

Madras Commercial Crops Markets Act, 1933

20 of 1933

[25 July 1933]

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Madras Commercial Crops Markets Act, 1933

[25 July 1933]

PREAMBLE

An Act to provide for the better regulation of buying and selling of commercial crops and the establishment of markets for commercial crops in the Presidency of Madras.

Whereas it is expedient to provide for the better regulation of the buying and selling of commercial crops in the Presidency of Madras and for that purpose to establish markets and make rules for their proper administration;

And whereas the previous sanction of the Governor-General has been obtained to the passing of this Act; It is hereby enacted as follows:--

1. For Statement of Objects and Reasons, see Part IV of the Fort St. George Gazette, dated 28th July 1931, pages 126-127; for Proceedings in Council, see Madras Legislative Council Proceedings, Volume LXIV, dated 26th January 1933, pages 432-436; for Report of the Select Committee, see Appendix VII, pages 89-104 of the Madras Legislative Council Proceedings, Volume LXV, dated 24th February 1933; and for Proceedings in Council, see Madras Legislative Council Proceedings, Volume LXV, dated 24th February 1933, pages 50-60.

This Act was extended to the merged State of Padukkottai by section 3 of, and the First Schedule to, the Madras Merged States (Laws) Act, 1949 (Madras Act XXXV of 1949).

This Act was extended to the Kanyakumari district and the Shencottah taluk of the Tirunelveli district by section 3 of, and the Schedule to, the Madras (Transferred Territory) Extension of Laws Act, 1957 (Madras Act XXII of 1957).

1. Short title and extent :-

(1) This Act may be called the Madras Commercial Crops Markets Act, 1933.

(2) It extends to the whole of the Presidency of Madras.

2. Definitions :-

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

1[(i) "Collector" means the Collector of the district in which the notified area is situated or if such area is situated in two or more districts, the Collector of one of the districts designated by the **2**(State) Government in that behalf;]

3[(i-a)] "commercial crop" means cotton, groundnut or tobacco **4**(and includes any other crop or product, notified by the **2**[State] Government in the Fort St. George Gazette as a commercial crop for the purposes of this Act);

(ii) "grower of a commercial crop" shall not include a dealer or broker in that crop although he may grow that crop. If a question arises as to whether any person is a grower of a commercial crop or not for the purposes of this Act, the decision of the Collector **5**() shall be final;

6[(iii) "market" means a market established under section 4-A;]

(iv) "notified area" means any area notified under section 4 **7**[as altered by the notification or notifications, if any, under section 5-A]; **8**[and]

(v) "prescribed" means prescribed by rules or by-laws made under this Act; **9**[]

10[(vi) * * * * *]

1. Clause (i) was renumbered as clause (i-a) and new clause (i) was inserted by section 2(i) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945) re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

2. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

3. Clause (i) was re-numbered as clause (i-a) and new clause (i) was inserted by section 2(i) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945) re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

4. These words were added by section 3(i) of the Madras Commercial Crops Markets (Amendment) Act, 1949 (Madras Act II of 1949).

5. The words "of the district in which the notified area is situated" were omitted by section 2(ii) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

6. This clause was substituted for clause (iii) by section 2(iii), *ibid*.

7. This Expression was added by sections of the Madras Commercial Crops Markets (Amendment) Act, 1939 (Madras Act XIX of 1939).

8. This word was inserted by section 2(b) of the Madras Commercial Crops Markets (Amendment) Act, 1940 (Madras Act III of 1940), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

9. The word "and" was omitted by *ibid*.

10. Clause (vi) was omitted by *ibid*.

3. Notification of intention of exercising control over purchase and sale of commercial crop in specified area :-

The ¹[State Government] may, by notification in the ²[Official Gazette], declare their intention of exercising Notification of intention of exercising control over purchase and sale of commercial crop in specified area.

control over the purchase and sale of such commercial crop or crops and in such area ³[] as may be specified in the notification. Such notification shall state that any objections or suggestions which may be received by the ⁴[State Government], within a period to be specified in the notification, will be considered by them.

A copy of the notification shall be published in the prescribed manner.

