

Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987

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Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987

CHAPTER 1 PRELIMINARY

1. Short Title, Extent And Commencement :-

(1) This Act may be called the Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987.

(2) It extends to the whole of the State of Tamil Nadu .

(3) The provisions of the sub-sections (2) and (4) of section 22 and sub-sections (5) and (7) of section 37 shall come into force at one and the remaining provisions of this Act shall come into force on such date as the Government may, by notification, appoint; and different dates may be appointed for different areas and for different provisions of this Act.

2. Definitions :-

In this Act, unless the context otherwise requires:-

(1) "agricultural produce" means any produce of agriculture, whether processed or unprocessed, specified in the Schedule;

(2) "agriculture" includes horticulture, fruit growing, seed growing, animal husbandry (including breeding of livestock), pisciculture and sericulture and "agricultural" shall be construed accordingly;

(3) "Board" means the Tamil Nadu State Agricultural Marketing Board established under section 35;

(4) "broker" means an agent who, in consideration of a commission, fee or remuneration contrives, makes and concludes a bargain or contracts on behalf of his principal, for the purchase or sale of any agricultural produce, but does not receive, deliver, transport or pay for the purchase or collect payment for the sale of the agricultural produce;

(5) "Chairman" means the Chairman of a market committee;

(6) "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 those districts designated in the Government in that behalf;

(7) "commission agent" means a person, who by himself or through his servants, buys and sells agricultural produce for another person keeps it to his custody and controls it during the process of its purchase and sale, and collects payment therefore from the buyer and pays it to the seller, and receives by way of remuneration a commission or percentage upon the amount involved in each transaction;

(8) "Director" means the Director of Agricultural Marketing, Tamil Nadu, and includes any other person or authority authorized by the

Government, by notification, to perform any of the functions of the Director under this Act for such area as may be specified in the notification;

(9) "Government" means the State Government;

(10) "market" means any market established under sub-section (1) of section 6 and shall, except in sub-sections (1) and (2) of that section, include a subsidiary market;

(11) "market committee means any market committee established under sub-section (1) of section 5;

(12) "notified agricultural produce" means any agricultural produce specified in the notification under section 3;

(13) "notified area" means any area notified under section 4 as altered by any notification under sub-section (1) of section 9;

(14) "notified market area means any area notified under sub-section (2) of section 6 as altered by any notification under sub-section (1) of section 9;

(15) "person" means an individual or a firm or a company or an association or a body of individuals, whether incorporated or not, or a local authority;

Explanation:- In this clause, "local authority" shall have the same meaning assigned to it in clause (20) of section 3 of the Tamil Nadu Public Health Act, 1939 (Tamil Nadu Act III of 1939);

(16) "President" means the President of the Board;

(17) "Processing means any one or more of a series of treatments such as powdering, crushing decorticating, husking, par-boiling polishing, ginning, pressing, curing, pasteurizing or any other manual, mechanical, chemical, physical or other treatment to which raw agricultural produce or its product are subjected to, to make it fit for marketing or ultimate consumption;

(18) "producer" means any person who grows, rears, or produces by himself, or by hired labour, or otherwise, any agricultural produce in an extent of land not less than half an hectare but does not include a broker or a trader in that produce, although he may grow, rear or produce, that produce;

Provided that for the purposes of clauses (a) and (c) of sub-section (2) of section 10, a person shall not be deemed to be a producer, unless he has grown, reared, or produced the notified agricultural produce for a period of not less than three years immediately preceding the date of occurrence of the vacancy against which he is to be nominated.

If any question arises as to whether any person is a producer or not for the purposes of this Act, the decision of the Collector shall,

subject to the provisions of section 60, be final. In arriving at a decision, the Collector shall follow such procedure as may be prescribed.

Explanation - For the purpose of this clause, "producer" shall also include a tenant;

(19) "Registrar means the Registrar of Cooperative Societies for the State of Tamil Nadu ;

(20) "Schedule" means the Schedule to this Act;

(21) "Secretary" means the Secretary of a market committee and includes a Joint, Deputy or Assistant Secretary;

(22) "subsidiary market" means any subsidiary market established under sub-section (3) of section 7;

(23) "trader" means a person who buys, sells, stocks, processes, treats or in any way deals with any notified agricultural produce either for himself or as a partner or as an agent of one or more persons and includes a commission agent, del credere agent or any other mercantile agent but does not include a broker.

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

(1) The Government may, by notification, declare their intention of regulating the marketing of such agricultural produce and in such area as may be specified in the notification.

(2) The notification shall state that any objection or suggestion which may be received by the Government, within such period as may be specified in the notification, shall be considered by them.

A copy of the notification shall also be published in such other manner as may be prescribed.

4. Declaration Of Notified Area :-

(1) After the expiry of the period specified in the notification under section 3 and after considering such objection and suggestion as may be received before such expiry, the Government may, notification, 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 any agricultural produce specified in the notification under that section.

A copy of the notification shall also be published in such other manner as may be prescribed.

(2) A notification under section 3 or under sub-section (1) shall have full force and effect notwithstanding any irregularity or defect

in the publication of a copy of such notification.

CHAPTER 2 MARKET COMMITTEES

5. Establishment Of Market Committee :-

(1) The 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 rules and by-laws made under this Act in such notified area.

(2) Where, after the establishment of a market committee under sub-section (1), any agricultural produce is notified in relation to the notified area for which the market committee has been established, then, the market committee shall be deemed to have been established in respect of that agricultural produce also.

6. Establishment Of Markets :-

(1) Every market committee shall establish in the notified area such number of markets providing such facilities, as the Government may, from time to time, direct for the purchase and sale of the notified agricultural produce.

(2) The Government shall, as soon as may be, after the establishment of a market by a market committee under sub-section (1), declare by notification, the area of the market and such area around the market as may be specified in the notification to be a notified market area for the purposes of this Act in respect of any notified agricultural produce.

7. Establishment Of Special And Subsidiary Markets :-

(1) Notwithstanding anything contained in section 6, where the Government are satisfied that on account of the specialized nature of marketing of any agricultural produce, like fresh fruits, fresh vegetables, or wool, in any area, it is expedient to ensure the efficient regulation of the marketing of such agricultural produce in such area the Government may establish:-

- (a) in such area special market for such agricultural produce, and
- (b) independent market committee in relation to such special market notwithstanding that such area falls within the local limits of the jurisdiction of any other market committee or committees already functioning in that area and every such special market and independent market committee shall be established and constituted in the same manner in which a market and a market committee is

established and constituted under this Act.

(2) Where a special market and independent market committee are established under sub-section (1), the Government may, by notification, declare that the provisions of this Act shall with such modifications, restrictions or limitations as may be specified in the notification, apply in relation to such special market and independent market committee.

(3) The market committee may, with the previous approval in writing of the Government, establish, within the notified market area, such number of subsidiary markets as may be necessary provided such facilities as the Government may, from time to time direct, for the purchase and sale of the notified agricultural produce.

(4) (a) The Government may, by notification, declare their intention to direct the independent market committee, or as the case may be, the market committee concerned to close such special market or subsidiary market as may be specified in the notification. The notification shall state that any objection or suggestion which may be received by the Government, within such period as may be specified in the notification, shall be considered by it.

A copy of the notification shall also be published in such other manner as may be prescribed.

(b) After the expiry of the period specified in the notification under clause (a) and after considering such objection and suggestion as may be received before such expiry, the Government may direct the independent market committee, or as the case may be, the market committee concerned to close the special market or subsidiary market specified in the notification under clause (a) and such direction shall be given effect to by the independent market committee, or as the case may be, the market committee concerned within such period as may be specified in the direction.

