, dirt or impurities or deductions for any cause by mediation, arbitration or otherwise;

(xii) the provisions of accommodation for storing any agricultural produce brought into the market;

(xiii) the preparation of plans and estimates for works proposed to be constructed partly or wholly at the expense of the Market Committee, and the grant of sanction to such plans and estimates;

(xiv) the form in which the accounts of a Market Committee shall be kept, the audit and publication of such audit and the inspection of audit, memoranda of the account and supply of such memoranda;

(xv) the preparation and submission for sanction of the annual budget and the report and returns to be furnished by a Market Committee; 3[(xv-a) the form in which the Market Committee shall prepare budget of its income and expenditure under sub-section (1) of Section 25-A;]

(xvi) the time during which and the manner in which a trader or broker or commission agent shall furnish such returns to a Market Committee as may be required by it;

(xvii) the regulation of advances, if any, given to agriculturists by brokers or commission agents or traders;

(xviii) the grading and standardization of the agricultural produce;

(xix) the keeping of a record of arrivals and average prices of agricultural produce;

(xx) the manner in which auctions of agricultural produce shall be conducted and bids made and accepted in a market;

(xxi) the recovery and disposal of fees leviable by or under this Act;

(xxii) compounding of offences and fixing compensation therefor

under this Act or rules or bye-laws made thereunder;

(xxiii) 4[x x x]

(xxiv) 5[x x x]

(xxv) limits of expenditure which may be incurred in reception of distinguished guests;

(xxvi) limits of honorarium to Chairman, travelling allowance to members and sitting fees payable to members for attending the meetings;

(xxvii) manner of investment of the surplus in 6[the Market Committee Fund and the Madhya Pradesh State Marketing Development Fund];

(xxviii) procedure for framing of bye-laws, their amendments or cancellation and for their previous and final publication;

(xxix) classification of Market Committees on the basis of annual income for all or any of the purposes of this Act;

(xxx) term of office of the President, Vice-President and member of the Board;

(xxxi) the powers to be exercised by the President and Vice-President of the Board;

(xxxii) all matters required to be prescribed by rules under this Act;

1[(xxxii- a) mode of service of notice under this Act;]

(xxxiii) generally for the guidance of Market Committees;

1[(xxxiii-a) the manner in which immovable property of Market Committee or Board shall be transferred.]

(3) In making any rule the State Government may direct that breach thereof shall be punishable with fine which may extend to two hundred rupees.

(4) Every rule made under this Act shall be laid on the table of the Legislative Assembly.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

2. Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

3. Omitted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to omission it read as under : "(iv-b) the form in which declaration shall be furnished under sub-section (3) of Section 19".

4. Omitted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to omission it read as under : "(xxiii) manner of Constitution of State Marketing Service."

5. Omitted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to omission it read as under : "(xxiv) recruitment, qualification, appointment, promotion, scale of pay, leave, allowance, acting allowance, loans, pension, gratuity, annuity, compassionate fund, provident fund, dismissal, removal, conduct, departmental

punishment appeals and other service conditions of the members of the State Marketing Service."

80. Power To Make Bye-Laws :-

(1) Subject to the provisions of this Act and the rules made thereunder, a Market Committee may, in respect of a market area under its management, make bye-laws for--

- (i) the regulation of its business;
- (ii) the conditions of trading in a market;
- (iii) delegation of powers, duties and functions to the officers and servants, appointment, pay, punishment, pensions, gratuities, leave, leave allowances, contributions by them to any provident fund which may be established for the benefit of such officers and servants and other conditions of service;
- (iv) the delegation of powers, duties and functions, to a sub-committee, if any;
- (v) market functionaries who shall be required to take licence;
- (vi) any other matter for which bye-laws are to be made under this Act or it may be necessary to frame bye-laws for effectively implementing the provisions of this Act and the rules made thereunder in the market area.

(2) No bye-law made under sub-section (1) shall take effect until it has been confirmed by the 1[Managing Director].

(3) In making any bye-law the Market Committee may direct that a breach thereof shall be punishable with fine which may extend to 2[one hundred rupees] and where the breach is a continuing one with further fine which may extend to five rupees for every day after first during which the breach is proved to have been persisted in.

1. Inserted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003).

2. Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

81. Power Of Managing Director To Direct Making Or Amendment Of Bye-Laws :-

Power of 1[Managing Director] to direct making or amendment of bye-laws

(1) If it appears to the 1[Managing Director] that it is necessary or desirable in the interests of a Market Committee to make any bye-law or to amend any bye-law, he may, by order, require the Market Committee concerned to make the bye-laws or the amendment of the bye-law within such time as he may specify in such order.