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

2. These words were substituted for the words "Fort St. George Gazette" by the Adaptation Order of 1937.

3. The words "comprised in the district" were omitted by section 3 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

4. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

4. Declaration of notified area :-

¹[²(1)] After the expiry of the period specified in the notification under section 3 and after considering such objections and suggestions as may be received before such expiry, the ³(State) Government may, by notification published in the Official Gazette ⁴[. . .] declare the area specified in the notification under section 3 or any portion thereof to be a notified area for the purposes of this Act in respect of the commercial crop or crops specified in the notification under that section or any of them.]

⁵[A copy of the notification shall be published in the prescribed manner]

⁶[(2) For the removal of doubts, it is hereby declared that a notification published in the Official Gazette under section 3 or under sub-section (1) shall have full force and effect notwithstanding any omission to publish, or any irregularity or defect in the publication of, a copy of the notification under section 3 or under sub-section (1), as the case may be.]

1. Sections 4, 4-A and 5 were substituted for original sections 4 and 5 by section 4, of Madras Act XXI of 1945.

2. Section 4 was renumbered as sub-section (1) of that section by section 2 of the Madras Commercial Crops Markets (Amendment) Act, 1954 (Madras Act XXVI of 1954). Section 2 shall be deemed to have come into force on the 20th November 1945.

3. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

4. The words "and in any other manner prescribed by rules made under this Act", were omitted by section 2(2)(a) of the Madras Commercial Crops Markets (Amendment) Act, 1954 (Madras Act XXVI of 1954). Section 2 shall be deemed to have come into force on the 20th November 1945.

5. This paragraph was added by section 2(2)(b), *ibid*.

6. This sub-section was added by section 2(3), *ibid*.

4A. Establishment of market committee :-

1[(1) The **2**(State) Government shall establish a market committee for every notified area. It shall be the duty of the market committee to enforce the provisions of this Act and the rules and by-laws made thereunder in such notified area.

(2) Every market committee shall establish in the notified area such number of markets providing for such facilities, as the **2**(State) Government may from time to time direct, for the purchase and sale of the commercial crop or crops concerned.]

1. Sections 4, 4-A and 5 were substituted for original sections 4 and 5 by section 4 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945) re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. 1) Act, 1948 (Madras Act VII of 1948).

2. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

5. Trading in commercial crops in notified area :-

1[(1) No person shall, within a notified area, set up, establish or use, or continue or allow to be continued, any place for the purchase or sale of a notified commercial crop, except, under and in accordance with the conditions of a licence granted to him by the Collector:

Provided that after the establishment in such area of a market for the purchase and sale of a notified commercial crop, no licence for the purchase or sale of such commercial crop shall be granted or renewed in respect of any place situated within such distance of the market as may from time to time be fixed by the ²(State) Government:

Provided further that the market committee may exempt from the provisions of this sub-section any person who carries on the business of purchasing or selling any commercial crop in quantities not exceeding those prescribed by rules made under this Act:

Provided also that a person selling a commercial crop which has been grown by him or a co-operative society registered or deemed to be registered under the Madras Co-operative Societies Act, 1932(Madras Act VI of 1932), selling a commercial crop which has been grown by any of its members shall be exempt from the provisions of this sub-section but the ²(State) Government may withdraw such exemption in respect of any such person or co-operative society or all of them.

(2) Nothing contained in sub-section (1) shall apply to a person purchasing for his private use a commercial crop in quantities not exceeding those prescribed by rules made under this Act.

(3) No person shall within a notified area, set up, establish or use, continue or allow to be continued, any place for the storage, weighing, pressing or processing of any notified commercial crop except under and in accordance with the conditions of a licence granted to him by the Collector:

Provided that nothing contained in this sub-section shall apply to a person in respect of any notified commercial crop grown by him.

(4) ³[(a) A licence may be refused to a person--

(i) whose licence was cancelled and three years have not elapsed since the date of the cancellation;

(ii) who has been convicted of an offence, or been guilty of misconduct, which in the opinion of the Collector, affects the said persons integrity as a man of business;

(iii) in regard to whom the Collector is satisfied, after such enquiry as he considers adequate, that such person is a benamidar for, or a partner with, any other person, to whom a licence may be refused under clause (i) or (ii);

Provided that in all cases of refusal the applicant shall be entitled to appeal to the ⁴[Board of Revenue] and the ⁴[State Government] in the prescribed manner.]