8. Trading In Agricultural Produce In Notified Area :-

(1) No person shall within a notified area:-

(a) set up, establish or use, or continue or allow to be continued any place for the purchase or sale, storage, weighing, measurement or processing of any notified agricultural produce, or

(b) operate as a broker, weighman, measure, trader warehouseman or in any other capacity in relation to the buying and selling of any notified agricultural produce, except under, and in accordance with the conditions of a licence granted to him by the market committee

Provided that the market committee may exempt from the provisions of this sub-section any person who carries on the business of purchasing or selling, storing, weighing, measuring or processing any notified agricultural produce in any quantity not exceeding such quantity as may be prescribed;

Provided further that a producer selling, storing, weighing, measuring or processing any notified agricultural produce which has been grown, reared or produced by him, or a cooperative marketing society selling, storing, weighing, measuring or processing any notified agricultural produce which has been grown, reared or produced by any of its members, shall be exempt from the provisions of this sub-section, but the Government may withdraw, for such period as may be prescribed, such exemption in respect of any such producer or cooperative marketing society or all of them.

Explanation:- "Cooperative marketing society" means any cooperative society registered or deemed to be registered under the Tamil Nadu Cooperative Societies Act, 1961 (Tamil Nadu Act 53 of 1961) which has, as its principal object, the promotion of the marketing of the agricultural produce grown, reared or produced by its members.

(2) Nothing contained in sub-section (1) shall apply:-

(a) a person purchasing any notified agricultural product for his own domestic consumption in any quantity not exceeding such quantity as may be prescribed;

(b) a person purchasing any notified agricultural produce for his own seed purposes in any quantity not exceeding such quantity as may be prescribed;

(c) a Warehousing Corporation established or maintained by the State or Central Government or a warehouseman licensed under the Tamil Nadu Warehouses Act, 1951 (Tamil Nadu Act XV of 1951) in respect of storage, weightment or measurement of any notified agricultural produce accepted for warehousing.

(3) Notwithstanding anything contained in sub-section (1), no person shall, after the date to be notified by the Government in this behalf in the Tamil Nadu Government Gazette, purchase or sell any notified agricultural produce in a notified market area outside the market in that area.

Explanation:- For the purpose of this sub-section, purchase or sale shall, unless otherwise prescribed, means the purchase or sale in the first point in the notified market area.

(4) A licence under sub-section (1) may be refused to a person:-

(a) whose licence was cancelled, and a period of three years has

not elapsed since the date of the cancellation; or

(b) who has been convicted of an offence where such offence relates to his business or his integrity as a man of business; or

(c) in regard to whom the market committee is satisfied, after such enquiry as it considers adequate, that he is a benamidar for, or a partner with, any other person to whom a licence may be refused under clause (a) or clause (b).

(5) If a market committee is satisfied, either on a reference made to it in this behalf, or otherwise, that:-

(a) a licence granted under sub-section (1) has been obtained by misrepresentation or fraud, or

(b) the holder of a licence has contravened, or failed to comply with, any of the provisions of this Act or the rules or by-laws made under this Act or any of the conditions of the licence, then, without prejudice to any other penalty to which the holder of the licence may be liable under this Act, the market committee may, subject to such rules as may be made in this behalf, cancel or suspend the licence, after giving the holder of the licence a reasonable opportunity of showing cause against such cancellation or suspension.

(6) Any person aggrieved by the decision of the market committee:-

(a) refusing to grant, or

(b) canceling or suspending,

a licence may, within such time as may be prescribed, appeal to the Board and the Board may make such order in the case as it may think fit.

(7) A licence granted under sub-section (1) shall be valid for a period of:-

(a) three years in respect of a person who carries on the business, by wholesale, of purchasing or selling any notified agricultural produce;

(b) one year in respect of others, and may be renewed from time to time and the provisions of this Act shall, so far as may be, apply in relation to the renewal of a licence as they apply in relation to the grant of a licence.

(8) Every person to whom a licence is granted under sub-section (1) shall comply with the provisions of this Act, the rules and by-laws made under this Act and the conditions specified in the licence.

(9) Every person licensed or liable to pay fee or any other amount under this Act shall keep and maintain a true and correct account

and such other records showing such particulars as may be specified in the by-laws of the market committee and shall submit such periodical return relating to his business transaction including processing as may be prescribed, to the market committee in such manner and within such period as may be prescribed, together with the fee or other amount due on the basis of the return.

9. Alteration Of Notified Area, Etc :-

(1) The Government may, by notification, with effect on and from such date as may be specified in the notification:-

(a) include any area in, or exclude any area from, any notified area or any notified market area;

(b) divide any notified area into two or more separate notified areas;

(c) amalgamate two or more notified areas into one notified area;

(d) declare that regulating the marketing of any notified agricultural produce in any notified market area shall cease or that the marketing of any agricultural produce hitherto not regulated shall be regulated in any notified market area:

Provided that the power conferred by this section shall, in relation to any notified area or agricultural produce, be subject to the provisions of section 3.

(2) When the limits of the notified area for which a market committee is established are altered under sub-section (1), the following consequences shall, with effect on and from such date as may be specified in the notification, ensue, namely:-

(a) the market committee shall stand dissolved and its members shall have vacated their offices as such members;

(b) a new market committee shall be established and constituted for the new notified area in accordance with the provisions of section 5 and section 10;

(c) the licence, if any, granted by the dissolved market committee shall be deemed to have been granted by the new market committee having jurisdiction and shall continue to have effect accordingly for the remainder of the period for which it was granted;

(d) there shall be transferred to the new market committee such portion of the dissolved market committee's funds and other assets, debts and obligations as the Government may, by order, direct and the rights and liabilities of the dissolved market committee in respect of civil and criminal proceedings, contracts, agreements and

every other matter or thing arising in, or relating to, any part of the notified area within the jurisdiction of the new market committee, shall vest in the new market committee.

10. Constitution Of Market Committee :-

(1) Every market committee shall consist of sixteen members and shall be constituted in the manner hereinafter specified.

(2) Every market committee shall consist of:-

(a) eight producers of the notified agricultural produce in the notified area, nominated by the Government in consultation with the Director, of whom at least three shall be small farmers and another three shall be marginal farmers;

Provided that where more than one agricultural produce has been notified in respect of any notified area, such nomination shall, as far as practicable, secure the interests of the producers of all the notified agricultural produces in that notified area;

(b) three persons licensed under sub-section (1) of section 8 in the notified area in respect of any notified agricultural produce, nominated by the Government in consultation with the Director;

(c) one producer of any notified agricultural produce residing in the notified area, nominated by the Government in consultation with the Registrar; and

(d) three officials nominated by the Government in consultation with the Director of whom one shall be the officer-in-charge of the district in the Government Department of Agriculture, and two shall be the officers in-charge of the district in any two of the Government Departments of Animal Husbandry, Forestry, Fisheries, Horticulture, Sericulture or Oilseeds.

Explanation:- For the purposes of clause (a):-

(i) "small farmer" means a person whose principal means of livelihood is income derived from agricultural land and who holds, whether as owner, tenant or mortgagee with possession, or partly in one capacity and partly in another, more than half a hectare of irrigated land or one hectare of unirrigated land but not more than one hectare of irrigated land or two hectares of unirrigated land;

(ii) "marginal farmer" means a person whose principal means of livelihood is income derived from the agricultural land and who holds, whether as owner, tenant or mortgagee with possession, or partly in one capacity and partly in another, not more than half a hectare of irrigated land or one hectare of unirrigated land, and where any person holds both irrigated and unirrigated land,

one hectare of irrigated land shall be deemed to be equal to two hectares of unirrigated land.

(3) The Government may, at any time withdraw any member or members nominated by them under sub-section (2) and fill up the vacancy or vacancies by fresh nomination.

11. Publication Of Names Of Members Of Market Committee

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The names of the members of the market committee nominated under section 10 shall be notified by the Government in Tamil Nadu Government Gazette.

12. Chairman And Vice-Chairman Of Market Committee :-

Every market committee shall elect in such manner as may be prescribed:-

- (a) one of its members who is nominated under clause (a) or clause (c) of sub-section (1) of section 10 to be its Chairman, and
- (b) another member to be its Vice-Chairman.

