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# The Gujarat Government Gazette EXTRAORDINARY

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Separate paging is given to this Part in order that it may be  
filed as a separate compilation

## PART IV

Acts of the Gujarat Legislature and Ordinances promulgated and  
Regulations made by the Governor.

The following Act of the Gujarat Legislature, having been assented to by the  
President on the 13th May 1964 is hereby published for general information.

B. V. PARANJAPE,  
Joint Secretary to the Government of Gujarat,  
Legal Department.

### GUJARAT ACT NO. 20 OF 1964

(First published, after having received the assent of the President in the  
*Gujarat Government Gazette* on the 20th May 1964).

An Act to consolidate and amend the law relating to the regulation of buying  
and selling of agricultural produce and the establishment of markets  
for agricultural produce in the State of Gujarat.

It is hereby enacted in the Fourteenth Year of the Republic of India as  
follows :—

#### CHAPTER I

##### PRELIMINARY

1. (1) This Act may be called the Gujarat Agricultural Produce Markets Act, 1963.
- (2) It extends to the whole of the State of Gujarat.
- (3) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

Short title,  
extent and  
commence-  
ment.

## Definitions.

## 2. In this Act, unless the context otherwise requires —

(i) "agricultural produce" means all produce, whether processed or not, of agriculture, horticulture and animal husbandry, specified in the Schedule;

(ii) "agriculturist" means a person who ordinarily by himself or who by his tenants or hired labour or otherwise is engaged in the production or growth of agricultural produce, but does not include a trader or broker in agricultural produce although such a trader or broker may also be engaged in the production or growth of agricultural produce;

(iii) "broker" means an agent whose ordinary course of business is to negotiate and make contracts on payment of commission for purchase or sale of agricultural produce on behalf of his principal but does not include a servant of such principal whether engaged in negotiating or making such contracts;

(iv) "bye-law" means a bye-law made under section 60;

(v) "co-operative marketing society" means a society registered or deemed to be registered as such under the Gujarat Co-operative Societies Act, 1961 and engaged in the business of buying or selling of agricultural produce or of processing of agricultural produce and holding a licence; Guj. X  
of  
1962.

(vi) "Director" means the Director of Agricultural Marketing and Rural Finance, Gujarat State;

(vii) "general commission agent" means a trader who *bona fide* buys or sells or offers to buy or sell for an agreed commission, any agricultural produce on behalf of another person and does or offers to do anything necessary for completing and carrying out the transaction of such sale or purchase;

(viii) "joint family" means an undivided Hindu family and in the case of persons other than Hindus a group or unit the members of which are by custom joint in estate or residence;

(ix) "licence" means a licence granted under section 6 or, as the case may be, a general or special licence granted under section 27;

(x) "licensee" means a person holding a general licence under this Act;

(xi) "local authority" means—

(a) a corporation constituted under the Bombay Provincial Municipal Corporations Act, 1949; or Bom.  
LIX  
of  
1949.

(b) a municipality constituted or deemed to be constituted under—

(i) the Bombay District Municipal Act, 1901, or that Act as adapted and applied to the Saurashtra area; or Bom.  
III of  
1901.

(ii) the Bombay Municipal Boroughs Act, 1925 or that Act as adapted and applied to the Saurashtra area or that Act as applied to the Kutch area; or Bom.  
XVIII  
of  
1925.

Bom.  
III of.  
1959  
Guj.  
VI of  
1962.

(c) a village panchayat constituted or deemed to be constituted under the Bombay Village Panchayats Act, 1959 or a gram panchayat or nagar panchayat constituted under the Gujarat Panchayats Act, 1961;

(xii) "market" means a market declared or deemed to be declared under this Act;

(xiii) "market area" means any area declared or deemed to be declared to be a market area under this Act;

(xiv) "market committee" means a market committee established or deemed to be established under this Act;

(xv) "market proper" means any area declared or deemed to be declared to be a market proper under this Act;

(xvi) "prescribed" means prescribed by rules made under section 59;

(xvii) "principal market yard" means an enclosure, building or locality declared or deemed to be declared to be a principal market yard under this Act;

(xviii) "retail sale" means a sale of any agricultural produce not exceeding such quantity as a market committee may by bye-laws determine to be a retail sale in respect of such agricultural produce;

(xix) "rules" means rules made under section 59;

(xx) "Secretary" means a Secretary of a market committee appointed under this Act;

(xxi) "sub-market yard" mean an enclosure, building or locality declared or deemed to be declared to be a sub-market yard under this Act;

(xxii) "surveyor" means a person who carries on the business of surveying agricultural produce in respect of its quantity, quality, refraction, price and such other factors as may be prescribed;

(xxiii) "trader" means any person, who carries on the business of buying or selling of agricultural produce or of processing of agricultural produce for sale and includes a co-operative society, joint family or an association of persons, whether incorporated or not, which carries on such business;

(xxiv) "weighman" means a person engaged in the business of weighing or measuring agricultural produce;

(xxv) "year" means a period of twelve months commencing and ending on such dates as may be prescribed.

3. (1) Should a question arise whether or not any person is an agriculturist for the purposes of this Act, the Director shall decide the matter. Determination of whether person is agriculturist.

(2) Any person aggrieved by the decision of the Director may file an appeal to the State Government within sixty days from the date of such decision.

(3) The decision of the State Government under sub-section (2) and subject thereto the decision of the Director under sub-section (1) shall be final.

## CHAPTER II

## DIRECTOR AND OTHER OFFICERS

Director and other officers,

4. (1) The State Government may, by notification in the *Official Gazette*, appoint an officer to be the Director of Agricultural Marketing and Rural Finance, Gujarat State, who shall exercise such powers and perform such functions and duties as are conferred or imposed on him by or under this Act and shall subject to such general or special orders as the State Government may pass, superintend the administration and carry out the purposes, of this Act.

(2) The State Government may appoint such number of officers as may be deemed necessary to be Joint Directors or Deputy Directors who shall, subject to the control of the Director, exercise such powers, and perform such of his functions and duties under this Act as the State Government may by general or special order direct.

## CHAPTER III

## DECLARATION OF MARKET AREA, CONSTITUTION OF MARKETS AND ESTABLISHMENT OF MARKET COMMITTEES

Declaration of intention of regulating purchase and sale of agricultural produce in specified area.

5. (1) The Director may, by notification in the *Official Gazette*, declare his intention of regulating the purchase and sale of such agricultural produce and in such area, as may be specified therein. Such notification shall also be published in Gujarati in a newspaper having circulation in the area and in such other manner as may be prescribed.

(2) Such notification shall state that any objection or suggestion received by the Director within the period specified in the notification which shall not be less than one month from the date of the publication of the notification, shall be considered by the Director.

(3) The Director shall also send a copy of the notification to each of the local authorities functioning in the area specified in the notification with a request to submit its objections and suggestions if any, in writing to the Director within the period specified in the notification.

Declaration of market areas.

6. (1) After the expiry of the period specified in the notification issued under section 5 (hereinafter referred to in this section as "the said notification"), and after considering the objections and suggestions received before its expiry and holding such inquiry as may be necessary, the Director may, by notification in the *Official Gazette*, declare the area specified in the said notification or any portion thereof to be a market area for the purposes of this Act in respect of all or any of the kinds of agricultural produce specified in the said notification. A notification under this section shall also be published in Gujarati in a newspaper having circulation in the said area and in such other manner as may be prescribed.

(2) Notwithstanding anything contained in any law for the time being in force, from the date on which any area is declared to be a market area under subsection (1), no place in the said area shall be used for the purchase or sale of

any agricultural produce specified in the notification except in accordance with the provisions of the Act:

Provided that pending the establishment of a market in such area the Director may grant a licence to any person to use any place in the said area for the purchase or sale of any such agricultural produce and a licence so granted shall, unless it is cancelled or otherwise ceases to be in force, continue in force until the establishment of a market in the said area and for such period thereafter as may be prescribed.

(3) Nothing in sub-section (2) shall apply to the purchase or sale of any such agricultural produce, if its producer is himself its seller and the purchaser purchases it for his own private consumption.

(4) The Director may, on the report of the market committee or an officer appointed by the Director in this behalf and after holding such inquiry as he deems fit, suspend or cancel any licence granted under sub-section (2).

(5) After declaring in the manner specified in section 5 his intention of so doing, and following the procedure therein, the Director may, at any time by notification in the *Official Gazette*, exclude any area from a market area specified in a notification issued under sub-section (1), or include any area therein and exclude from or add to the kinds of agricultural produce so specified any kind of agricultural produce.

7. (1) For each market area, there shall be a market which shall consist of —

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>(i) one principal market yard,</li> <li>(ii) sub-market yards, if any and</li> <li>(iii) all markets proper;</li> </ul> | Declaration of market, market yard and market proper. |
|--|---|

notified under sub-sections (2) and (3).

(2) The Director may, by notification in the *Official Gazette*, declare any enclosure, building or locality in any market area to be a principal market yard and any other enclosure, building or locality to be a sub-market yard.