(b) Subject to such rules as may be made by the ²(State) Government, the Collector may, on the report of the market committee and after such enquiry as he deems fit, cancel or suspend any licence granted under this section.

(5) Every person to whom a licence is granted under this section shall comply with the provisions of this Act, the rules and by-laws made thereunder and the conditions specified in the licence.]

1. Sections 4, 4-A and 5 were substituted for original sections 4 and 5 by section 4 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945) re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

2. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

3. This clause was substituted for the original clause (a) by section 3 of the Madras Commercial Crops Markets (Amendment) Act, 1954 (Madras Act XXVI of 1954).

4. These words were respectively substituted for the words "Revenue Board", and "Government" by section 3 of, and the Second Schedule to, the Madras Repealing and Amending Act, 1955 (Madras Act XXVI of 1955).

5A. Power of State Government to alter a notified area :-

¹[Subject to the provisions of section 3, the ²[State Government] may by notification--

(a) exclude from a notified area, any area comprised therein and defined in such notification; or

(b) include in any notified area, any area defined in such notification.]

1. This section was inserted by section 2 of the Madras Commercial Crops Markets (Amendment) Act, 1936 (Madras Act IX of 1936).

2. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

6. Constitution of committee :-

¹[(1) Every market committee shall consist of such number of members not exceeding twelve as may be fixed for it by the ²(State) Government.

(2) The District Agricultural Officer having jurisdiction over the notified area shall ex-officio be a member of the market committee established for such area.

Explanation.--Where there are two or more District Agricultural Officers, having jurisdiction over different portions of a notified area, the ²(State) Government shall decide which of such officers shall be the District Agricultural Officer for the purposes of this sub-section.

(3) Each of the following electorates shall elect, from among the persons comprising it, such number of members as the ²(State) Government may determine, to the market committee--

(a) growers in the notified area of the commercial crop or of any of the commercial crops;

(b) persons licensed under section 5 in the notified area in respect of the commercial crop or any of the commercial crops; and buyers, sellers, and buyers and sellers in such area of the commercial crop or of any such crop, registered as such for a period of not less than one year under the rules prescribed in that behalf.

(4) The ²(State) Government may appoint to every market committee such number of members as they think fit, not exceeding the number of members to be elected:

Provided that where a market committee is established for any notified area for the first time--

(i) the ²(State) Government shall appoint all the members of such committee for a period of one year, and

(ii) if before the expiry of the period of one year aforesaid elections of members to the committee could not be held, or if for any reason the ²(State) Government consider it desirable that the committee should consist solely of members appointed by them, they may extend the term of office of all or any of the members appointed under clause (i), or appoint new members in their places, for such period or periods not exceeding one year in the aggregate as they may think fit.

³[(5) (a) The term of office of an elected member shall be three years from the date of occurrence of the vacancy to which he was elected or from the date of his election, whichever is later. The term of office of a member appointed under sub-section (4) other

than a member appointed under the proviso to that sub-section shall expire on the date on which the term of office of elected members expires:

Provided that a member elected under clause (b) of sub-section (3) shall cease to hold his office if he ceases to be a member of the electorate by which he was elected:

Provided further that a member of the committee shall cease to hold his office if he absents himself from three consecutive meetings of the committee including meetings which for want of quorum could not be held.

(b) When the seat of any member becomes vacant, the vacancy shall be filled up--

(i) in case he was an elected member, by a person appointed by the State Government from among the members of the electorate by which the member was elected;

(ii) in any other case, by a person appointed by the State Government:

Provided that no casual vacancy shall be filled up within three months before the expiry of the term of office of the elected members.

(c) The member appointed to fill up a vacancy under clause (b) shall hold office only so long as the member in whose place he is appointed would have been entitled to hold office if the vacancy did not occur].

(6) (a) For the purpose of the second proviso ⁴[to clause (a) of sub-section (5)], no meeting of the committee from which a member absents himself shall be counted against him, if due notice

of that meeting was not given to him.