13. Disqualifications For Membership Of Market Committee

:-

A person shall be disqualified for being nominated as, and for being, a member of a market committee:-

- (a) if he is a minor or of unsound mind;
- (b) if he is an applicant to be adjudicated as insolvent or is an undischarged insolvent;
- (c) if he has been sentenced for any offence involving moral turpitude, punishable under any law with imprisonment for one year and upwards, such sentence not having been annulled and a period of five years has not elapsed from the date of expiration of the sentence;
- (d) if, and for so long as, there subsists a contract entered into by him in the course of his trade or business with that market committee for the supply of goods to, or for the execution of any works undertaken by, that market committee.

Explanation:- For the purposes of this clause, where a contract has been fully performed by the person by whom it has been entered into with the market committee, the contract shall be deemed not to subsist by reason only of the fact that the market committee has not performed its part of the contract either wholly or in part;

- (e) if he is in default for a period exceeding fifteen days by failing to pay any fee or any other amount due to the market committee, from the date on which a demand or notice has been served on him in that regard;
- (f) if he is employed as legal practitioner on behalf of the market committee or against it; or
- (g) if he is a paid officer or servant of any market committee.

14. Assistant Director Of Agriculture To Be Ex-Officio Member :-

The Assistant Director of Agriculture in-charge of marketing having jurisdiction over the notified area shall be the ex-officio member of the market committee established for such area, or where there are two or more Assistant Directors of Agriculture in-charge of marketing having jurisdiction over different portions of a notified area, one of such Assistant Directors as the Government may specify in this behalf.

15. Term Of Office Of Members, Etc :-

(1) The term of office of the members of a market committee, other than the ex-officio member or the members nominated under clause (d) of sub-section (2) of section 10, shall be three years from the date of publication in the Tamil Nadu Government Gazette of the notification under section 11 and such members shall be eligible for nomination for not more than another term of three years;

Provided that, for the purposes of this sub-section, a person who has held office in a casual vacancy for a period of not less than one year shall be deemed to have held office for full term of three years:

Provided further that, a member notwithstanding the expiry of his term of office, shall continue to hold office and function as a member of the market committee until the nomination of his successor, or for a period of three months, whichever is earlier:

Provided also that the Government may, by notification, on or before the expiry of the term of office of the members of a market committee, for sufficient cause, direct that the term of office of such members of the market committee as a whole be extended by such period not exceeding six months at any one time, but not exceeding one year in the aggregate.

(2) (a) A member of every market committee, other than the ex-

officio member or the members nominated under clause (d) of sub-section (2) of section 10, shall cease to hold his office if he absents himself from three consecutive meetings of the market committee, including meetings which, for want of quorum could not be held.

(b) For the purposes of clause (a), no meeting of the market committee from which a member absents himself shall be counted against him if due notice of that meeting was not given to him.

(3) Where a person ceases to be a member under sub-section (2), the Chairman shall at once intimate the fact in writing to such person and report the same to the market committee at its next meeting. The market committee may suo-motu at the meeting, and shall on an application made by such person within fifteen days of the receipt by him of such intimation, at its next meeting after the receipt of such application, restore him to his office as member: Provided that a member shall not be so restored more than twice during his term of office.

(4) Every casual vacancy in the office of any member of the market committee shall ordinarily be filled up not later than three months from the date of occurrence of the vacancy by a fresh nomination in the manner prescribed:

Provided that no casual vacancy shall be filled up within four months before the expiry of the term of office of the member in whose place he is nominated would have been entitled to hold office if the vacancy did not occur.

(5) The member nominated to fill up a casual vacancy under sub-section (4) shall hold office only so long as the member in whose place he is nominated would have been entitled to hold office if the vacancy did not occur.

Explanation:- For the purpose of this section, "casual vacancy" means a vacancy occurring otherwise than by efflux of time.

(6) If at any time it appears to the Government that any person nominated by them has shown himself to be unsuitable for his office, or has been guilty of any misconduct or neglect which renders his removal expedient, the Government may, by notification, remove such person from his office.

16. Incorporation Of Market Committee :-

Every market committee shall be a body corporate by such name as the Government may specify, shall have perpetual succession and a common seal, 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 acquire and hold property both movable and immovable, sell, lease 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:

Provided that no immovable property shall be transferred by way of sale, lease or otherwise without the prior permission of the Government.

17. Market Committee To Be A Local Authority :-

Every market committee shall be deemed to be a local authority for the purposes of the Land Acquisition Act, 1894 (Central Act 1 of 1894) and the Local Authorities Loans Act, 1914 (Central Act IX of 1914).

18. Sub-Committee, Special Committee And Delegation Of powers :-

The market committee may appoint one or more of its members to be a sub-committee or to be a special committee for the conduct of any work, or to report on any matter, pertaining to its duties or functions under this Act and the rules and by-laws made under this Act and may delegate to any one or more of its members such of its own powers or duties as it may think fit.

19. General Meetings :-

(1) The market committee may, at any time, call a general meeting of the producers of the notified agricultural produce in the notified area and of persons licensed under sub-section (1) of section 8, and shall call such a meeting within one month after receipt of a requisition in writing from the Director or from such number of producers and of persons licensed under sub-section (1) of section 8 or portion of the total number of producers and of persons so licensed as may be specified in the by-laws of the market committee.

(2) If no general meeting is called in accordance with such requisition, the Director shall have power to call a general meeting himself.

20. Proceedings Of Market Committee Not Be Invalidated By Informalities :-

A market committee shall have power to act, notwithstanding any vacancy in the membership, or any defect in the constitution thereof, and the proceedings of a market committee shall be valid notwithstanding that some person, who was not entitled to be a member, had sat, voted or otherwise taken part in the proceedings of any such committee.

21. Nominated Person To Cease To Be A Member In Certain Cases :-

Any person nominated under clause (a), (b) or (c) of sub-section (2) of section 10 in his capacity as a member of a particular body or the holder of a licence under sub-section (1) of section 8 shall, if he ceases to be a member of that body or the holder of that licence, as the case may be, for a period of more than three months, cease to be a members of the market committee.

22. Officers And Servants Of Market Committee :-

(1) Subject to the provisions of sub-sections (2), (3) and (4) and the rules made in this behalf, the market committee may appoint a Secretary and other paid officers and servants as are necessary for the efficient performance of its functions. The Secretary and other paid officers and servants of the market committee shall be whole-time Government servants.

(2) Notwithstanding anything contained in any law for the time being in force, on and from the 17th November 1981, the Secretary and other paid officers and servants of every market committee established under the Tamil Nadu Agricultural Produce Markets Act, 1959 (Tamil Nadu Act 23 of 1959) shall become whole-time Government servants.

(3) The salaries, allowances, pensions and other remuneration of the Secretary and other paid officers and servants of the market committee shall be paid in the first instance from the Consolidated Fund of the State and the market committee shall, out of the Market Committee Fund, repay to the Government the amounts paid by the Government under this sub-section.

(4) Notwithstanding anything contained in this Act and subject to the provisions of Article 311 of the Constitution, the Government may make rules regulating the conditions of service of the Secretary and other paid officers and servants of the market committee.

(5) Any rule under sub-section (4) may be made so as to have retrospective effect on and from a date not earlier than the 17th November, 1981 .

23. Execution Of Contracts By Market Committee :-

(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, the Secretary and one other member of the market committee or where a Special Officer has been appointed under sub-section (1) of section 33 in respect of a market committee such Special Officer and Secretary.

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

24. Levy Of Fee By Market Committee :-

(1) The market committee shall levy a fee on any notified agricultural produce bought or sold in the notified market area at a rate not less than one rupee but not exceeding two rupees for every hundred rupees of the aggregate amount, for which the notified agricultural produce is bought or sold whether for cash or for deferred payment or other valuable consideration:

Provided that, when any agricultural produce brought into any notified market area for the purpose of processing only, or for export is not processed or exported therefrom within thirty days from the date of its arrival therein, it shall, until the contrary is proved, be presumed to have been brought into such notified market area for buying and selling, and shall be subject to the levy of fee under this section on the value of the agricultural produce, as if it had been bought and sold therein.