(3) Whenever the Director declares for any market area, the principal market yard or a sub-market yard, he shall simultaneously declare, by notification in the *Official Gazette*, an area within such distance of the principal market yard or sub-market yard, as the case may be, as he thinks fit, to be a market proper, and thereupon all industrial concerns in the said area with their compounds, godowns and warehouses, where agricultural produce is stored shall stand included in the market proper.

(4) For the purposes of this Act, a market shall be deemed to have been established for any market area with effect from the date on which the principal market yard and a market proper are declared for that area.

8. No person shall operate in the market area or any part thereof except under and in accordance with the conditions of a licence granted under this Act.

Operation in market under Licence.

**Establishment of market committee or committees.** 9. (1) Save as otherwise provided in sub-sections (2) and (3), the Director shall establish a market committee for every market area.

(2) Where on the declaration of any area as a market area, the Director is satisfied that it is necessary to establish a separate market committee for the efficient regulation of the purchase and sale of any specified kind of agricultural produce in the market area, he may in addition establish for the market area a separate market committee for the purpose.

(3) Where in respect of a market area for which a market committee has been established any kind of agricultural produce is added under the provisions of sub-section (5) of section 6, the Director may if satisfied that a separate market committee for the regulation of its purchase and sale is necessary establish one for the purpose.

(4) Where more market committees than one are established for any market area, subject to the provisions of section 24 each such market committee shall be deemed to be separately established for a separate market area.

(5) Every market committee shall be deemed to be established under this section with effect from the date on which it is duly constituted for the first time under section 11.

## CHAPTER IV

### INCORPORATION AND CONSTITUTION OF MARKET COMMITTEE.

#### Its powers and duties.

**Incorporation of market committee.** 10. (1) Every market committee shall be a body corporate by such name as the Director may specify by notification in the *Official Gazette*. It shall have perpetual succession and a common seal, may sue and be sued in its corporate name and shall be competent to acquire, hold, lease, sell or otherwise transfer property, to raise loans upon the security of its property in the manner and subject to the limits and other requirements including guarantees prescribed by rules, and to contract and to do all other things necessary for the purposes for which it is established.

(2) A market committee shall be deemed to be a local authority within the meaning of clause (26) of section 3 of the Bombay General Clauses Act, 1904. Bom.  
I of  
1904.

**Constitution of market committee.** 11. (1) Every market committee shall consist of the following members, namely :—

(i) eight agriculturists who shall be elected by members of managing committees of co-operative societies (other than co-operative marketing societies) dispensing agricultural credit in the market area;

(ii) four members to be elected in the prescribed manner from amongst themselves by the traders holding general licences.

(iii) two representatives of the Co-operative marketing societies situate in the market area and holding general licences, to be elected from amongst the members (other than nominal, associate or sympathiser members) of such societies by the members of the managing committees of such societies :

Provided that where the number of co-operative marketing societies so situate does not exceed two, only one representative shall be so elected;

(iv) one member to be nominated by the local authority (other than the market committee) within whose jurisdiction the principal market yard is situated from amongst its councillors or, as the case may be, members who do not hold any general licence:

Provided that where under the law applicable to the local authority its councillors or members have vacated office and any person or administrator has been appointed to exercise the powers and perform the functions of the local authority, such person or, as the case may be, administrator shall nominate a member under this paragraph from amongst persons qualified to be councillors or members of the local authority and not holding a general licence;

(v) two members to be nominated by the State Government:

Provided that when a market committee is constituted for the first time all the members thereof shall be persons nominated by the State Government and shall hold office for a period of two years from the date of their nomination;

(2) (a) If for any reason in the case of a market committee no election is held, the Director shall report the fact to the State Government and with the previous approval of the State Government nominate on the market committee members of the respective class specified in sub-section (1) from amongst persons qualified to be elected as members of the respective class;

(b) The persons so nominated shall hold office for such period not exceeding two years as the Director may, with the approval of the State Government determine.

(3) If for any reason in the case of a market committee an election does not result in the return of the required number of qualified persons to take office, the Director, after taking into consideration the views of the members already elected shall as soon as possible nominate from amongst persons qualified to be elected such number as is necessary to make up the required number and the persons so nominated shall be deemed to have been duly elected as members of the market committee.



(3) (a) The term of office of a market committee shall, save as otherwise provided in this Act, be four years from the date of its first general meeting.

(b) Save as otherwise provided in this Act, the term of office of the members of the market committee shall be co-extensive with the term of the market committee and also shall be deemed to extend to and expire with the day immediately before the date of the first general meeting of the market committee as reconstituted on the expiry of its term.

Resignation  
of members.

12. Any member of a market committee may in the prescribed manner resign his office by tendering his resignation to the market committee, and the resignation shall take effect on the date on which it is accepted by the Director or on the expiry of sixty days from the date of tendering the resignation, whichever event occurs earlier.

Liability of  
members of  
market com-  
mittee to re-  
moval from  
office.

13. (1) The Director may, on the recommendation of the market committee supported by at least two-thirds of the whole number of members by an order remove any member of the market committee elected or nominated under this Act, if after holding such inquiry as he may deem fit, the Director is of the opinion that such member has been guilty of neglect or misconduct in the discharge of his duties or of any disgraceful conduct or has become incapable of performing his duties as a member :

Provided that no resolution recommending the removal of any member shall be passed by the market committee unless the member to whom it relates has been given a reasonable opportunity of showing cause why such recommendation should not be made :

Provided further that no order for removal of the member shall be passed by the Director unless the member has been given a reasonable opportunity of being heard.

(2) A member so removed may, within 30 days of the date of communication thereof to him, make an appeal to the State Government.

(3) The decision of the State Government on appeal made under sub-section (2) and, subject thereto, the decision of the Director under sub-section (1), shall be final.

Disabilities  
from conti-  
nuing  
member.

14. (1) An elected or nominated member shall cease to hold office as such member if—

(i) he ceases to be a member of the electorate by which he was elected; or  
(ii) he being a member of the class specified in clause (i) of sub-section (1) of section 11 is granted a general licence under this Act; or

(iii) he being a member nominated by a local authority, ceases to be a councillor, or as the case may be, a member, of the local authority, or is granted a general licence under this Act.

(2) The question whether any member ceases to hold office under sub-section (1) shall be determined by the Director.

15. If at any time any vacancy occurs for any reason in a market committee and remains unfilled, it shall be filled within such period and in such manner as may be prescribed by the election or nomination as the case may be, of a member thereto. The member so elected or nominated shall hold office so long only as the member in whose place he is elected or nominated would have held it if the vacancy had not occurred.

Filling up of vacancies.

16. No act or proceedings of a market committee shall be questioned on the ground merely of the existence of any vacancy in, or any defect in the constitution of, the market committee.

Vacancy or defect in constitution not to affect proceedings of market committee.

17. (1) Every market committee shall elect one of its members from the members of the class specified in clauses (i), (ii) and (iii) of sub-section (1) of section 11 to be its Chairman and another member to be its Vice-Chairman in such manner as may be prescribed.

Chairman and Vice-Chairman of market committee.

(2) The Chairman or Vice-Chairman may resign from office by tendering his resignation in writing to the market committee but it shall not take effect until it is accepted by the Director or on the expiry of sixty days from the date of tendering the resignation whichever event occurs earlier.

(3) A temporary vacancy in the office of the Chairman or Vice-Chairman shall be filled in such manner as may be prescribed.

(4) The Chairman and Vice-Chairman shall exercise such powers and perform such duties and hold office for such terms as may be prescribed.

18. Save as otherwise provided in this Act, the business of a market committee (including the holding of its meetings) shall be conducted in accordance with the rules, which may also prescribe the quorum at meetings.

Conduct of business of market committee.

19. Every contract entered into by a market committee shall be in writing and shall be signed on behalf of the market committee by its Chairman and two other members, and no contract not so executed shall be binding on it.

Execution of contracts.

20. (1) Every market committee shall have prepared each year on or before such date, and in such manner, as may be prescribed a budget estimate of its income and expenditure for the next succeeding year.

Budget estimate.

(2) The market committee shall before such date as may be prescribed sanction the budget so prepared without modifications or with such modifications as it thinks fit.

(3) Subject to any rules made in respect of reappropriation, no expenditure shall be incurred unless there be a provision in the budget estimate so sanctioned.

(4) A market Committee may at any time during the year for which any budget estimate has been sanctioned cause a revised or supplementary budget estimate to be prepared. Every such revised or supplementary budget estimate shall be considered and sanctioned by a market committee in the same manner as if it were an original budget estimate.

Accounts,  
audit, annual  
report.

21. (1) The accounts and records of a market committee shall be maintained and the accounts audited, in the prescribed manner.

(2) Every market committee shall prepare an annual statement of accounts and an annual report in the prescribed manner and submit the same to such authority as may be prescribed.

Appointment  
of servants  
of market  
committee  
and condi-  
tions of  
service.