(b) Where a person ceases to be a member under the proviso aforesaid, the chairman shall at once intimate the fact in writing to such person and report the same to the committee at its next meeting. If such person applied for restoration suo motu to the committee on or before the date of its next meeting or within fifteen days of the receipt by him of such intimation, the committee may at the meeting next after the receipt of such application restore him to his office of member, provided that a member shall not be so restored more than twice during his term of office.

(7) Any member of a market committee may at any time be removed from office by the 2(State) Government for any of the reasons specified in the rules made under this Act.

(8) ⁵[Vacancies caused by the expiry of the term of office of elected members] of any market committee may be filled at elections which may be fixed by the Collector to take place on such days not earlier than two months before the date on which the vacancies arise, as he thinks fit.

(9) Every market committee shall elect one of its members to be its chairman and another member to be its vice-chairman.]

1. This section was substituted for the original section by section 5 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

2. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

3. This sub-section was substituted for the original sub-section (5) by section 2(i) of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

4. This Expression was substituted for the words, brackets and

figure "to sub-section (5)" by section 2 (ii), *ibid.*

5. These words were substituted for the words "Vacancies arising by efflux of time among elected members", by section 2(iii) of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

6A. Special provision when there is delay in the reconstitution of a new committee :-

¹[When the term of office of the member of a market committee has expired and if for any reason there is delay in the reconstitution of the committee, the Collector shall perform all the functions of the committee until it is; reconstituted.]

1. This section was inserted by section 6 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

7. Incorporation of committee :-

Every market committee shall be a body corporate by such name as the ¹[State Government] may specify in the notification establishing it, shall have perpetual succession and a common seal, may sue and be sued in its corporate name, and shall be competent to acquire and hold property, both movable and immovable, to lease, sell or otherwise transfer any movable or immovable property which may have become vested in or been acquired by it, and to contract and to do all other things necessary for the purposes for which it is established.

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

8. Sub-committees and joint committees and delegation of powers :-

The market committee may appoint one or more of its members to be a sub-committee or to a joint committee for the conduct of any work or to report on any matter, and may delegate to any one or more of its members such of its own powers or duties as it may

think fit.

9. Appointments and salaries of officers and servants of market committee :-

(1) Subject to such rules as may be made by the ¹[State Government] in this behalf, a market committee may employ such officers and servants as may be necessary for the management of the market, may pay such officers and servants such salaries as it may think fit and shall have power to control and punish them. The committee may also provide for the payment to its officers and servants of such leave allowances, pensions, gratuities or compassionate allowances as it deems proper; and may contribute to any provident fund which may be established for the benefit of such officers and servants.

²[(2) The committee shall, in the case of any servant of the ³(Government) whom it employs, make such contributions towards his pension and leave allowances as may be required, by the conditions of his service under the ³(Government), to be paid by him or on his behalf.]

⁴[(3) The chairman, vice-chairman and every officer or servant of a market committee shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.](Central Act XLV of 1860)

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for the word "Provincial" by the Adaptation Order of 1950.

2. This sub-section was substituted for the original sub-section by the Adaptation Order of 1937.

3. This word was substituted for the word "Crown" by the Adaptation Order of 1950.

4. This sub-section was added by section 7 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications

by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

10. Execution of contracts :-

(1) Every contract entered into by the market committee shall be in writing and shall be signed on behalf of the market committee by the chairman and two other members of the committee ¹[or by the Collector when he performs all the functions of the committee under section 6-A, or, if the market committee has been superseded, by the person or persons appointed under section 16, sub-section (3)].

(2) No contract other than a contract executed as provided in sub-section (1) shall be binding on a market committee.

1. These words were added by section 3 of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

11. Levy of fees by market committees :-

¹[²(1) Notwithstanding anything contained in the Madras General Sales Tax Act, 1939 (Madras Act IX of 1939), the market committee shall, subject to such rules as may be made in this behalf, levy a cess by way of sales tax on any commercial crop bought and sold in the notified area at such rates as the State Government may, by notification, determine.