Explanation I:- For the purposes of this sub-section, all notified agricultural produces taken out or proposed to be taken out of a notified market area shall, unless the contrary is proved, be presumed to be bought or sold within such area.

Explanation II:- In the determination of the amount of the fee payable under this Act, any fraction of ten paise less than five paise shall be disregarded and any fraction of ten paise equal to or exceeding five paise shall be regarded as ten paise.

(2) The fee referred to in sub-section (1) shall be paid by the purchaser of the notified agricultural produce concerned:

Provided that where the purchaser of a notified agricultural produce cannot be identified, the fee shall be paid by the seller.

(3) If any notified agricultural produce liable to payment of fee under sub-section (1) is found to have been processed without payment of fee payable in respect of that produce, the fee shall be levied and recovered on the equivalent quantity of the notified agricultural produce notwithstanding such process.

(4) (a) The fee payable under section (1) shall be determined and collected in such manner as may be prescribed.

(b) The burden of proving that any notified agricultural produce is not liable for the levy of fee or the fee payable has already been paid under this section shall lie on the person claiming such exemption or non-liability and till it is established with sufficient records to the satisfaction of the market committee that the notified agricultural produce has already suffered the liability, the fee due on such produce shall be paid.

(5) Any notified agricultural produce take or proposed to be taken out of a notified market area exceeding such quantity as may be prescribed shall be accompanied by a permit issued by the Secretary of the market committee subject to the by-laws made in this behalf by the market committee.

25. Establishment Of Check-Post Or Barrier :-

(1) If the Government consider that with a view to prevent or check the evasion of payment of fee or other amount due to the market committee under the provisions of this Act, it is necessary so to do, they may, by notification, direct the setting up of check-post or the creation of barrier or both, by the market committee at such place or places as may be specified in the notification.

(2) At every check-post or barrier mentioned in sub-section (1), or at any other place when so required by any officer or servant of the market committee empowered by the Government in this behalf, the driver or any other person in charge of any animal, vessel, cart or other vehicle, shall stop the animal, vessel, cart or other vehicle, as the case may be, and keep it stationary so long as may reasonably be necessary and allow such officer or servant empowered as aforesaid to examine the goods carried by such animal, vessel, cart or other vehicle and inspect all records in the possession of such driver or other person in charge of such animal, vessel, cart or other vehicle.

(3) If, or, such examine and inspection, under sub-section (2), it appears:-

(a) that the fee or other amount payable in respect of the notified

agricultural produce has been paid or the provisions of this Act and the rules made under this Act or the notification or order or licence issued under this Act are complied with, the said officer or servant shall release the animal, vessel, cart or other vehicle with the notified agricultural produce; or

(b) that the fee or other amount payable under the provisions of this Act in respect of the notified agricultural produce has not been paid or any of the provisions of this Act or the rules made under this Act or any of the terms of any notification or order or licence issued under this Act has not been complied with, in respect of the notified agricultural produce carried, the said officer or servant, after making such enquiry as he deem fit and satisfying himself as to such non-payment or non-compliance, as the case may, shall seize such notified agricultural produce.

(4) Any seizure made under sub-section (3) shall forthwith be reported by the officer or servant aforesaid to the Magistrate having jurisdiction to try an offence under this Act and the provisions of section 457, 458 and 459 of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974) shall, so far as may be, apply in relation to the notified agricultural produce seized under sub-section (3) as they apply in relation to property seized by a police officer.

26. Issue Of Receipt By Market Committee :-

(1) Every committee shall, in respect of the notified agricultural produce deposited with it, issue a receipt which shall contain full particulars of the notified agricultural produce so deposited and shall be in such form as may be prescribed.

(2) The receipt issued by a market committee under sub-section (1) shall, unless it is otherwise specified thereon, be transferable by endorsement and shall entitle the lawful holder thereof to receive the notified agricultural produce specified in it on the same terms and conditions as the original depositor.

27. Determination Of Fee, Etc., Not To Be Questioned In Prosecution :-

(1) The order determining the fee or other amount payable under this Act shall be conclusive evidence in any prosecution or other proceedings.

(2) The validity of the levy or collection of any fee or other amount made under this Act or the liability of any person to any fee or

other amount so assessed or levied shall not be questioned in any criminal court in any prosecution or other proceeding whether under this Act or otherwise.

28. Levy Of Subscription For Market Reports, Etc :-

The market committee may, subject to such rules as may be made under this Act, levy a subscription for collecting and disseminating among the subscribers, information as to any other matter relating to statistics or marketing in respect of the notified agricultural produce.

29. Market Committee Fund :-

(1) All moneys 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.

(2) (a) Every market committee shall, in addition to the amounts payable under sub-section (3) of section 22, out of the Market Committee Fund, pay to the Government the cost of any special or additional staff employed by the Government in consultation with the market committee for giving effect to the provisions of this Act in the notified area.

(b) The Government shall determine the cost of 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 market committees concerned in such manner as they think fit. The decision of the Government determining the amount payable by any market committee shall be final.

30. Purposes For Which Market Committee Fund May Be Expended :-

Subject to the provisions of section 29, the amount standing to the credit of the Market Committee Fund may be expended for all or any of the following purposes, namely:-

(a) acquisition or requisitioning of any site or building or purchase of other assets for the market committee for carrying out the purposes for which it is established;

- (b) establishment, maintenance and improvement of the markets and providing such facilities in the market as the Government may direct under sub-section (1) of section 6;
- (c) construction and repair of buildings which are necessary for the purposes of such markets and for the health, convenience and safety of the persons using it;
- (d) provision and maintenance of standard weights and measures;
- (e) payment of amounts to the Government under sub-section (3) of section 22;
- (f) payment of amount under sub-section (6) of section 33;
- (g) payment of interest on loans that may be raised by the market committee for carrying out the purposes for which it is established and the provision of a sinking fund in respect of such loans;
- (h) collection and dissemination of information regarding all matters relating to statistics and marketing in respect of the notified agricultural produce;
- (i) schemes for the extension of cultivation or cultural improvement of the notified agricultural produce within the notified area, including the grant, subject to the approval of the Government, of financial aid, to schemes for such extension or improvement within such area, undertaken by other bodies or individuals;
- (j) schemes for drying, cleaning, standardization, sampling and grading of the notified agricultural produce in order to make it fit for marketing;
- (k) payments towards publicity and propaganda for the promotion of the activities of the market committee;
- (l) contributions to the Market Board Fund;
- (m) payment of insurance premium on the insurance policy of stocks held or handled in godowns and transaction sheds in markets against fire, theft, flood and the like and of vehicles used by the market committee; or
- (n) such other purposes as may be authorized by the Government in this behalf by general or special order.

31. Power To Borrow :-

(1) Every market committee may, with the previous sanction of the Government, raise moneys required for carrying out the purposes for which it is established on the security of any property vested in, or belonging to, the market committee and of any fee or other amount leviable by the market committee by the market committee, by or under this Act;

(2) The market committee may, for the purpose of meeting the expenditure on lands, building and equipments, required for establishing the market, obtain a loan from the Government or the Boards.

32. Trade Allowance Not Permissible In Certain Cases :-

No trade allowance, other than an allowance by way of deduction 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 of difference between the actual weight of the packing and the standard weight, or of the admixture of foreign matter or such other allowance as may be prescribed, shall be made or received in a notified area by any person in any transaction in respect of any notified agricultural produce and no Civil Court shall, in any suit or proceeding arising out of any such transaction, have regard to any other trade allowance.

33. Special Provision Where There Is Delay In Reconstitution Of New Market Committee, Etc :-

(1) Where:-

(a) the term of office of the members of any market committee has expired and a new market committee cannot be constituted in accordance with the provisions of this Act, the rules and the by-laws, or

(b) the new market committee constituted fails to enter, or is prevented from entering upon, office, or

(c) the members of the existing market committee have tendered resignation enbloc, or

(d) vacancies have arisen for any reason, or one or more members of the market committee have tendered resignation and number of remaining members cannot form the quorum for the meeting of the market committee, the Government may, on their own motion or on application of any producer of any notified agricultural produce or on application of any producer of any notified agricultural produce in the notified area or of any person licensed by the market committee under sub-section (1) of section 8; and in the case of a new market committee which has failed to enter, or prevented from entering upon, office after giving the members of the said market committee an opportunity of making their representations, by order, appoint a Special Officer for a specified

period not exceeding one year to manage the affairs of the market committee pending the constitution of a new market committee, or as the case may be, the entering upon office by the new market committee;

Provided that the period specified in such order may, for special reasons to be recorded in writing by the Government, be extended from time to time but such order shall not remain in force for more than three years in the aggregate.