22. (1) There shall be a Secretary for every market committee, who shall be appointed by the market committee with the approval of the Director and subject to the terms and conditions prescribed. The Secretary shall exercise such powers and perform such duties as the market committee may from time to time direct.

(2) The market committee may employ such other officers and servants as may be necessary for the management of the market. The market committee shall, in the case of any officer or servant of Government whom it employs pay such pension, contribution, gratuity or leave allowance as may be required by the conditions of his service under Government for the time being in force.

(3) Subject to any rules made in this behalf, the market committee may provide for the payment to its officers and servants of such salaries, leave allowances, pensions or gratuities as it deems proper, and may contribute to any provident fund which may be established for their benefit.

Powers and  
duties of  
market com-  
mittee.

23. A market committee shall exercise the powers and perform the functions and duties conferred or imposed on it by this Act and the rules.

Provisions  
for perfor-  
mance of  
duties of com-  
mon nature  
where more  
than one com-  
mittee  
exists.

24. (1) Where more market committees than one are established for any market area, the Director may, notwithstanding anything contained in this Act, issue general or special directions as to which of the market committees shall exercise, perform and discharge respectively all or any of the powers, duties and functions of the market committees under this Act, in which they are jointly interested or which are of a common nature.

(2) The cost incurred by a market committee in pursuance of directions issued under sub-section (1) shall be shared by the other market committees concerned in such proportions as may be agreed upon, or in default of agreement, as may be determined by the Director or such officer as the Director may designate in this behalf. The decision of the Director or officer, as the case may be, shall be final.

25. (1) A market committee may appoint one or more sub-committees consisting of such number of its members as it may determine, for carrying out any work or to report to it on any matter.

Appointment of sub-committee and delegation of powers.

(2) A market committee may delegate to any one or more of its members or to any such sub-committee such of its powers and duties as it may deem necessary.

26. It shall be the duty of every market committee to maintain and manage the market, to take all possible steps to prevent adulteration and to promote grading and standardisation of the agricultural produce as may be prescribed, to provide such facilities in the market as the Director may from time to time direct and to enforce in the market area the provisions of this Act, the rules, bye-laws and the conditions of licences granted under the Act in connection with the purchase and sale of the agricultural produce with which it is concerned. It shall also be the duty of every market committee to collect and maintain such information relating to market intelligence as may be prescribed and to supply the same to Government whenever so required.

Duties of market committees.

27. (1) On the establishment of a market, the market Committee may, subject to rules made in that behalf, grant or renew a general licence or a special licence for the purpose of any specific transaction or transactions to a trader, general commission agent, broker, weighman, surveyor, warehouseman or any person to operate in the market area or part thereof, or after recording its reasons therefor, refuse to grant or renew any such licence.

Licences, their issue, renewal, suspension, or cancellation etc. and appeals against refusal, suspension etc. of licence.

(2) Licences may be granted under sub-section (1) in such forms, for such periods, on such terms and conditions and restrictions (including any provision for prohibiting brokers and commission agents from acting in any transaction both as buyer and seller, or on behalf of both the buyer and seller, and provision for regulating advances, if any, to be made to agriculturists by brokers, commission agents or traders and any provision for prescribing the manner in which and the places at which auctions of agricultural produce shall be conducted and the bids made and accepted and places at which weighment and delivery of agricultural produce shall be made in any market area) as may be prescribed or determined by the bye-laws and on payment of fees determined by the market committee within such maxima as may be prescribed.

(3) A market committee may, for reasons to be recorded in writing, suspend or cancel a licence,—

(i) if the licence has been obtained through wilful misrepresentation or fraud, or

(ii) if the holder thereof or his servant or any person acting on his behalf with his express or implied permission, commits a breach of any of the terms, conditions, or restrictions imposed by the licence, or

(iii) if the holder of the licence has been adjudged an insolvent and has not obtained his discharge, or

(iv) if the holder of the licence is convicted of any offence under this Act:

Provided that no licence shall be suspended or cancelled unless the holder thereof has been given a reasonable opportunity to show cause against such suspension or cancellation.

(4) If in respect of any holder of a licence, it appears to the Director that on any ground specified in sub-section (3) an action under that sub-section by the market committee was necessary but that the market committee has not taken any such action, the Director may, on any such ground and for reasons to be recorded in writing and after giving a reasonable opportunity to the holder of the licence to be heard, by order suspend or cancel any licence granted or renewed under this section.

(5) Any person aggrieved by an order refusing to grant or renew a licence or suspending or cancelling any licence may, appeal within thirty days from the date of the communication of the order to him—

(i) to the Director, if such order has been made by a market Committee, and

(ii) to the State Government, if such order has been made by the Director.

(6) The Director or as the case may be, the State Government after giving the appellent a reasonable opportunity of being heard, shall on such appeal make such order as is deemed just and proper.

Power to levy  
fees.

28. The market committee shall, subject to the provisions of the rules and the maxima and minima from time to time prescribed levy and collect fees on the agricultural produce bought or sold in the market area:

Provided that the fees so levied may be collected by the market Committee through such agents as it may appoint.

Power of en-  
try and  
search.

29. The Chairman, Vice-Chairman or Secretary of the market committee or any member, officer or servant authorised by the committee in this behalf, may—

(a) for carrying out any of the duties imposed on the market committee under this Act at all reasonable times enter and search any place, premises, or vehicle, and

(b) seize any article in respect of which he has reason to believe that an offence under this Act has been or is being or is about to be committed, and any vehicle or animal which he has reason to believe to be in use or to have been used or to be about to be used for carrying such articles, and shall detain the same so long as may be necessary in connection with any proceeding under this Act or for a prosecution :

Provided that a report of the seizure shall forthwith be made by the person seizing the article, vehicle or animal to the Chairman if he is not the Chairman himself :

Provided further that the grounds for seizing any such article, vehicle or animal shall be communicated in writing within twenty four hours of the seizure to the person from whose possession the same was seized.

30. (1) The Chairman, Vice-Chairman or Secretary of the market committee or any other member, officer or servant authorised by the committee in this behalf may summarily evict from the market any person found to be operating in the market area without holding a valid licence. Power to remove unauthorised persons from market.

(2) Such eviction shall be without prejudice to any punishment to which the person evicted may be liable under this Act.

Bom. LXIX of 1958. 31. (1) Notwithstanding anything contained in the Bombay Weights and Measures (Enforcement) Act, 1958 if any difference arise between an Inspector appointed under section 15 of the said Act and any person interested as to the meaning or construction of any rule or regulation or as to the method of verifying, adjusting or stamping any weight or measure or weighing or measuring instrument in any market area, at the request of the person interested it shall be and in other case may be, referred by the Inspector to the market committee and the decision of the market committee shall, subject to the provisions of sub-section (3), be final. Certain differences regarding construction of rules etc. about weights and measures and other disputes to be decided by market committee.

(2) If any dispute arises in the course of business under this Act between persons operating in the market, any person who is party to the dispute may refer it to the market committee and the decision of the market committee, subject to the provisions of sub-section (3), shall be final.

(3) From a decision under sub-section (1) or (2) an appeal shall within the time prescribed lie to the State Government or such officer as the State Government may appoint in this behalf. The decision of the State Government or, as the case may be, such officer shall be final.

## CHAPTER V.

### MARKET COMMITTEE FUND AND STATE AGRICULTURAL PRODUCE MARKET FUND.

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

Purposes for which the fund shall be expended.

33. Subject to the provisions of section 32, the Market Committee Fund shall be expended for the following purposes, namely :—

- (1) the acquisition of a site or sites for the market ;
- (2) the maintenance and improvement of the market ;
- (3) the construction and repair of buildings necessary for the purposes of such market and for the health, convenience and safety of the persons using it ;
- (4) the provision and maintenance of weights and measures ;
- (5) the pay, pensions, leave allowances, gratuities, compensation for injuries resulting from accidents, compassionate allowances and contribution towards leave allowances, pension or provident fund of, and loans not exceeding Rs. 2,000 in the aggregate to, the officers and servants employed by it ;
- (6) the expenses of and incidental to elections ;
- (7) the payment of interest on loans raised for the purposes of the market and the provision of a sinking fund in respect of such loans ;
- (8) the collection and dissemination of information regarding matters relating to crop statistics and marketing of the agricultural produce notified under section 6 ;
- (9) payment of contribution to the State Agricultural Produce Markets Fund ;
- (10) propaganda in favour of agricultural improvement ;
- (11) payment of allowances and travelling expenses to the members of the market Committee and sub-committees ; and
- (12) such other purposes under this Act as may be prescribed.

State Agricultural Produce Markets Fund.

34. (1) There shall be established a fund called the State Agricultural Produce Markets Fund which shall consist of the payments made into it under sub-section (2) and such other sums which may under this Act be credited thereto, and which shall, unless otherwise provided in this Act, be utilised for subsidising a market committee for the development of a market or for subsidising market committees whose financial position makes it impossible for them to employ a sufficient number of officers and servants for the discharge of their functions under the Act or for discharging any liability vesting in the State Government under section 53.