Explanation.--For the purposes of this sub-section, all commercial crops leaving a notified area shall, unless the contrary is proved, be presumed to be bought and sold within such area.]

(2) The ³[cess] referred to in sub-section (1) shall be paid by the purchaser of the commercial crop concerned;

Provided that where the purchaser of a commercial crop cannot be

identified, the 3[cess] shall be paid by the seller.]

4[]

5[(4) The cess levied under sub-section (1) shall be subject to the provisions of Article 286 of the Constitution.]

1. This section was substituted for the original section by section 8 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

2. This sub-section was substituted for sub-section (1) by section 4(a) of Madras Act XXXIII of 1955, *ibid*.

3. The word "cess" was substituted for the words "fees" and "fee", by section 4(b) of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

4. Sub-section (3) of section 11 which was added by section 134 of the Madras Village Panchayats Act, 1950 (Madras Act X of 1950) was omitted by section 3 of, and the Second Schedule to, the Madras Repealing and Amending Act, 1957 (Madras Act XXV of 1957).

5. This sub-section was added by section 4(d) of Madras Act XXXIII of 1955, *ibid*.

11A. Levy of subscriptions for market reports, etc :-

1[The market committee may, subject to such rules as may be made in this behalf, levy a subscription for collecting and disseminating among the subscribers; information as to any matter relating to crop statistics or marketing in respect of the commercial crop or any of the commercial crops concerned.]

1. This section was inserted by section 4 of the Madras Commercial Crops Markets (Amendment) Act, 1939 (Madras Act XIX of 1939).

12. Market Committee Fund :-

(1) All moneys received by a market committee shall be paid into a fund to be called the Market Committee Fund. All expenditure incurred by the market committee under or for the purposes of this Act shall be defrayed out of the said fund; and any surplus remaining after such expenditure has been met shall be invested in such manner as may be prescribed by rules.

(2) (a) Every market committee shall out of its fund pay to the 1[State Government] the cost of any special or additional staff employed by the 1[State Government] in consultation with the committee for giving effect to the provisions of this Act in the notified area.

(b) The ¹[State Government] shall determine the cost of such special or additional staff and shall, where the staff is employed for the purposes of more than one market committee, apportion such cost among the committees concerned in such manner as they think fit. The decision of the 1[State Government] determining the amount payable by any market committee shall be final.

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

13. Purposes for which the fund may be expended :-

Subject to the provisions of section 12 the market committee fund shall be expended for the following purposes only:--

(i) the acquisition of a site or sites for the market;

(ii) the maintenance and improvement of the market;

(iii) the construction and repair of buildings which are necessary for the purposes of such market and for the health, convenience and safety of the persons using it;

(iv) the provision and maintenance of standard weights and measures;

(v) the pay, pensions, leave allowances, gratuities, compassionate allowances and contributions towards leave allowances, pensions or provident fund of the officers and servants employed by the market committee;

(vi) the expenses of and incidental to elections;

(vii) the payment of interest on loans that may be raised for purposes of the market and the provision of a sinking fund in respect of such loans;

(viii) the collection and dissemination of information regarding all matters relating to crop statistics and marketing in respect of the commercial crop or crops concerned ¹[. .];

²[(ix) schemes for the extension or cultural improvement of the commercial crop or crops concerned within the notified area, including the grant, subject to the approval of the ³(State) Government, of financial aid to schemes for such extension or improvement within such area, undertaken by other bodies or individuals; ⁴()]

⁵[(x)] propaganda in favour of agricultural improvement and thrift;

⁶[(xi) such other purposes as may be authorized by the ³(State) Government in this behalf by general or special order.]

1. The word "and" was omitted by section 5(i) of the Madras Commercial Crops Markets (Amendment) Act, 1939 (Madras Act XIX of 1939).

2. This clause was inserted by section 5 (ii), *ibid.*

3. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

4. The word "and" was omitted by section 9 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

5. Original clause (ix) was renumbered as clause (x) by section 5(ii) of the Madras Commercial Crops Markets (Amendment) Act, 1939 (Madras Act XIX of 1939).