(2) A Special Officer may be appointed under sub-section (1) for one or more market committees as the Government may, by order, specify.

(3) Upon the issue of an order under sub-section (1) appointing a Special Officer, the following shall ensue:-

(a) all the members including the Chairman and Vice-Chairman of the market committee constituted under this Act shall as from the date of such order be deemed to have vacated their offices; and

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

(4) The Government may, by order, transfer, to the Special Officer appointed under sub-section (1), the assets and liabilities of the market committee as on the date of such transfer.

(5) Where a Special Officer appointed under sub-section (1), the Government may appoint an advisory board to advise the Special Officer in such matters as may be specified by the Government and the advisory board shall consist of the following members, namely:-

(a) three persons from among the producers of the notified agricultural produce in the notified area;

(b) three persons licensed under sub-section (1) of section 8 in the notified area;

(c) the Assistant Director of Agriculture in-charge of marketing having jurisdiction over the notified area referred to in section 14;

(d) two other officers of the Government.

(6) The Government may fix the remuneration payable to the Special Officer appointed under sub-section (1) and the amount of remuneration so fixed and such other expenditure incidental to the management of the market committee, during the period of appointment of the Special Officer as may be approved by the Government, shall be payable from the Market Committee Fund.

(7) At any time before the expiry of the period referred to in sub-section (1), the Government may:-

(i) in a case where the Special Officer was appointed on the ground

that the new market committee failed to enter, or prevented from entering, upon office if such new market committee has since become capable of entering upon office, enable such market committee to enter upon office, and

(ii) in other cases , constitute a new market committee in accordance with section 10, and transfer thereto all the assets and liabilities of the market committee as on the date of such transfer.

34. Delivery Of Possession Of Records And Properties Of Market Committee :-

(1) Where a Special Officer is appointed under section 33 and such Special Officer is resisted in, or prevented from obtaining possession of the books, accounts, documents, securities, cash and other properties, whether movable or immovable of the market committee (hereafter in this section referred to as the records and properties of the market committee), by any person who is not entitled to be in possession of the records and properties of the market committee, any Metropolitan Magistrate or any Judicial Magistrate of the first class in whose jurisdiction the office of the market committee or the records and properties of that market committee is situate or are kept shall, on application by the Special Officer and on the production of the order of appointment, and of a certificate by the Director in the prescribed form setting forth that the records and properties mentioned therein belong to the market committee, direct delivery to the Special Officer, of the possession of the records and properties of the market committee.

(2) Every application under sub-section (1) shall be accompanied by a copy of the order made under section 33.

(3) On receipt of an application under sub-section (1), the Metropolitan Magistrate or the Judicial Magistrate of the first class, as the case may be, shall by a warrant, authorize any police officer not below the rank of a Sub-Inspection of Police to enter and search any place where the records and properties of the market committee are kept or believed to be kept and to seize such records and properties and the records and properties so seized shall be handed over to the Special Officer.

(4) All searches and seizures made under this section shall be carried out in accordance with the provisions of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974), relating to search or seizure made under the authority of a warrant issued by a magistrate.

CHAPTER 3 MARKETING BOARD

35. Establishment Of Tamil Nadu State Agricultural Marketing Board :-

(1) The Government shall establish a Board called the Tamil Nadu State Agricultural Marketing Board having jurisdiction over the entire State of Tamil Nadu for exercising the powers conferred on, performing the functions assigned to, and discharging the duties imposed on it, by or under this Act.

(2) (a) The Board shall be a body corporate by the name aforesaid, shall have perpetual succession and a common seal, 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 acquire and hold property both movable and immovable, to sell, lease 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:

Provided that no immovable property shall be transferred by way of sale, lease or otherwise out the prior permission of the Government.

(b) The Board shall be deemed to be a local authority for the purposes of the Land Acquisition Act, 1894 (Central Act I of 1894) and the Local Authorities Loans Act, 1914 (Central Act IX of 1914).

36. Constitution Of Board :-

(1) (a) The Board shall consist of a President appointed by the Government and of the following members, namely:-

- i) Chairman of every market committee;
- ii) Director;
- iii) Registrar;
- iv) Managing Director, State Ware Housing Corporation, Madras ;
- v) Agricultural Marketing Adviser, Government of India ;
- vi) President of the Tamil Nadu Cooperative Marketing Federation;
- vii) An officer of the Agriculture Department in the Secretariat not below the rank of a Deputy Secretary to Government dealing with the subject agricultural marketing.

(b) The Board may associate with itself, in such manner, subject to such conditions and for such purpose as may be prescribed, a nominee of the Cotton Corporation of India and such other person whose assistance or advice it may desire in complying with any of

the provisions of this Act and every person so associated shall be entitled to receive such allowances or fees as may be fixed by the Government and shall have the right to take part in the proceedings of the Board relevant to the purpose for which he has been associated, but shall not have the right to vote.

(c) There shall be a Vice-President who shall be elected by the members from among themselves in accordance with such procedure as may be prescribed.

(d) If for any reason, the officer referred to in item (ii), (iii), (iv), (v) or (vi) of clause (a), is unable to attend any meeting of the Board he may depute any officer subordinate to him to attend such meetings. The officer so deputed shall have the right to take part in the proceedings of the Board, but shall not have the right to vote:

Provided that where a person ceases to be the Chairman of a market committee, he shall cease to be a member of the Board on and from the date on which he ceases to be such Chairman:

Provided further that in respect of any market committee the Chairman of which is a member of the Board, a special officer is appointed under section 33, such Chairman of the market committee shall cease to be a member of the Board and the special officer so appointed shall be a member of the Board in the place of such Chairman.

(2) The term of office of the President shall be three years from the date of the first meeting of the Board.

(3) (a) The Board shall meet as often as may be necessary at such time and place, and observe such rules of procedure as may laid down for this purpose by the Board with the approval of the Government. But three months shall not intervene between its last meeting and the next meeting.

(b) The President or in his absence the Vice-President or in the absence of both the President and Vice-President, the member chosen by the members present from among themselves shall preside at a meeting of the Board.

(4) The non-official members of the Board shall be entitled to receive such allowances or fees for attending the meetings of the Board as may be fixed by the Government.

(5) The Board may appoint one or more of its members to be a sub-committee or to be a special committee for the conduct of any work, or to report on any matter pertaining to his duties or functions under this Act and the rules and regulations made under this Act and may, subject to the provisions of sub-section (3) of section 47 delegate to such committee such of its powers or duties

as it may think fit.

37. Officers And Servants Of Board :-

- (1) Subject to the rules made in this behalf, the Government shall appoint a Chief Executive Officer to the Board.
- (2) Subject to the provisions of sub-section (1) and the rules made in this behalf, the Board may appoint the other paid officers and servants as are necessary for the efficient performance of its functions.
- (3) The Chief Executive Officer and other paid officers and servants of the Board shall be whole-time Government servants.
- (4) Subject to the superintendence of the Board, the general control and direction over all the officers and staff of the Board shall be vested with the Chief Executive Officer.
- (5) Notwithstanding anything contained in any other law for the time being in force, on and from the 17th November, 1981 , the paid officers and servants in the employment of the Board shall become whole-time Government servants.
- (6) The salaries, allowances, pensions and other remuneration of the Chief Executive Officer and other paid officers and servants of the Board shall be paid in the first instance from the Consolidated Fund of the State. The Board shall, out of the Market Board Fund, repay to the Government the amounts paid by the Government under sub-section (5).
- (7) Notwithstanding anything contained in this Act and subject to the provisions of Article 311 of the Constitution, the Government may make rules regulating the conditions of service of the officers and servants of the Board.
- (8) Any rule under sub-section (7) may be made so as to have retrospective effect on and from a date not earlier than the 17th November, 1981 .