(2) (a) All market committees shall pay to the State Agricultural Produce Markets Fund every year such contribution on such date and in such manner as may be prescribed :

Provided that the amount of contribution shall be fixed at rates in proportion to the gross annual income of a committee.

(b) The State Government shall, after due appropriation, contribute to the said Fund every year a sum which shall be equal to the total amount of contributions under clause (a).

(3) The Fund shall be kept in the custody of, and be administered by, the Director in such manner as may be prescribed :

Provided that the Director shall invest, in such manner as may be prescribed, all sums to the credit of the Fund which may not be immediately required for any of the purposes specified by or under this Act.

## CHAPTER VI.

### TRADE ALLOWANCE.

35. No person shall make or recover any trade allowance, other than an allowance prescribed by rules or bye-laws made under this Act, in any market area in any transaction in respect of agricultural produce specified in respect of the market area under the foregoing provisions of this Act, and no civil court shall, in any suit or proceeding arising out of any such transaction, take into consideration or recognise any trade allowance not so prescribed.

No trade allowance permissible except as prescribed.

*Explanation.*—Every deduction other than a deduction on account of deviation from sample when the purchase is made by sample, or on account of a deviation from standard when the purchase is made by reference to a known standard, or on account of a difference between the actual weight of the container and the standard weight, shall be regarded as a trade allowance for the purposes of this section.

## CHAPTER VII.

### OFFENCES, PENALTIES, INVESTIGATION AND PROCEDURE.

36. (1) Whoever without holding a licence uses any place in a market area for the purchase or sale of any agricultural produce or operates in a market area or any part thereof and thereby contravenes the provisions of section 6 or 8 shall, on conviction, be punished—

Penalty for contravention of section 6 or 8.

(i) for a first offence, with fine which may extend to five hundred rupees,

(ii) for a second offence of the same nature, with fine which may extend to one thousand rupees, and



(iii) for any subsequent offence of the same nature, with imprisonment which may extend to one month and fine which may extend to one thousand rupees :

Provided that in absence of special and adequate reasons to the contrary mentioned in the judgment of the Court the fine for the first offence shall not be less than one hundred rupees and for the second or any subsequent offence shall not be less than five hundred rupees.

(2) If the holder of a licence contravenes any condition of the licence, he shall, on conviction, be punished with fine which may extend to five hundred rupees :

Provided that in the absence of special and adequate reasons to the contrary mentioned in the judgment of the Court the fine shall not be less than one hundred rupees.

**Penalty for making or recovering unauthorised trade allowance.** 37. Whoever, in contravention of the provision of section 35 makes or recovers any trade allowance other than an allowance prescribed by rules or bye-laws shall, on conviction, be punished with fine which may extend to five hundred rupees.

**Payment of amount of fines to market committee.** 38. The State Government shall in each year after due appropriation made by a law made by the State Legislature pay to each market committee an amount equal to the amount of fines levied and collected in the previous year in respect of offences committed under sections 36 and 37 in its market area.

**Penalty for failure to furnish information etc.** 39. Any member, officer or servant of a market committee, who—  
(a) wilfully neglects or refuses to furnish any information or to do any act, which he is bound to furnish or to do under this Act, or

(b) wilfully furnishes false information,  
shall on conviction, be punished with fine which may extend to fifty rupees.

**Offences by companies.** 40. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purpose of this section,—

(a) “company” means a body corporate, and includes a firm or other association of individuals; and

(b) “director” in relation to a firm means a partner in the firm.

41. (1) No offence under this Act, or any rule or bye-law thereunder shall be Trial of offences tried by a Court inferior to that of a Magistrate of the First Class.

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

42. No court shall take cognizance of any offence alleged to have been committed by a member, secretary, officer or servant of a market committee while Previous sanction necessary for prosecution. acting or purporting to act in the discharge of his duties in relation to the affairs of the committee except with the previous sanction of the Director.

43. (1) Any police officer may arrest any person committing in his view any offence against any provision of this Act or any rule or bye-law made thereunder, Powers and duties of police officer. if the name and address of such person be unknown to him and he declines to give his name and address on demand, or gives a name and address the accuracy of which such officer has reason to doubt; and such person may be detained at the police station until his correct name and address has been ascertained.

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

## CHAPTER VIII.

### CONTROL.

44. (1) The Director may of his own motion, himself or by an officer authorised by him, inspect or cause to be inspected the accounts of a market committee or hold an inquiry into the affairs of a market committee. Power to hold inquiry.

(2) When the affairs of a market committee are inquired into, all members, officers and servants of the committee shall furnish such information and produce such documents in their possession, relating to the affairs of the committee, as the Director or the officer may require.

(3) The Director and the officer shall have the power to summon and enforce the attendance of members and officers of the market committee and to compel them to give evidence and to produce documents by the same means and as far as possible in the same manner as is provided in the case of a Civil Court by the Code of Civil Procedure, 1908. <sup>V of 1908.</sup>

(4) The Director or, as the case may be, the officer may require the market committee either as a result of the inquiry or otherwise to do a thing or to abstain from doing a thing which the Director or the officer considers necessary for the purposes of this Act, and to send a written reply to him within a reasonable time, stating whether the aforesaid requisition is complied and in case it is not complied, stating its reason for not complying with the requisition.

Power of Director to provide for performance of duties in default of market committee.

45. (1) Where the Director on a complaint made to him or otherwise is satisfied that a market committee has made default in performing any duty imposed on it by or under this Act, he may fix a period for its due performance.

(2) If the duty be not performed within the period so fixed, the Director may appoint a person to perform it, and may direct that the expense of performing it and the reasonable remuneration of such person shall be forthwith paid by the committee.

(3) If the expense and remuneration be not so paid, the Director may make an order directing the bank in which any moneys of the committee are deposited or the person in charge of any place of security in which the moneys of the committee are deposited to pay such expense and remuneration from moneys standing to the credit of the committee in such bank or in the hands of such person or such moneys as may from time to time be received from or on behalf of the committee by way of deposit by such bank or person; and such bank or person shall be bound to obey such order. Every payment made pursuant to such order shall be sufficient discharge of such bank or person from all liability to the committee in respect of any sums so paid by it or him.

Supersession of market committee.

46. (1) If in the opinion of the State Government 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 State Government may, by notification in the *Official Gazette*, supersede such market committee:

Provided that before issuing a notification under this sub-section, the State Government shall give a reasonable opportunity to the market committee for showing cause why it should not be superseded and shall consider the explanation and objections, if any, of the market committee.

(2) Upon the publication of a notification under sub-section (1) superseding a market committee the following consequences shall ensue, namely:—

- (i) 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 respective offices.
- (ii) the State Government may at its discretion, either order that a new market committee be constituted under section 11 or make such arrangements for carrying out the functions of the market committee, as it may think fit; and
- (iii) all the assets vesting in the market committee shall, subject to all its liabilities, vest in the State Government.
- (3) If the State Government makes an order under clause (ii) of sub-section (2), it shall transfer the assets and liabilities of the market committee as on the date of such transfer, to the new market committee constituted under section 11 or to the person or persons, if any, appointed for carrying out the functions of the market committee, as the case may be.
- (4) If the State Government does not make such an order, it shall transfer all the assets of the market committee which remain after the satisfaction of all its liabilities, to the State Agricultural Produce Markets Fund constituted under section 34. The Director shall utilise such assets for such object in the area as he considers to be for the benefit of the agriculturists in that area.

47. The Director shall have power—

- (a) to call for any proceedings of a market committee or an extract therefrom, any book or document in the possession or under the control of a market committee and any return, statement, account or report which the Director thinks fit to require such market committee to furnish; and
- (b) to require a market committee to take into consideration—
- (i) any objection which appears to the Director to exist to the doing of anything which is about to be done, or is being done, by such market committee; or
- (ii) any information which the Director is able to furnish, and which appears to the Director to necessitate the doing of anything by the market committee,

Power of Director to call for proceedings etc.

and to make a written reply to the Director within a reasonable time stating its reasons for not doing or not desisting from doing anything.

48. The State Government may at any time call for and examine the proceedings of the Director or of any market committee for the purpose of satisfying itself as to the legality or propriety of any decision or order passed by the Director or the market committee. In any case in which it appears to the State Government that any decision or order or proceedings so called for should be modified, annulled or reversed, the State Government may pass such order thereon as it thinks fit.

Powers of State Government to call for proceedings of market committee and to pass orders thereon.

## CHAPTER IX.

## MISCELLANEOUS.

Acquisition of land for purposes of this Act.

49. (1) The State Government may acquire any land within a market area, which in its opinion is needed for the purposes of this Act, under the provisions of the Land Acquisition Act, 1894 or any other corresponding law for the time being in force. 1894.