(2) If the Market Committee fails to make such bye-laws or such amendment of the bye-laws within the time specified, the opportunity of being heard by an order make such bye-law or such amendment of the bye-law and thereupon subject to any order under sub-section (3), such bye-law or such amendment of the bye-law shall be deemed to have been made or amended by the Market Committee in accordance with the provision of this Act or the rules made thereunder and thereupon such bye-law or amendment shall be binding on the Market Committee.

(3) An appeal shall lie to the State Government from any order of the 1[Managing Director] under sub-section (12) within thirty days from the date of such order and the order of the State Government on such appeal shall be final.

1. Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

81A. Power Of The Board To Make Regulations :-

1[Subject to the provisions of this Act and the rules made thereunder, the Board may make regulations for,-- (i) the transaction of its business;

(ii) delegation of powers, duties and functions to the officers and servants, and matters relating to their service;

(iii) any other matter, for discharging the duties and responsibilities of the Board under this Act and the rules made thereunder.]

1. Inserted by M.P. Act No. 7 of 1979 (w.e.f. 7-6-1979).

CHAPTER 14

REPEAL AND SAVINGS

82. Repeal And Savings :-

(1) The Madhya Pradesh Agricultural Produce Markets Act, 1960 (No. 19 of 1960), the Madhya Pradesh Agricultural Produce Markets (Validation) Act, 1962 (No. 12 of 1962), the Madhya Pradesh Krishi Upaj Mandi Samiti (Nirvachan Sthagan) Nirasan Adhiniyam, 1967 (No. 24 of 1967), the Madhya Pradesh Agricultural Produce Markets (Amendment) Act, 1968 (No. 17 of 1968), the Madhya Pradesh Agricultural Produce Markets (Amendment and Validation) Act, 1970 (No. 2 of 1970), the Madhya Pradesh Agricultural Produce Markets (Amendment and Validation) Act, 1970 (No. 23 of 1970), the Madhya Pradesh Agricultural Produce Markets (Amendment and Validation) Act, 1971 (No. 22 of 1971), and the Madhya Pradesh Agricultural Produce Markets (Amendment) Act, 1972 (No. 30 of 1972) are hereby repealed.

(2) Notwithstanding such repeal,--

(i) all Market Committees constituted or appointed, officer in charge

or committee in charge appointed, markets established, market areas declared, agricultural produce notified, rules or bye-laws made, notification issued, fees levied, contracts entered into, licences granted, suits instituted and proceedings undertaken or any other things done or actions taken under the said Acts or any enactment thereby repealed shall in so far as they are not inconsistent with the provisions of this Act, shall be deemed to have been respectively constituted, appointed, established, declared, notified, made, issued, levied, entered into, granted, instituted, undertaken, done or taken under this Act, until superseded anything done or any action taken under this Act.

(ii) unless the State Government otherwise directs, the Market Committees referred to in clause (i) and the Chairman, Vice-Chairman and members thereof shall continue until the expiry of their term under the repealed Act or till a Market Committee is constituted in accordance with the provisions of this Act, whichever is earlier.

(3) On issue of a direction under clause (ii) of sub-section (2), the provisions of Section 57 shall apply as from the date specified in the direction as if the Market Committee stood dissolved on that date.

SCHEDULE 1

SCHEDULE I

[See Section 2(1) (a)]

I-Fibres

1[1. Cotton (unginned)], 2. Sun Hemp, 2[3. Ambadi/Mesta].

II-Cereals

3[1. Paddy], 2. Wheat, 3. Barley, 4. Jowar, 5. Maize, Bhutta, 6. Bajra, 7. Codon, 8. Sanwa/Sama, 9. Kutki, 10. Rala, 11. Ragi, 12. Rajgira, 13. 4[x x x].

5[III-Pulses

1. Tur, 2. Gram, 3. Peas, 4. Masoor or Lentil, 5. Lakh/Teora, 6. Mung, 7. Urid/Urad, 8. Kulthi, 9. Kidney Bean or Moth, 10. Cow Pea or Barbat, 11. Val or Popat.]