38. Powers And Functions Of Board :-

The powers and functions of the Board shall be:-

- viii) the coordination of the working of the market committees and other affairs thereof including programmes under taken by the market committees for the development of markets and market areas;
- ix) to undertake the State level planning of the development of agricultural produce and markets:
- x) to administer the Market Board Fund and the Market

Development Fund;

xi) to the giving of direction to market committees in general or any market committee in particular with a view to ensure improvement thereof;

xii) to supervise and guide the market committees in the preparation of plans and estimates of construction programme undertaken by the market committees;

xiii) to execute all works chargeable to the Market board Fund;

xiv) to maintain accounts in such forms as may be prescribed;

xv) to publish annually at the close of the year, its progress report, balance sheet and statement of assets and liabilities and send copies thereof to each member of the Board and the Government;

xvi) to make necessary arrangements for propaganda and publicity on matters related to regulated marketing of an agricultural produce;

xvii) to provide facilities for the training of officers and staff of the market committees, Board, Department of Agricultural Marketing, producers and traders in the State;

xviii) to prepare and adopt budget for ensuing year;

xix) to grant subventions or loan to market committees for the purposes of this Act on such terms and conditions as the Board may determine;

xx) to arrange or organize seminars, workshops, exhibitions, etc., on subjects related to agricultural marketing;

xxi) to impart education in regulated marketing of agricultural produce;

xxii) to promote schemes for processing, grading and standardization of agricultural produce;

xxiii) the collection and dissemination of market information;

xxiv) the publication of market statistics and studies;

xxv) the levy of subscription for collection and dissemination relating to agricultural marketing;

xxvi) to conduct market research and market surveys;

xxvii) to do such other things as may be of general interest to market committees or considered necessary for the efficient functioning of the Board;

xxviii) any other function specifically entrusted to it by this Act; and

xxix) such other functions of like nature as may be entrusted to the Board by the Government.

39. Execution Of Contracts By Board :-

(1) The Board may enter into and perform all such contracts as it may consider necessary or expedient for carrying out all or any of the functions for which it is established.

(2) Every contract entered into by the Board shall be in writing and shall be executed on behalf of the Board by the President and the Chief Executive Officer.

(3) No contract other than a contract executed as provided in subsection (2) shall be binding on the Board.

40. Power To Borrow :-

(1) The Board may, for the purposes of carrying out all or any of its functions for which it is established, obtain a loan from the Government subject to such conditions, as the Government may specify.

(2) The Board may, with the previous approval of the Government, raise moneys required for carrying out the functions for which it is established on the security of any property vested in, or belonging to, the Board and of any moneys received by the Board by or under this Act or on the guarantee given by the Government and in particular, may, from time to time:-

(a) borrow money from the public or from any bank or from any corporation owned or controlled by the Central or State Government; or

(b) enter into financial arrangements with any bank or other financial institution or with the Life Insurance Corporation of India established under section 3 of the Life Insurance Corporation Act, 1956 (Central Act 31 of 1956).

41. Estimates Of Income And Expenditure Of Board :-

Subject to such rules as may be made in this behalf, an estimate of the annual income and expenditure of the Board for the ensuing financial year shall be prepared and passed by the Board and submitted to the Government for their approval.

42. Annual Audit Of Accounts :-

(1) The accounts of the Board shall be examined and audited once at least in every financial year by the Examiner of Local Fund Accounts.

(2) The accounts of the Board as certified by the Examiner of Local Fund Accounts together with the audit report along with the remarks of the Board thereon shall be forwarded to the Government within such time as may be prescribed.

(3) The Government may, by order in writing, direct the Board to take such action as may be specified in the order to remedy within such time as may be specified therein, the defects, if any, disclosed as a result of the audit, and the Board shall comply with such directions.

43. Superintendence And Control By Government :-

The Government shall exercise superintendence and control over the Board and its officers and may call for such information as they may deem necessary and, in the event of their being satisfied that the Board is not functioning properly, they may supersede the Board and, till such time as a new Board is constituted, make such arrangements for the exercise of the functions of the Board as they may think fit:

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

44. Market Board Fund :-

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

(2) Every market committee shall pay to the Board as contribution such percentage of its receipts derived from licence fee and fee levied under sub-section (1) of section 24 in such manner, as may be prescribed.

(3) The Board shall, in addition to the amounts payable under sub-section (6) of section 37, out of the Market board Fund, pay to the Government in consultation with the Board for giving effect to the provisions of this Act and the rules made under this Act.

(4) The Market Board Fund shall be expended for the following purposes, namely:-

(a) administrative expenditure of the Board;

(b) payment of traveling and other allowances to the President, Vice-President and members of the Board as may be prescribed;

(c) loans and advances to the officers and servants in the

employment of the Board;

(d) payment towards insurance premium;

(e) payment of amounts to the Government under sub-section (6) of section 37;

(f) provision of sinking fund and reserve fund;

(g) contributions and transfer of funds towards the Market Development Fund; and

(h) such other purposes as the Government may, by general or special order, specify in this behalf.

45. Market Development Fund :-

(1) There shall be formed a separate fund to be called the "Market Development fund".

(2) The Board shall contribute to the Market Development Fund such percentage of its annual receipts, as may be prescribed.

(3) The Board shall transfer the entire money borrowed or any other amount obtained under sub-section (2) of section 40 to the Market Development Fund.

(4) The Board may accept towards the Market Development Fund any grant, subsidy, donation or gift from the Central or State Government or a local authority or any individual or body, whether incorporated or not, for all or any of the purposes for which the said Fund shall be expended.

(5) All moneys received and forming part of the Market Development Fund shall be credited into the said Fund. All expenditure for carrying out all or any of the purposes specified in sub-section (7) shall be defrayed from 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.

(6) The Market Development Fund shall be operated upon by such officer of the Board as may be authorized by it in this behalf.

(7) The Market Development Fund shall be expended for all or any of the following purposes, namely:-

(a) acquisition of site or sites for the Board;

(b) construction, and repairs to, buildings necessary for the purposes of the Board;

(c) payment towards propaganda, demonstration and publicity for promotion of regulated markets for agricultural produce;

(d) market research, special studies, preparation of project reports relating to agricultural marketing;

(e) collection and dissemination of information regarding matters

relating to crop statistics and marketing in respect of notified agricultural produce;

- (f) schemes for processing, grading and standardization of agricultural produce;
- (g) giving aid to market committees in the shape of loan, grant or subsidy;
- (h) payment of interest on loans or borrowings that may be raised;
- (i) payment of legal expenses incurred by the Board;
- (j) training of the paid officers and servants of the market committees and Board;
- (k) imparting education in marketing of agricultural produce;
- (l) organizing or arranging workshops, seminars, exhibitions, etc., on development of marketing;
- (m) construction of infrastructural facilities in the notified market area;
- (n) general improvement of the regulation of marketing in the State;
- (o) providing technical assistance to the market committees;
- (p) for any other purposes deemed necessary for execution of the functions assigned to the Board under this Act or as directed by the Government.

CHAPTER 4 MISCELLANEOUS

46. Powers And Functions Of Director :-

Subject to the other provisions of this Act, the powers and functions of the Director shall be:-

- (1) to take action for timely and proper conduct of the election of the Chairman and Vice-Chairman of the market committees and the Vice-President of the Board;
- (2) to inspect or cause to be inspected the offices of the market committees and the Board;
- (3) to scrutinize the budget of market committees and to forward the same to the Government with his recommendation;
- (4) to grade and standardize all the notified agricultural produces; and
- (5) to supervise market committees for the effective implementation of the provisions of this Act and the rules made under this Act.

47. Delegation Of Powers :-

(1) (a) The Government may, by notification, delegate to the Director or to any other officer the powers vested in them under section 33, in respect of any market committee.