(2) Such land shall be transferred by the State Government to the market committee on payment by the market committee of the compensation awarded under the Land Acquisition Act, 1894, or any other corresponding law for the time being in force and of all other charges incurred by the State Government on account of the acquisition, within such period and in such manner as the State Government may, by general or special order, determine and on such transfer the land shall vest in the market committee. I of 1894

Members to be held responsible for misapplied funds.

50. Every member of the market committee shall be personally liable for any misapplication of its moneys to which he shall have been a party, or which shall have occurred through, or been facilitated by, gross neglect of his duty as a member, and may be sued for recovery of the moneys so misapplied as if such moneys had been the property of the State Government:

Provided that no member shall be personally liable in respect of any contract or agreement made, or for any expense incurred by, or on behalf of, the market committee, and the funds of the market committee shall be liable for, and be charged with, all costs in respect of any such contract and agreement and all such expenses.

Recovery of dues as arrears of land revenue.

51. (1) Any sum due from a market committee to the State Government shall be recoverable as an arrear of land revenue.

(2) Any sum due to a market committee on account of any fees, charge, cost or expenses under this Act or under the rules or bye-laws remaining unrecovered after following the procedure prescribed by rules, shall be recoverable as an arrear of land revenue.

Power to denotify or divide market area.

52. Subject to the procedure laid down in section 5 the State Government may, by a notification in the *Official Gazette*, declare that a market area shall cease to be such area or divide a market area into two or more separate market areas.

Effect of de-notification or exclusion of market area.

53. (1) Where a market area ceases to be a market area,—

- (a) any market established therein shall cease to be a market, and
- (b) the market committee or committees established for the market area shall stand dissolved and the following consequences shall ensue, namely :—
  - (i) the members of the committee or committees shall vacate their office ;
  - (ii) the unexpended balance of the Market Committee Fund and other property and liabilities of the market committee shall vest in the State Government:

Provided that the State Government shall not be liable to discharge the liabilities so vesting in so far as the same exceed the unexpended balance of the Market Committee Fund and the value of the property vesting in the State Government.

(2) Where any area is excluded under section 6 from a market area for which a market committee has been established and such area is not included in any other market area or declared to be a market area so much of the Market Committee Fund and other property vesting in the market committee as the State Government may by order in writing direct shall vest in the State Government.

(3) The State Government shall credit to the State Agriculture Produce Markets Fund such sum as in its opinion represents the fund and property vesting in it under sub-section (1) or (2).

54. (1) When during the term of a market committee the limits of the market area for which it is established are altered or the market area is divided into two or more separate market areas, the State Government may by order in writing dissolve the market committee and direct that a market committee be constituted for each market area as formed on account of such alteration. The members of the market committee so dissolved shall vacate their office from the date specified in the order.

Power of State Government to dissolve and constitute market committee on alteration of limits of market.

(2) A new market committee constituted under the provisions of sub-section (1) shall consist of members nominated by the State Government and its Chairman and Vice-Chairman shall be elected in the manner provided in this Act. The members shall, so far as in the opinion of the State Government may be practicable, be persons who were members of the dissolved market committee.

(3) The members of such new market committee shall hold office for such period not exceeding two years as the State Government shall by order in writing specify.

(4) On the expiry of the period of office of the members of a market committee under sub-section (3), the market committee shall be reconstituted in the manner provided in section 11.

55. (1) When under sub-section (1) of section 54 a new market committee has been constituted, there shall be transferred to it such portion of the dissolved committee's market fund and other property and debts and obligations as the State Government may by order in writing direct.

Vesting of property etc., of dissolved market committee in new market committee.

(2) 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 area subject to the authority of the new market committee shall vest in the new market committee.

(3) Any notification, notice, fee, order, scheme, licence, permission, bye-law or form, made, issued or imposed by the market committee which has been dissolved, in respect of any part of the area subject to the authority of the new market committee, shall be deemed to have been made, issued or imposed by the new market committee unless and until it is superseded by any notification, notice, fee, order, scheme, licence, permission, rule, bye-law or form made, issued or imposed by it.

Admissibility  
of copy of  
entry as  
evidence.

**56.** A copy of any entry in any book, register or list regularly kept in the course of business in the possession of a market committee if duly certified in such manner as may be prescribed, shall, in respect of the existence of the entries and in respect of the matters and the transactions therein recorded, be admissible in evidence in every case to the same extent to which the original entry would, if produced, have been admissible.

Chairman,  
Vice-Chair-  
man, Mem-  
bers, Secre-  
tary and  
servants of  
market  
committees to  
be public  
servants.

**57.** The Chairman, the Vice-Chairman, the members, the Secretary and other officers and servants of a market committee shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

XLV  
of  
1880.

Bar of suit  
in absence  
of notice.

**58.** (1) No suit or other proceedings shall be instituted against a market committee or a member, officer or servant thereof or a person acting under the directions of any of them for anything done or purporting to be done in good faith under this Act, until the expiration of two months next after a notice in writing, stating the cause of action, the name and place of abode of the intending plaintiff and the relief which he claims, has been in the case of a market committee, delivered or left at its office, and in the case of any such member, officer, servant or person as aforesaid delivered to him or left at his office or usual place of abode, and unless the plaint contains a statement that such notice has been so delivered or left.

(2) Any such suit not instituted within six months from the date of the accrual of the alleged cause of action shall be dismissed.

(3) Nothing in this section shall be deemed to apply to any suit instituted under section 54 of the Specific Relief Act, 1877.

1 of  
1877.

Rules.

**59.** (1) The State Government may, by notification in the *Official Gazette*, make rules, either generally or specially for any market area or market areas for the purposes of carrying out the provisions of this Act.

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

(i) the preparation and revision of list of voters for the purpose of any election under section 11, determination of disputes arising in such election and payment of expenditure in connection with or incidental to such election;

(ii) the periodical inspection of all weights and measures and the weighing and measuring instruments in use in a market area;

(iii) the manner of control and supervision to be exercised by the market committee over Inspectors appointed under section 15 of the Bombay Weights and Measures (Enforcement) Act, 1958;

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LXIX  
of 1958.

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

(v) 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;

(vi) any other matter which is expressly required or allowed by this Act to be prescribed by rules.

(3) Any rule made under this Act may provide that any contravention thereof or any of the conditions of any licence issued or renewed thereunder shall, on conviction, be punishable with imprisonment which may extend to one month or with fine which may extend to five hundred rupees or both.

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

(5) All rules made under this section shall be laid for not less than thirty days before the State Legislature as soon as possible after they are made, and shall be subject to rescission by the Legislature or to such modifications as the Legislature may make during the session in which they are so laid, or the session immediately following.

(6) Any rescission or modifications so made by the Legislature shall be published in the *Official Gazette* and shall thereupon take effect.

60. (1) A market committee may, in respect of the market area and agricultural produce for which it is established, make bye-laws, not inconsistent with this Act and the rules made thereunder, for the regulation of business and the conditions of trading in the market area and for any other matters as may be prescribed :

Provided that no such bye-law shall be valid until it is registered under this Act.

(2) Any bye-law made under sub-section (1) may provide that any contravention thereof shall, on conviction, be punishable with fine which may extend to two hundred rupees.

(3) A copy of every bye-law made under sub-section (1) shall be forwarded to the Director in the prescribed manner.

(4) On receipt of the copy, the Director if satisfied that the bye-law so forwarded is not inconsistent with this Act and the rules made thereunder, may register the bye-law :

Provided that no order refusing to register a bye-law shall be passed without giving the market committee an opportunity of being heard.

(5) Where the Director registers any bye-law of a market committee, he shall issue to it a copy thereof certified by him which shall be conclusive evidence of its registration.



(6) Where the Director refuses to register any bye-law he shall communicate the order of refusal, together with his reasons therefor, to the market committee.

Power to direct making of bye-laws.

61. (1) If on a representation made in that behalf or otherwise it appears to the Director that the making of a bye-law or any modification or rescission of an existing bye-law is necessary or desirable in the interests of a market committee, he may call upon it to make the bye-law or to modify or rescind the existing bye-law within such time as he may specify.

(2) If the market committee fails to comply with the direction issued under sub-section (1) within the time so specified, the Director after giving the market committee an opportunity of being heard and with the prior approval of the State Government, may make, modify or as the case may be, rescind the bye-law and register the bye-law or as the case may be, the modification or rescission so made and shall thereupon issue to the market committee a copy thereof certified by him. With effect from the date of such registration, the bye-law, the modification or as the case may be, rescission shall be deemed to have been duly made under this Act as if it had been made by the market committee under section 60.

Power of State Government to amend Schedule.

62. (1) The State Government may, by notification in the *Official Gazette*, add to, amend or cancel any of the items of agricultural produce specified in the Schedule.

(2) A notification issued under sub-section (1) shall be laid for not less than thirty days before the State Legislature as soon as possible after it is issued and shall be subject to rescission by the Legislature or to such modifications as the Legislature may make during the session in which it is laid, or the session immediately following.

(3) Any rescission or modifications so made by the Legislature shall be published in the *Official Gazette* and shall thereupon take effect.