IV-6[Oilseeds]

1. Sesamum or til-seed, 2. Linseed, 7[3. Ground nut (husked and unhusked)], 4. Mustard, 5. Soyabean, 6. Rape seed or sarson, 7. Castor seed, 8. Safflower, 9. Niger seed, 10. 8[x x x], 11. Mohua, 12. Soha, 13. Laha, 14. 9[x x x], 15. Sunflower.

V-Narcotics

1. Tobacco, 2. Betel, 10[3. Poppy capsule.]

11[VI-Sugarcane

1. Sugarcane]

VII-Fruits

1. Orange, 2. Lime sour, 3. Sweet lime, 4. Grape fruit/Chakotra, 5. Mango, 6. Plantain, 7. Guava, 8. Grapes, 9. Custard-apple, 10. Ramphal, 11. Papaya, 12. Seva, 13. Jamun, 14. Ber, 15. Chikoo, 16. Khirni, 17. Megranate/Anar, 18. Water

melon/ Tarbuj, 19. Kharbuja, 20. Pear/Naspati, 21. Musambi, 22. Cucumber/Kakadi.

VIII-Vegetable

1. Common bear or broad bean,- 2. Kidney bean, 3. Indian Bean, 4. SemBarbato, 5. Cluster bean/Gawrfalli, 6. Brinjal, 7. Cabbage, 8. Cauliflower, 9. Chowli pag or bagi/Chowlai sag, 10. Chowli (Red), 11. Chukta/khatta palak, 12. Sponge gourd/Turai, 13. Bitter gourd/Karela, 14. Bottle gourd/Laoki, 15. Pumkin/Kumda, 16. Kundroo, 17. Padval, 18. Knol-Khol, 19. Methi, 20. Spinach/Palak bhaji, 21. Purslane or ghole leaves/Bhol bhaji, 22. Lady finger/Bhindi, 23. Tomato, 24. Garden peas/Matar, 25. Jack fruit/Kathal, 26. Ghuiane/Arv, 27. Beet Root/Chukandar, 28. Carrot/Gajar, 29. Onion, 30. Potatoes, 31. Sweet potato, 32. Raddish, 33. Turnip/ Salgum, 34. Tinda, 35. Suran, 36. Other green and fresh vegetables.

12[IX- Cattle and animal husbandry products]

X-Condiments, spices and others

1. Chillies (Wet and dry), 2. Corriander seed, 3. Turmaric, Curcuma, 4. Garlic (Wet and dry), 5. Ginger (Wet and dry), 6. Methi dana, 7. Aniseed, 8. Tamarind, 9. Sonf, 10. Cumi seed/Jira, 11. Rai, 12. Asgandh, 13. Poppy seed and Poppy husk.

13[XI-Grass and fodder]

XII-Forest Produce

1. Lac, 2. Harra, 3. Aola, 4. Beheda, 5. Chironji, 6. Gum all sorts, 7. Honey, 8. Wax, 9. Kareli, 10. Mahua flower, 11. Bamboo.

XIII-Other Articles

1. Hemp seed, 2. Gowar, 3. Water nut.

14[XIV-Flowers

1. Gaillardia, 2. Annual Chryanthemum, 3. Aster, 4. Marigold, 5. Rose (different varieties), 6. Gladiolai, 7. Jerbera, 8. Tuberoze, 9. Carnation, 10. Jasmine Spp., 11. Jasmine, 12. Anthurium, 13. Liliun, 14. Tulipa, 15. Chrysanthemum, 16. Iris, 17. Sweet Sultan, 18. Cineraia, 19. Salvia, 20. Anitirrihinum, 21. Gypsophila, 22. Limonia (Status), 23. Gomphrena, 24. Crossandra, 25. Hydrangia, 26. Heliconia Spp., 27. Golden Rod, 28. Dianthus, 29. Sweet William, 30. Clarkia, 31. Lupin, 32. Lotus, 33. Calendula, 34. Kewda, 35. Balsam, 36. Chandni, 37. Orchids.

Note.--All varieties & species of above flowers shall be included in the Schedule.]

1. Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).
2. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
3. Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).
4. Omitted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
5. Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).
6. Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).
7. Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
8. Item "cotton seed" omitted by M.P. Notfn., dated 20-4-2001.
9. Kern "Kodon" omitted by M.P. Notfn., dated 20-6-1989.
10. Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
11. Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).
12. Omitted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
13. Omitted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).
14. Inserted by Notfn. No. D-15-4-XIV-3, dated 31-1-2005 M.P. Gazette (Extra.) 1-2-05 at pp. 79-80(1).