6. This clause was added by section 9 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

14. No trade allowance permissible except as prescribed by rules, or by-laws :-

No trade allowance, other than an allowance prescribed by rules or by-laws made under this Act, shall be made or received in a notified area by any person in any transaction in respect of the commercial crop or crops concerned 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.

Explanation.--Every deduction other than deductions on account of deviation from sample, when the purchase is made by sample, or of deviation from standard, when the purchase is made by reference to a known standard, or on account of difference between the actual weight of the sacking and the standard weight, or on account of the admixture of foreign matter, shall be regarded as a trade allowance for the purposes of this Act.

15. Power to borrow :-

(1) Every market committee may, with the previous sanction of the ¹[State Government], raise the money required for carrying out the purposes for which it is established on the security of any property vested in and belonging to the market committee, and of any ²[fee or cess] leviable by the market committee under this Act. The committee may, for the purpose of meeting the initial expenditure

on lands, buildings and equipment required for establishing the market, obtain a loan from the ¹[State Government].

(2) The conditions under which such money or loan shall be raised and the time within which the same shall be repayable shall be subject to the previous sanction of the ¹[State Government.]

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

2. These words were substituted for the word "fees", by section 5 of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

16. Supersession of market committee :-

(1) If, in their opinion, 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 powers, the ¹[State Government] may, by notification in the ²[Official Gazette], supersede such committee ³[for a period not exceeding two years in the first instance and may by order extend from time to time the period of supersession so however that the total period of supersession in the case of any market committee shall not exceed four years]:

Provided that before issuing a notification under this sub-section, the ¹[State Government] 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.

⁴[(2) Upon the publication of a notification under sub-section (1) superseding a market committee, the following consequences shall ensue;--

(a) all the members as well as the chairman and vice-chairman of the market committee shall as from the date of such publication be deemed to have vacated their offices;

(b) all the assets vested in the market committee shall, subject to all its liabilities, vest in the 5(State) Government.]

⁴[(3) When a market committee has been superseded--.

(a) the ⁵(State) Government may at their discretion, by order appoint a suitable person or persons to carry out the functions of the committee and transfer to such person or persons the assets and liabilities of the superseded market committee as on the date of such transfer; and

(b) at any time before the expiry of the period of supersession, the ⁵(State) Government may constitute a new committee under section 4-A and transfer thereto the assets and liabilities of the superseded committee as on the date of such transfer.]

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

2. These words were substituted for the words "Fort St. George Gazette" by the Adaptation Order of 1937.

3. These words were inserted by section 10(i) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

4. Sub-sections (2) and (3) were substituted for original sub-sections (2) and (3) by section 10(ii) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

5. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

17. Penalties :-

Whoever contravenes the provisions of ¹(section 5) shall be punishable with fine which may extend to five hundred rupees, and in the case of a continuing contravention with a further fine which may extend to one hundred rupees for every day during which the contravention is continued after conviction therefor.

1. This Expression was substituted for the expression "section 4" by section 11 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

18. Rules :-

(1) The ¹[State Government] may, either generally or specially for any notified area or areas, make rules consistent with this Act for carrying out all or any of the purposes thereof,

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

²[(i) the election, appointment and removal of members of a market committee; the preparation and revision of lists of electors; and the payment of all expenditure in connexion with or incidental to elections];

(ii) the election of the ³(chairman and vice-chairman of a market committee and their term of office);

(iii) the filling of casual vacancies in the office of ⁴(chairman), ⁵[or vice-chairman] of a market committee;

(iv) the maximum annual fees which may be levied by the market

committee in respect of licences granted ⁶[. . .] under ⁷(section 5) ⁸[. . . .] and the recovery of such fees;

⁹[(iv-a) the maximum rates of subscriptions which may be levied by the market committee under section 11-A, and the recovery of such subscriptions;]

(v) the issue by a market committee of licences to brokers, weighmen measurers and surveyors, the form in which, and the conditions under which, such licences shall be issued or renewed, and the fees to be charged therefor;

¹⁰[(v-a) the registration of buyers, sellers and buyers and sellers, in the notified area; the form in which and the conditions subject to which such registration may be renewed; and the fees to be charged therefor;]