Provisions of certain laws not to apply.

63. Nothing contained in the Markets and Fairs Act, 1862, or in any law for the time being in force relating to the establishment, maintenance or regulation of a market shall apply to any market area or affect in any way the powers of a market committee or the rights of a holder of a licence granted under this Act to set up, establish or continue any place for the purchase or sale of any agricultural produce notified under sub-section (1) of section 6 in such area.

Repeal and saving.

64. (1) The Bombay Agricultural Produce Markets Act, 1939 and the Saurashtra Agricultural Produce Markets Act, 1955 are hereby repealed.

(2) Notwithstanding the repeal of the said Acts,—

(i) every market area, market, principal market yard, sub-market yard and market proper declared under any of the Acts so repealed and existing im-

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IV of  
1862.

Bom.  
XXII  
of 1939.  
Sau.  
Act  
XIII of  
1955.

mediately before the commencement of this Act shall be deemed to be declared as such under this Act and the provisions of this Act shall apply thereto;

(ii) every market committee established for any market area under any of the Acts so repealed shall, notwithstanding anything contained in section 11 but subject to the other provisions of this Act, be deemed to be a market committee established for the said market area under this Act and the members thereof holding office immediately before the commencement of this Act shall continue to hold office for the period for which they would have held office, had this Act not been enacted or until the market committee is duly reconstituted under section 11 whichever is earlier;

(iii) any other thing done or action taken (including any appointment, order, notification, rule, bye-law made, licence issued, or fee imposed) under any of the Acts so repealed shall be deemed to have been done or taken, under the corresponding provisions of this Act and shall continue in force until it is superseded by anything done or action taken under this Act.

### SCHEDULE

[See section 2 (I) (i)]

#### I. *Fibres*

- 1) Cotton (ginned and unginned). (2) Sanhemp

#### II. *Cereals*

- |                                  |              |
|----------------------------------|--------------|
| (1) Wheat.                       | (8) Maize.   |
| (2) Paddy (husked and unhusked). | (9) Sarsav.  |
| (3) Jowar.                       | (10) Bavto.  |
| (4) Bajri.                       | (11) Barley. |
| (5) Nagli.                       | (12) Banti.  |
| (6) Vari.                        | (13) Chino.  |
| (7) Kodra.                       |              |

#### III. *Pulses*

- |            |                              |
|------------|------------------------------|
| (1) Tur.   | (7) Lang.                    |
| (2) Gram.  | (8) Math.                    |
| (3) Udid.  | (9) Peas.                    |
| (4) Mung.  | (10) Kulthi.                 |
| (5) Val.   | (11) Splits (Dal) of pulses. |
| (6) Chola. | (12) Masur.                  |

#### IV. *Oilseeds*

- |                                       |                          |
|---------------------------------------|--------------------------|
| (1) Groundnut (shelled and unshelled) | (7) Cotton seed.         |
| (2) Linseed.                          | (8) Castor seed.         |
| (3) Sesamum.                          | (9) Khursani.            |
| (4) Safflower.                        | (10) Niger-seed.         |
| (5) Ambadi.                           | (11) Oil cakes.          |
| (6) Coconut.                          | (12) Thymol (Ajmoseeds). |
|                                       | (13) Dil seeds (shepa).  |

V. *Narcotics*

- (1) Tobacco.

VI. *Gul, sugar and sugar cane.*VII. *Fruits*

- |                  |                   |
|------------------|-------------------|
| (1) Mango.       | (10) Strawberry.  |
| (2) Mosambi.     | (11) Melons.      |
| (3) Santra.      | (12) Water Melon. |
| (4) Lemon.       | (13) Papaya.      |
| (5) Banana.      | (14) Guava.       |
| (6) Grapes.      | (15) Bor.         |
| (7) Pomegranate. | (16) Falsa.       |
| (8) Fig.         | (17) Mango chips  |
| (9) Chicoo.      |                   |

VIII. *Vegetables*

- |             |                                 |
|-------------|---------------------------------|
| (1) Potato. | (5) Leafy and fresh vegetables. |
| (2) Onion.  | (6) Yam.                        |
| (3) Tomato. | (7) Sweet potatoes.             |
| (4) Suran.  | (8) Kochara.                    |

IX. *Animal Husbandry Products*

- |              |             |
|--------------|-------------|
| (1) Eggs.    | (6) Wool.   |
| (2) Poultry. | (7) Butter. |
| (3) Cattle.  | (8) Ghee.   |
| (4) Sheep.   | (9) Milk.   |
| (5) Goat.    |             |

X. *Condiments, spices and others*

- |                          |                     |
|--------------------------|---------------------|
| (1) Turmeric.            | (10) Cashewnuts.    |
| (2) Ginger.              | (11) Cummin (Jiru). |
| (3) Garlic.              | (12) Rai.           |
| (4) Corriander.          | (13) Mathi.         |
| (5) Chillies.            | (14) Isabgul.       |
| (6) Cardamom and pepper. | (15) Asario.        |
| (7) Variali.             | (16) Musli.         |
| (8) Betel-nuts.          | (17) Gum (gundar).  |
| (9) Betel-leaves.        | (18) Tamarind.      |

XI. *Grass and fodder*XII. *Cattle Feeds*

- |            |             |
|------------|-------------|
| (1) Guwar. | (2) Punvad. |
|------------|-------------|



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Separate paging is given to this part in order that it may be  
 filed as a separate compilation

**PART IV**

**Acts of the Gujarat Legislature and Ordinances promulgated  
 and Regulations made by the Governor.**

The following Act of the Gujarat Legislature, having been assented to by the Governor on the 30th March 1965 is hereby published for general information.

B. V. PARANJAPE,  
 Joint Secretary to the Government of Gujarat,  
 Legal Department.

**GUJARAT ACT NO. 5 OF 1965.**

(First published, after having received the assent of the Governor in the "Gujarat Government Gazette" on the 30th March 1965.).

An Act to amend the Gujarat Agricultural Produce Markets Act, 1963.

It is hereby enacted in the Sixteenth Year of the Republic of India as follows :—

1. This Act may be called the Gujarat Agricultural Produce Markets (Amendment) Act, 1965. Short title.

2. In section 64 of the Gujarat Agricultural Produce Markets Act, 1963, in sub-section (2), to clause (ii), the following proviso shall be, and shall be deemed always to have been, added, namely :— Amendment of section 64 of Guj. 20 of 1964.

"Provided that if, in the case of any market committee, the period for which the members thereof would have held office as aforesaid expires before the 30th September 1965, it shall be deemed to have been extended upto the end of December 1965."



**The Gujarat Government Gazette**  
**EXTRAORDINARY**  
**EDUCATION DEPARTMENT**

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Separate paging is given to this Part in order that it may  
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**PART IV**

**Acts of the Gujarat Legislature and Ordinances promulgated and  
Regulations made by the Governor.**

The following Act of the Gujarat Legislature having been assented to by the Governor on the 20th February, 1979 is hereby published for general information.

V. V. BEDARKAR,  
Secretary to the Government of Gujarat,  
Legal Department.

**GUJARAT ACT NO. 3 OF 1979**

(First published after having received the assent of the Governor in the "*Gujarat Government Gazette*" on the 28th February, 1979).

An Act further to amend the Gujarat Agricultural Produce Markets Act, 1963 and to validate certain notifications issued under sub-section (5) of section 6 of that Act.

It is hereby enacted in the Twenty-ninth Year of the Republic of India as follows:--

1. This Act may be called the Gujarat Agricultural Produce Markets **Short title.** (Amendment and Validation) Act, 1978.

Amendment  
of section 6  
of Gaj. 20  
of 1961.

2. In the Gujarat Agricultural Produce Markets Act, 1963 (hereinafter referred to as "the principal Act"), in section 6—

Guj.  
20 of  
1964.

(1) in sub-section (1), for the words "under this section" the words "under this sub-section" shall be substituted;

(2) in sub-section (5), the following shall be added at the end, namely :—

"A notification under this sub-section shall also be published in Gujarati in a newspaper having circulation in the said area and in such other manner, as may be prescribed."

Validation  
of certain  
notifications.

3. Notwithstanding any judgement, decree or order of any court, no notification issued under sub-section (5) of section 6 of the principal Act before the commencement of this Act shall be deemed to be or ever to have been invalid merely on the ground that such notification was not also published in Gujarati in a newspaper and in other prescribed manner, as required by sub-section (1) of that section and accordingly no exclusion of any area from a market area or inclusion of any area in a market area or exclusion from or addition to the kinds of agricultural produce, any kind of agricultural produce, made before such commencement by such notification shall be deemed to be, or ever to have been, illegal merely on the ground that such notification was not published in Gujarati in a newspaper and in the other prescribed manner, as required by sub-section (1) of section 6 of the principal Act.

*Explanation.*—For the purpose of this section expressions "agricultural produce" and "market area" shall have the meanings respectively assigned to them in the principal Act.