(b) The exercise of any power delegated under clause (a) shall be subject to such restrictions and conditions as may be specified in the notification and subject to control and revision by the Government.

(2) Save as otherwise provided in sub-section (1), the Government may, by notification, delegate to the Board or its President:-

(a) any of the powers vested in them by or under this Act except the powers conferred under sections 52, 65 and 66; or

(b) any of the powers conferred on the Director or any other authority by or under this Act.

(3) The Board may, with the approval of the Government, delegate any of its powers to its President, the Chief Executive Officer or any of its officers:

Provided that the Board shall not delegate any of the powers delegated to it by the Government under sub-section (2).

(4) The President may, with the approval of the Government, delegate any of the powers conferred on him by or under this Act to any officer of the Board:

Provided that the President shall not delegate any of the powers delegated to him by the Government and the Board under sub-sections (2) and (3).

48. Penalties :-

(1) Any person who:-

(a) evades the payment of any fee or any other amount due from him by or under this Act, or

(b) being a licensee under this Act, fails either to submit the reports and returns to the market committee as specified in its by-laws or to produce accounts, records, etc., when demanded by any officer or servant of the market committee duly empowered, or

(c) (i) when required by or under this Act to make any statement or furnish any information, makes any statement or furnishes any information which he knows or has reasonable cause to believe to be false, or not true, in any material particular, or

(ii) makes any such statement as aforesaid in any account, declaration, estimate, return or other document which he is required by or under this Act to furnish, or

(d) prevents or obstructs inspection vehicle, boat or other

conveyance carrying or believed to be carrying notified agricultural produce, or verification, search or seizure by any officer or servant of the market committee empowered by the Director in this behalf, or

(e) prevents or obstructs, entry, inspection and verification of any notified agricultural produce, weights and scales and accounts relating to the transactions of such produce in any premises either licensed or liable to be licensed under this Act by any officer or servant of the market committee empowered by the Director in this behalf, or

(f) contravenes any of the provisions of section 32, or fails to obtain a permit for the transport of the notified agricultural produce as required by or under this Act or any of the terms and conditions of any such permit,

shall, on conviction, be punishable with fine which shall not be less than five hundred rupees but may extend to two thousand and five hundred rupees and in the case of a continuing evasion or contravention, with a further fine which may extend to five hundred rupees for every day during which the evasion or contravention is continued after conviction therefor.

(2) Whoever contravenes any provision of this Act or any rule or any regulation or any by-law made under this Act shall, if no other penalty is provided for such contravention elsewhere in this Act or in the rules or regulations or by-laws, on conviction, be punishable with fine which may extend to one thousand and five hundred rupees.

49. Liability Of Accused To Pay Fee Or Other Amount :-

Every person who is convicted under section 48 shall be liable on proof to the satisfaction of the Magistrate that he omitted to pay the fee, or other amount due from him under this Act or the rules of by-laws made under this Act, to pay the market committee the amount which may be due from him on account of such fee or other amount.

50. Composition Of Offences :-

The market committee may accept from any person who has committed, or is reasonably suspected of having committed, an offence against this Act or the rules or by-laws made under this Act, by way of composition of such offence:-

(a) where the offence consists of the failure to pay or the evasion

of any fee, or other amount recoverable under this Act or the rules or by-laws made under this Act, in addition to the fee, or other amount so recoverable a sum of money not exceeding one thousand rupees or double the amount of the fee, or other amount whichever is less; and

(b) in other cases, a sum of money not exceeding one thousand and five hundred rupees.

Power of Magistrate to recover summarily fee or other amount:-

(1) Whenever any person is convicted of an offence under this Act or the rules or the regulations or by-laws made under this Act, the Magistrate shall, in addition to any fine which may be imposed, recover summarily and pay over to the market committee the amount of fee, or other amount due from him under this Act or the rules or the regulations or by-laws made under this Act and may, in his discretion, also recover summarily and pay over to the market committee such amount, if any, as he may fix as the cost of the prosecution.

(2) All fines imposed by a court under this Act shall, on recovery, be credited to the revenues of the State and the total amount so credited during any financial year shall be contributed by the Government to the Market Committee Fund.

51. Power To Make Rules :-

(1) The Government may make, either generally or specially for any notified area or areas, rules for carrying out all or any of the purposes of this Act.

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

(a) the nomination and withdrawal of members of the market committee or as the case may be, the preparation and publication of lists of producers in the notified area and persons licensed under section 8 of the market committee, and revision thereof;

(b) the powers of the Chairman and Vice-Chairman of a market committee, their functions and the term of office;

(c) the filling of casual vacancies in the Office of the Chairman, Vice-Chairman or member of a market committee;

(d) the calling of general meeting of market committee;

(e) the annual fees that may be levied by the market committee in respect of licences granted under section 8 and the recovery of such fees;

(f) the maximum rates of subscriptions which may be levied either

by the Board or by the market committee and the recovery of such subscriptions;

(g) the procedure for determination of fees and the manner of collection thereof;

(h) the form in which, and the condition subject to which, the licence under sub-section (1) of section 8, shall be issued or renewed, and the fee to be charged therefor;

(i) the kind and description of the scales, weights and measures, which alone be used in transactions in the notified agricultural produce concerned in a notified area;

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

(k) the trade allowances which may be made or received by any person in any transaction in the notified agricultural produce in a notified area;

(l) the provision of facilities for the settlement of any dispute between a buyer and a seller of the notified agricultural produce or their agents including disputes regarding the quality for weight of the notified agricultural produce, the allowances for wrappings, dirt or impurities or deductions for any cause;

(m) the prohibition of commission agents and brokers from acting in any transaction on behalf of both the buyer and seller of any notified agricultural produce;

(n) the provision of accommodation for storing any notified agricultural produce brought into the market;

(o) the preparation of plans and estimates for works proposed to be constructed partly or wholly at the expense of the Board or of the market committee, and the grant of sanction to such plans and estimates;

(p) the procedure to be followed by the Board or 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;

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

(r) (i) the powers of auditors and the Board to disallow and surcharge items in respect of market committees and the recovery of sums so disallowed and surcharged;

(ii) the powers of auditors and the Government to disallow and surcharge items in respect of the Board and the recovery of sums

so disallowed and surcharged;

(s) the preparation and submission for approval of an annual budget and the reports and returns to be furnished by the Board or by a market committee;

(t) the investment and disposal of the surplus fund of the Board or of a market committee;

(u) the prevention of adulteration of notified agricultural produce;

(v) the maintenance of standards of notified agricultural produce;

(w) the provision for affording facilities for settlement of debts charged on notified agricultural produce;

(x) the form in which such returns and accounts to be furnished by licensees, and the procedure for the inspection of their accounts and stocks;

(y) the methods of recruitment and conditions of service of officers and other employees of the Board and of a market committee;

(z) the traveling and other allowances that may be paid to the members, the officers and servants of the Board and of a market committee;

(aa) the manner in which the inspection of a market committee and the Board shall be held;

(bb) the procedure to be followed in respect of receipts and disposals of Market Board Fund and Market Development Fund and matters connected thereto;

(cc) any other matter which has to be or may be prescribed.

(3) Any rules made under this section may provide that any contravention thereof or of any of the conditions of any licence issued under this Act shall be punishable with fine which may extend to one thousand and five hundred rupees.

(4) (a) All rules made under this Act shall be published in the Tamil Nadu Government Gazette and, unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(b) All notifications issued under this Act shall, unless they are expressed to come into force on a particular day, come into force on the day on which they are published.

(c) Every rule made or notification issued under this Act shall, as soon as possible after it is made or issued, be placed on the table of the Legislative Assembly and if, before the expiry of the session in which it is so placed or the next session, the Assembly makes any modification in any such rule or notification or the Assembly decides that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such

modified form or be of no effect, as the case may be so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

52. Power To Make Regulations And By-Laws :-

(1) Subject to any rules made by the Government under section 52, the Board may, with the previous sanction of the Government, make regulations for regulating its business and for such other matters relating in the regulation of markets:

Provided that where the Board fails to make regulations under this sub-section within one month from the date of its establishment, the Government may make such regulations as they think fit and the regulations so made shall be deemed to be regulations made by the Board and may be amended or varied by the Government or, with their previous sanction, by the Board.