(vi) the kind and description of the scales, weights and measures which alone may be used in transactions in the commercial crop or crops in a notified area;

(vii) the periodical inspection, verification and correction of all scales, weights and measures in use in a notified area ¹¹[and the seizure of scales, weights and measures found to be false];

(viii) the trade allowances which may be made or received by any person in any transaction in a commercial crop or crops in a notified area;

(ix) the provision of facilities for the settlement of any dispute between a buyer and seller of a commercial crop or their agents including disputes regarding the quality or weight of the article, the allowances for wrappings, dirt or impurities or deductions from any cause;

(x) the prohibition of brokers from acting in any transaction on behalf of both the buyer and seller of a commercial crop;

(xi) the provision of accommodation for storing any commercial crops brought into the market;

(xii) 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;

12[(xii-a) the procedure to be followed by a market committee in respect of financial matters generally including the manner in which, and the restrictions and conditions subject to which, expenditure may be incurred by it;]

(xiii) the form in which the accounts of a market committee shall be kept, the audit and publication of such accounts, and the charges, if any, to be made for such audit;

13[(xiii-a) the powers of auditors to disallow and surcharge items and the recovery of sums so disallowed and surcharged;

(xiii-b) the institution of provident funds;]

(xiv) the preparation and submission for sanction of an annual budget and the reports and returns to be furnished by a market committee; and

(xv) the investment and disposal of the surplus funds of a market committee.

(3) Any rule made under this section may provide that any contravention thereof or of any of the conditions of any licence issued or renewed thereunder shall be punishable with fine which

may extend to two hundred rupees.

(4) (a) The power to make rules conferred by this section is subject to the condition of the rules being made after previous publication.

(b) All rules made under this section shall be published in the 14[Official Gazette] and on such publication shall have effect as if enacted in this Act.

(c) All such rules shall be laid 15[before both 16(Houses) of the 17(State) Legislature].

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

2. This clause was substituted for clause (i) by section 12(i) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945) re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

3. These words were substituted for the words "chairman of a market committee and his term of office" by section 6(b) of the Madras Commercial Crops Markets (Amendment) Act, 1940 (Madras Act III of 1940), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

4. These words were substituted for the words "chairman or member" by section 6(c), of the Madras Commercial Crops Markets (Amendment) Act, 1940 (Madras Act III of 1940), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

5. These words were substituted for the words "Vice-chairman or member" by section 6(i) of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

6. The words "to traders" were omitted by section 5 of the Madras

Commercial Crops Markets (Amendment) Act, 1936 (Madras Act XV of 1936).

7. This Expression was substituted for the expression "section 4" by section 12(ii) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

8. The words "and on the commercial crop or crops bought and sold in the notified area", were omitted by section 6(ii) of Madras Act XXXIII of 1955, *ibid*.

9. This clause was inserted by section 6 of the Madras Commercial Crops Markets (Amendment) Act, 1939 (Madras Act XIX of 1939).

10. This clause was substituted by section 4 of the Madras Commercial Crops Markets (Amendment) Act, 1954 (Madras Act XXVI of 1954) for the clause inserted by section 12(iii) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945).

11. These words were added by section 12(iv) of Madras Act XXI of 1945, *ibid*.

12. This clause was inserted by section 2 of the Madras Commercial Crops Markets (Second Amendment) Act, 1949 (Madras Act XL of 1949).

13. These clauses were inserted by section 12(v) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

14. These words were substituted for the words "Fort St. George Gazette" by the Adaptation Order of 1937.

15. These words were substituted for the words "on the table of the Legislative Council" by *ibid*.

16. This word was substituted for the word "Chambers" by the Adaptation (Amendment) Order of 1950.

17. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

19. By-laws :-

(1) Subject to any rules made by the ¹[State Government] under section 18 and with the previous sanction of ²(the Director of Agriculture, Madras) a market committee may in respect of ³(the notified area for which it was established) make by-laws for the regulation of the business and the conditions of trading therein:

⁴[Provided that where a market committee fails to make by-laws under this sub-section within one month from the date of its establishment, the Director of Agriculture, Madras, may make such by-laws as he thinks fit and the by-laws so made shall remain in operation until the market committee has made by-laws under this sub-section.]