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**The Gujarat Government Gazette**  
**EXTRAORDINARY**  
PUBLISHED BY AUTHORITY

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

**PART IV**

Acts of the Gujarat Legislature and Ordinances promulgated and Regulations made by the Governor.

The following Act of the Gujarat Legislature having been assented to by the Governor on the 2nd August, 1985, is hereby published for general information.

J. P. VASAVADA,  
Secretary to the Government of Gujarat,  
Legal Department.

**GUJARAT ACT NO. 17 OF 1985.**

(First published, after having received the assent of the Governor in the "Gujarat Government Gazette" on the 3rd August, 1985.).

*AN ACT*

*further to amend the Gujarat Agricultural Produce Markets Act, 1963.*

It is hereby enacted in the Thirty-sixth Year of the Republic of India as follows :—

1. (1) This Act may be called the Gujarat Agricultural Produce Markets (Amendment) Act, 1985.

Short title and commencement.

(2) It shall be deemed to have come into force on the 25th January, 1985.

Guj.  
XX of  
1964.

2. In the Gujarat Agricultural Produce Markets Act, 1963 (hereinafter referred to as "the principal Act"), in section 2,—

Amendment of section 2 of Guj. XX of 1964.

(a) after clause (ii), the following clause shall be inserted, namely:—

“(ii-a) “Board” means the Gujarat State Agricultural Marketing Board established under section 34;”;

(b) after clause (v), the following clause shall be inserted, namely:—

“(v-a) “Development Fund” means the State Agricultural Marketing Development Fund established under section 34L;”;

(c) after clause (xvii), the following clause shall be inserted, namely:—

“(xvii-a) “regulations” means regulations made under section 59A;”.

3. In the principal Act, in Chapter V, section 34 shall be deleted.

4. In the principal Act, after Chapter V, the following new Chapter shall be inserted, namely:—

Deletion of section 34 of Guj. XX of 1964.

Insertion of new Chapter V-A in Guj. XX of 1964.

#### “CHAPTER V-A.

#### THE GUJARAT STATE AGRICULTURAL MARKETING BOARD.

34. (1) The State Government may, by notification in the *Official Gazette*, establish, with effect from such date as may be specified in such notification, a Board to be called “the Gujarat State Agricultural Marketing Board”.

(2) The Board shall be a body corporate, and shall have perpetual succession and a common seal, and may in its corporate name sue and be sued and shall be competent to acquire, hold and dispose of property, both movable and immovable, and to contract and to do all other things necessary for the purposes for which it is established.

(3) The Board shall be deemed to be a local authority within the meaning of clause (26) of section 3 of the Bombay General Clauses Act, 1904.

34A. (1) The Board shall consist of the following members, namely:—

(i) The Chairman, who shall be nominated by the State Government;

(ii) nine members to be elected from amongst themselves by representatives consisting of one member each of a market committee to be determined from amongst such of its members who are agriculturists by a resolution passed by such market committee;

(iii) three members to be elected from amongst themselves by representatives consisting of one member each of a Market Committee to be determined from amongst such of its members who are trades by a resolution passed by such market's Committee;

Establishment of State Agricultural Marketing Board.

Constitution of Board.

Bom.  
I of  
1904.



(iv) the Secretary to the Government of Gujarat, Agriculture and Rural Development Department or an Officer of that Department nominated by the Secretary, *ex-officio* ;

(v) the Secretary to the Government of Gujarat, Co-operation Department or an Officer of that Department nominated by the Secretary, *ex-officio* ;

(vi) the Registrar of Co-operative Societies, Gujarat State, *ex-officio*;

(vii) the Director of Agricultural Marketing, Gujarat State, *ex-officio*;

(viii) the Agricultural Marketing Advisor to the Government of India or his representative;

(ix) the Managing Director of the Board, *ex-officio* :

Provided that when the Board is constituted for the first time, the members under clauses (ii) and (iii) shall be persons nominated by the State Government and shall hold office for a period of two years from the date of their nomination, such period being extensible by the State Government for a further period of two years so however that the total period shall not exceed four years in the aggregate.

(2) (a) Election of the members of the Board under clauses (ii) and (iii) of sub-section (1) shall be held in such manner as may be prescribed.

(b) Any dispute relating to the election of the members referred to in clause (a) shall be referred to the State Government or an officer authorised by the State Government in this behalf, and the decision of the State Government or the officer so authorised, as the case may be, shall be final.

(3) The State Government shall cause the names of the members of the Board who are elected under clause (ii) or (iii) of sub-section (1) to be published in the *Official Gazette*.

**34B.** A person shall be disqualified for being elected as a member of the Board if he—

Disqualifica-  
tion for  
election  
on Board.

(a) does not ordinarily reside within the State and whose name is not included in the electoral roll of the Gujarat Legislative Assembly prepared under the provisions of the Representation of the People Act, 1950, and which is for the time being in force; or

(b) has not completed the age of 25 years; or

(c) is of unsound mind and stands so declared by a competent court; or

(d) is an uncertified bankrupt or undischarged insolvent; or

(e) has been convicted of any offence which, in the opinion of the State Government, involves moral turpitude; or

(f) is a Director, Secretary, Manager or other salaried officer of any incorporated company or any firm which has any share or interest in any contract or employment with, by, or on behalf of, the Board or any market committee; or

(g) has been, at any time, found guilty of an offence punishable under this Act.

Term of office and conditions of service of members.

**34C.** (1) Save as otherwise provided in section 34B, every member of the Board, whether elected or nominated, shall hold office for a period upto the end of four years,—

(a) in the case of an elected member, from the date of publication of his name in the *Official Gazette* under sub-section (3) of section 34A; and

(b) in the case of a nominated member, from the date of his nomination :

Provided that the State Government may, from time to time, by notification in the *Official Gazette*, extend the term of office of such members for a further period not exceeding one year in the aggregate.

(2) Every member of the Board shall be paid such allowances and fees as may be prescribed.

(3) The allowances and fees to the members shall be paid from the Development Fund.

Meetings of Board.

**34D.** (1) The Board shall meet at such time and places, and shall subject to the provisions of sub-section (2) observe such rules of procedure in regard to the transactions of its business as may be provided by regulations.

(2) A member, who is directly or indirectly concerned or interested in any contract, loan, arrangement or proposal entered into or proposed to be entered into, by or on behalf of the Board or any market committee, shall at the earliest possible opportunity disclose the nature of his interest to the Board and shall not be present at any meeting of the Board when the contract, loan, arrangement or proposal is discussed unless he is required by the other members for the purpose of eliciting information, and shall not vote thereon.

Cessation of membership.

**34E.** (1) If a member—

(a) becomes subject to any of the disqualifications mentioned in section 34B; or

(b) tenders his resignation in writing to, and such resignation is accepted by, the Managing Director, and in the case of the Chairman, by the State Government; or

(c) is absent without the permission of the Board from three consecutive meetings of the Board ;

he shall cease to be a member.

(2) In every case where a dispute arises as to whether a member has ceased to be a member or not it shall be decided by the State Government after giving an opportunity to the member to be heard.

**34F.** Any vacancy of a member of the Board shall be filled as early as practicable, and in the like manner as if the nomination or election were being made under section 34A :

Vacancies  
how to be  
filled.

Provided that during any such vacancy the continuing members may act as if no vacancy had occurred.

**34-G.** Where the Chairman of the Board is by reasons of illness or otherwise rendered temporarily incapable of carrying out his duties, or is granted leave of absence by the State Government or is otherwise unable to attend to his duties in circumstances not involving the cessation of his membership under section 34-E, the State Government may appoint another person to act in his place and carry out duties and functions entrusted to him by or under this Act until such Chairman resumes his duties.

Temporary  
absence of  
chairman.

**34H.** No disqualification of, or defect in the appointment of, any person acting as the Chairman or a member of the Board shall vitiate any act or proceeding of the Board, if such act or proceeding is otherwise in accordance with the provisions of this Act.

Proceedings  
presumed to  
be good and  
valid.

**34I. (1)** The State Government shall appoint a Managing Director of the Board who shall also be the Chief Executive Officer of the Board.

Officers and  
servants of  
Board and  
their condi-  
tions of  
service, etc.

(2) The Board may appoint such other officers and servants, subordinate to the Chief Executive Officer as it considers necessary for the efficient performance of its duties and functions.

(3) The conditions of appointment and service of the officers and servants and their scale of pay shall—

(a) as regards the Managing Director, be such as may be prescribed, and

(b) as regards the other officers and servants, be such as may be determined by regulations.

**34J.** The Board shall, subject to the provisions of this Act, perform the following functions and shall have powers to do such things as may be necessary or expedient for carrying out such functions, namely :—

Powers and  
functions of  
Board.