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

(a) the summoning and holding of meetings of the Board, the time and date when such meetings are to be held, the conduct of business at such meetings and the number of persons necessary to form a quorum thereat;

(b) the powers and duties of the officers and servants of the Board;

(c) the management of the property of the Board;

(d) the execution of contracts and assurances of property on behalf of the Board;

(e) the maintenance of accounts and the preparation of balance sheet by the Board;

(f) the procedure for carrying out the functions of the Board under this Act.

(g) Any other matter for which provision is to be or may be made in regulation.

(3) Subject to any rules made by the Government under section 52, the market committee may, with the previous sanction of the Board, in respect of the notified area for which it was established, make by-laws for the regulation of the business and the conditions of trading therein and for such other matters relating to the day-to-day regulation and administration of markets including market and other charges:

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 Board may make such by-laws as it thinks fit and the by-laws so made shall be deemed to be by-laws made by the market committee and may be amended or varied by the Board or, with its previous sanction, by the market committee.

(4) Any regulation or by-law made under this section may provide that any contravention thereof shall be punishable with fine which may extend to three hundred rupees.

53. Power To Write Off Irrecoverable Amount, Etc :-

A market committee or the Board may write off any amount whatsoever due to it, whether under a contract or otherwise, or any sum payable in connection therewith, if in its opinion, such amount of sum is irrecoverable:

Provided that:-

(a) the market committee shall obtain the previous sanction of:-

(i) the Director, in every case where the amount or sum to be written off exceeds five thousand rupees, but does not exceed ten thousand rupees; and

(ii) the Government in every case where the amount or sum to be written off exceeds ten thousand rupees;

(b) the Board shall obtain the previous sanction of the Government in every case where the amount of sum to be written off exceeds twenty thousand rupees.

54. Bar Of Certain Proceedings :-

(1) No suit or other proceeding shall lie against the market committee or the Board for any act done or purporting to be done under this Act.

(2) (a) No suit, prosecution or other proceeding shall lie against the President or Vice-President or Chief Executive Officer or officer or servant of the Board or the Chairman or Vice-Chairman or Secretary or officer or servant of the market committee for anything which is in good faith done or intended to be done under this Act or any rule, regulation, by-law or notification issued under this Act.

(b) No Chairman or Vice-Chairman or Secretary or officer or servant of the market committee or the President or Vice-President or the Chief Executive Officer or officer or servant of the Board shall be liable in respect of any such act in any civil or criminal proceeding if the act was done in good faith in the course of the execution of the duties or the discharge of the functions assigned to him by or under

this Act.

55. President, Vice-President, Chairman And Vice-Chairman To Be Public Servants :-

The President and Vice-President of the Board and Chairman and Vice-Chairman of 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).

56. Limitation For Certain Suits And Prosecutions :-

Save as otherwise provided in section 63, no suit, prosecution or other proceeding shall be instituted against the Chairman or Vice-Chairman or Secretary or officer or servant of the market committee or the President or Vice-President or Chief Executive Officer or officer or servant of the Board for any act done or purporting to be done under this Act, unless the suit, prosecution or other proceeding is instituted within six months from the date of the act complained of.

57. Trial Of Offences :-

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

(2) No court shall take cognizance of any offence punishable under this Act except on a complaint in writing made by the Directorate or any officer empowered by him in this behalf by special order.

58. Recovery Of Sums :-

All sums due from the Board to the Government and all sums due from a market committee either to the Government or to the Board, and all sums due to the Board or to a market committee either by way of fees or otherwise under this Act, the rules, the regulations or the by-laws, may be recovered in the same manner as arrears of land revenue.

59. Revision :-

(1) The Government may call for and examine the record of any market committee or the Board or of the Director or the Collector in

respect of any proceeding to satisfy themselves as to the regularity on such proceeding or the correctness, legality or propriety of any decision or order passed therein; and if, in any case, it appears to the Government that any such decision or order should be modified, annulled, reversed or remitted for reconsideration, then, the Government may pass orders accordingly:

Provided that, before passing any order under this sub-section, the Government:-

(a) shall if such order is likely to be prejudicial to any person, give such person a reasonable opportunity of making his representations; and

(b) any consult such authority or officer as they deem fit.

(2) The Government may stay the execution of any such decision or order pending the exercise of their powers under sub-section (1) in respect thereof.

60. Registration Of Document Executed On Behalf Of Board Or Market Committee :-

(1) Notwithstanding anything contained in the Registration Act, 1908 (Central Act XVI of 1908), it shall not be necessary for the President or the Chairman or any member or officer or servant of the Board or of a market committee, or the special officer appointed under section 33 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 President, Chairman, member, officer, servant or special officer for information respecting the same and shall on being satisfied on the execution thereof, register the instrument.

61. Injunction Not To Be Granted In Certain Proceedings, Etc :-

Notwithstanding anything contained in the Code of Civil Procedure, 1908 (Central Act V of 1908) or in any other law for the time being in force, no court shall grant any permanent or temporary injunction or make any interim order in any manner in relation to nomination or appointment under this Act including the preparation or publication of any list of producers or persons licensed under

section 8 for the purposes of nomination.

62. Liability Of President, Vice-President, Chairman, Vice-Chairman And Member For Loss, Waste Or Misapplication :-

(1) The President, Vice-President and every member of the Board and Chairman, Vice-Chairman and every member of a market committee shall be liable for the loss, waste or misapplication of any money or other property owned by, or vested in, the Board or, as the case may be, in a market committee if such loss, waste or misapplication is a direct consequence of his neglect or misconduct; and a suit for compensation may be instituted against him in any court of competent jurisdiction by the Director.

(2) Every such suit shall be instituted within three years after the date on which the cause of action arose.

Exemption:-

Nothing in this Act shall apply to the purchase or sale of any notified agricultural produce by the Central Government or any State Government.

63. Power To Amend The Schedule :-

(1) The Government may, by notification, amend the Schedule to include in it any agricultural produce or to exclude therefrom any agricultural produce or to alter the description of any agricultural produce therein.

(2) When the Schedule is so amended, any reference to the Schedule in this Act shall be construed as a reference to the Schedule as so amended.

64. Power To Remove Difficulties :-

If any difficulty arises in giving effect to the provisions of this Act, the Government may, as occasion requires, by order, not inconsistent with the provisions of this Act, do anything which appears to be necessary or expedient for the purpose of removing the difficulty:

Provided that no such order shall be made after the expiry of two years from the date of the commencement of this Act.

65. Repeal And Savings :-

(1) The Tamil Nadu Agricultural Produce Markets Act, 1959 (Tamil Nadu Act 23 of 1959) (hereafter in this section referred to as the

said Act) is hereby repealed.

(2) The repeal by sub-section (1) of the said Act shall not affect:-

(a) the previous operation of the said Act or anything done or duly suffered thereunder; or

(b) any right, privilege, obligation or liability acquired accrued or incurred under the said Act; or

(c) any penalty, forfeiture or punishment incurred in respect of any offence committed against the said Act; or

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid; and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

(3) Subject to the provisions of sub-section (2), anything done or any action taken, including any appointment or delegation made, notification, order, instruction or direction issued, or any rule, regulation or form framed, certificate granted or registration effected, under the said Act shall be deemed to have been done or taken under this Act and shall continue to have effect accordingly, unless and until superseded by anything done or any action taken under this Act.

(4) Notwithstanding the repeal of the said Act, any area declared to be a notified area under the said Act shall be deemed to be a notified area under this Act; any market committee established for the said notified area under the said Act and holding office immediately before the date of the commencement of this Act shall be deemed to be a market committee established under this Act for the said notified area; all the members of such market committee shall be deemed to be members nominated by the Government under this Act and any market established under the said Act shall be deemed to be a market established under this Act.