(2) Any by-law made under this section may provide that contravention thereof shall be punishable with fine which may extend to fifty rupees.

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and the word "State" was substituted for "Provincial" by the Adaptation Order of 1950.

2. These words were substituted for the words "the Collector of the district" by section 13(i) of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

3. These words Were substituted for the words "the market under its management" by *ibid*.

4. This proviso was added by section 13(ii), *ibid*.

19A. Power to write off irrecoverable fees, etc :-

²[A market committee may write off any fee, ³[cess] or other amount whatsoever due to it, whether under a contract or otherwise, or any sum payable in connexion therewith, if in its opinion, such fee ³[cess] amount or sum is irrecoverable:

Provided that the sanction of the ¹(State) Government shall be

obtained for writing off any such fee, ³[cess] amount or sum exceeding one hundred rupees.]

1. This word was substituted for the word "Provincial" by the Adaptation Order of 1950.

2. This section was inserted by section 14, *ibid*.

3. The word "cess" was inserted by section 7 of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

20. Trial of offences :-

(1) No offence made punishable by this Act or any rule or by-law made thereunder shall be tried by a court inferior to that of a Presidency Magistrate or Magistrate of the first class.

(2) Prosecutions under this Act may be instituted by any person duly authorized in writing by the market committee in this behalf.

(3) All fines recovered from an offender shall be credited to ¹[the revenues of the State] and a grant equivalent to such fines shall be paid to the market committee.

1. These words were substituted for the words "provincial revenues" by section 4 of, and the Third Schedule to the Madras Repealing and Amending Act, 1957 (Madras Act XXV of 1957).

21. Recovery of sums due to Government from market committee :-

All sums due from a market committee to the ¹[State Government] may be recovered in the same manner as arrears of land revenue.

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and for the word "Provincial" the words "State" was substituted by the Adaptation Order of 1950.

22. Delegation of Collectors powers :-

With the previous sanction of the ¹[State Government] which may be accorded by general or special order, the ²(Collector) may, by an order in writing, delegate to any revenue officer not below the rank of a tahsildar all or any of his powers or duties under this Act or the rules framed thereunder.

1. The words "Provincial Government" were substituted for the words "Local Government" by the Adaptation Order of 1937 and for the word "Provincial" the words "State" was substituted by the Adaptation Order of 1950.

2. This word was substituted for the words "Collector of the district" by section 15 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No I) Act, 1948 (Madras Act VII of 1948).

23. Saving :-

¹[Nothing in this Act shall apply to any place set up, established or continued by or on behalf of the ²(Government) for the purchase, sale, storage, weighment, pressing or processing of any commercial crop or to the purchase or sale of any such crop by or on behalf of the ⁵(Government).]

1. This section was added by section 7 of the Madras Commercial Crops Markets (Amendment) Act, 1940 (Madras Act III of 1940), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948).

2. This word was substituted for the word "Crown" by the Adaptation Order of 1950.

24. Registration of documents executed on behalf of a market committee :-

⁴[(1) Notwithstanding anything contained in the Indian Registration Act, 1908 (Central Act XVI of 1908), it shall not be necessary for the chairman or any member or officer of a market committee ¹[or the officer or person referred to in section 10, sub-section (1),] 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.

(2) Where any instrument is so executed, the registering officer to whom such instrument is presented for registration may, if he thinks fit, refer to such chairman, member, ²[officer or person] for information respecting the same and, on being satisfied of the execution thereof, shall register the instrument.]

3[]

1. These words were inserted by section 8(i) of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

2. These words were substituted for the words "or officer", by section 8(ii), *ibid*.

3. This Schedule which was added by the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII of 1948) was omitted by section 9 of the Madras Commercial Crops Markets (Amendment) Act, 1955 (Madras Act XXXIII of 1955).

4. This section was added by section 16 of the Madras Commercial Crops Markets (Amendment) Act, 1945 (Madras Act XXI of 1945), re-enacted permanently with specified modifications by section 3 of, and the Second Schedule to, the Madras Re-enacting and Repealing (No. I) Act, 1948 (Madras Act VII Of 1948).