(i) to co-ordinate the working of the market committees and other affairs thereof including programmes undertaken by such market committees for development of principal market yards, sub-market yards and provisions of infrastructural facilities and amenities ;

(ii) subject to orders or directions, if any, of the State Government in this regard, to undertake the State level planning of the development of agricultural produce markets ;

(iii) to administer the Development Fund ;

(iv) with the prior approval of the State Government, to give advice to market committees in general or to any market committee in particular with a view to ensuring efficiency thereof ;

(v) to approve proposals for selection of any new site by a market committee for establishment of principal market yard or sub-market yard :

Provided that this clause shall not apply to the selection of any new site by a market committee for establishment of principal market yard or sub-market yard where such new site is to be purchased by the market committee from its own resources ;

(vi) where a market committee makes a request in that behalf, to supervise and guide the market committee in respect of the construction of infra-structural facilities in, or in hinterland of, a principal market yard or sub-market yard undertaken by the market committee ;

(vii) where a market committee makes a request in that behalf, to supervise and guide the market committee in preparation of plans and estimates of construction programmes undertaken by the market committee ;

(viii) to execute all works chargeable to the Development Fund ;

(ix) to maintain accounts in such forms as may be prescribed and get the same audited in such manner as may be laid down in the regulations ;

(x) to publish annually at the close of the year, progress report, balance-sheet, and statement of assets and liabilities and send copies thereof to each member of the Board, the State Government and the Director of Agricultural Marketing, Gujarat State.

(xi) to prepare and adopt budget for the ensuing year ;

(xii) to make necessary arrangement for education, propaganda and publicity on matters relating to regulated marketing of agricultural produce ;

(xiii) to assist, undertake and promote market survey and research in the field of agricultural marketing ;

(xiv) to assist and undertake collection, compilation, dissemination and publication of market intelligence and statistics in respect of agricultural produce ;

(xv) to promote and undertake grading and standardisation of agricultural produce ;

(xvi) to provide facilities for training of officers and staff of market committees ;

(xvii) to arrange and organise seminars, workshops, camps, conferences, exhibitions in the State on agricultural marketing ;

(xviii) to grant subsidy and loans to market committees for the purpose of this Act on such terms and conditions as the Board may by regulations determine ;

(xix) where a market committee makes a request in that behalf, to give assistance to the market committee in technical, legal and administrative matters and maintenance of staff for rendering such assistance;

(xx) to promote and assist orderly marketing of agricultural produce in areas where there is no regulation of market under this Act ;

(xxi) to do such other things and perform such other acts as it may think necessary or expedient for the proper conduct of its business and the carrying into effect the purposes of this Act.

**34K.** The Managing Director appointed by the State Government under section 34I shall —

**Power and  
duties of  
Managing  
Director.**

(i) appoint officers and servants of the Board in accordance with the procedure prescribed by regulations;

(ii) exercise supervision and control over officers and servants of the Board;

(iii) incur expenditure from the Development Fund on sanctioned items of work;

(iv) in cases of emergency, direct the execution or stoppage of any work and doing of any act which requires the sanction of the Board;

(v) prepare annual budget of the Board in consultation with the Director of Agricultural Marketing, Gujarat State, for consideration of the Board;

(vi) arrange for internal audit of the Board;

(vii) arrange for convening and holding of the meetings of the Board and maintain records of proceedings of meetings of the Board in such manner as may be prescribed by regulations;

(viii) take such steps as may be deemed necessary for execution of decisions of the Board:

(ix) authenticate, by his signature, orders, decisions and other documents of the Board;

(x) inspect construction works undertaken by the market committees, either from their own funds or loans or grants provided by the Board or any other agencies, and report omissions in such construction works to the Board and the Director of Agricultural Marketing, Gujarat State and take all corrective measures;

(xi) report to the State Government all such acts, either of the market committees or of the Board, as are contrary to the provisions of this Act, the rules and the regulations;

(xii) take such steps as may be deemed necessary for effective discharge of the functions of the Board.

Establishment and administration of State Agricultural Marketing Development Fund.

34L. (1) There shall be established a fund to be called the State Agricultural Marketing Development Fund which shall be maintained and administered by the Board.

(2) The amount standing to the credit of the State Agricultural Produce Market Fund under section 34 immediately before the commencement of the Gujarat Agricultural Produce Markets (Amendment) Ordinance, 1985 shall, on such commencement, stand transferred to, and form the corpus of, the Development Fund.

Guj.  
Ord.  
7 of  
1985.

(3) The following shall form part of, or be paid into, the Development Fund, namely :—

(a) all contributions received by the Board from the market committees under sub-section (1) of section 34M;

(b) all contributions and grants made or sanctioned to the Board by the State Government under sub-section (2) of section 34M;

(c) any sums borrowed by the Board ;

(d) all incomes or moneys received by the Board from any source whatsoever including income or charge levied by it or donations or grants, received from the local authorities, market committees or other institutions and individuals;

(e) amounts recovered as an arrear of land revenue under sub-section (3) of section 34T;

(f) such other sums as the State Government may, from time to time, specify.

II of  
1984.

(4) All expenditure incurred by the Board shall, from time to time, be defrayed out of the Development Fund and surplus, if any, shall be invested by the Board in public securities or shall be deposited in any scheduled bank, as defined in the Reserve Bank of India Act, 1934 or in a co-operative bank approved by the State Government for this purpose.

**34M.** (1) Every market committee shall pay to the Board as contribution an amount equal to such percentage of its income as may be prescribed from time to time by the State Government.

Contri-  
butions  
to be paid  
to Board.

(2) The State Government may, every year, make payment to the Board, by way of contribution or grants of an amount not less than five percent of the aggregate amount contributed to the Board by the market committees under sub-section (1).

(3) The contribution or payment received by the Board under sub-section (1) and sub-section (2) shall be credited to the Development Fund.

**34N.** (1) The Board, may, from time to time, with the previous approval of the State Government and subject to the provisions of this Act and to such conditions as the State Government may, by general or special order, determine, borrow any sum required for the purposes of this Act by issue of bonds or stocks.

Power of  
Board to  
borrow.

(2) Such bonds or stocks shall be issued, transferred, dealt with or redeemed in such manner as the State Government may, by general or special order, direct.

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

(i) from any scheduled bank or other bank or financial institution or other agency ; or

(ii) by issue of debentures on the security of any property vested in the Board or on security of a part of its future income accruing to it under this Act.

**34O.** (1) The Development Fund may be utilised by the Board for discharging its functions under this Act.

Utilisation  
of Develop-  
ment Fund.

(2) Without prejudice to the generality of the foregoing provisions, the Board may utilise the Development Fund for all or any of the following purposes, namely:—

(a) supervision, regulation and improvement of markets established for the purposes of this Act ;

(b) giving aid to market committees in the form of loans or grants to enable them to discharge their duties and functions under this Act ;

(c) payment of salaries, allowances, pensions, gratuities and compassionate grants to the Government servants, if any, serving under the Board

Provided that all expenditure under this clause shall be a first charge on the Development Fund ;

- (d) payment of allowances and fees to the members of the Board ;
- (e) imparting education and giving publicity in the matters connected with the regulated marketing ;
- (f) meeting legal expenses relating to the functions of the Board ;
- (g) giving technical and administrative assistance to market committees including maintenance of staff for rendering assistance to market committees for the following purposes, namely:—
  - (i) Engineering ;
  - (ii) Legal assistance; and
  - (iii) Inspection ;
- (h) imparting training to officers and servants of market committees or organising or arranging camps, workshops, seminars or conferences or exhibitions on development of marketing of agricultural produce ;
- (i) grading and standardisation of agricultural produce ;
- (j) market survey, research, and collection, compilation, dissemination, and publication of market information and statistics ;
- (k) undertaking functions of a market committee in areas where there is no market committee or where a market committee is not viable ;
- (l) construction of principal market yards, and sub-market yards and leasing or transferring them to market committees ;
- (m) establishment and maintenance of office of the Board ;
- (n) expenditure on audit of accounts of the Board ;
- (o) sanctioning of loans and advances to the employees of the Board;
- (p) with the prior approval of the State Government, any other purposes connected with the marketing of agricultural produce, in any market area or market declared or deemed to be declared as such under this Act ;
- (q) any of the matters connected with, or incidental to, any of the purposes specified in clauses (a) to (p).

Audit of  
account.

34P. (1) The accounts of the Board shall be audited annually by such auditors and on payment of such audit fees, as may be prescribed.

(2) The Board may, with the prior approval of the State Government, make arrangements for internal audit of its accounts in consultation with the Examiner of Local Fund Audit.

(3) To carry out the auditing under this section, the auditors shall have access to all relevant records of the Board.



**34Q.** Subject to the rules made in this behalf, the Board may, by general or special order, delegate to the Chairman or Managing Director, or any committee appointed by it under section 34R or to any officer of the Board, such of the powers and duties as are conferred on the Board by or under this Act.

Delegation of powers.

**34R.** The Board may appoint committees consisting of its members, which may include the Chairman or the Managing Director, for the purposes of performing any of its duties or functions conferred on it by or under this Act.

Appointment of committees.

**34S.** (1) The State Government with a view to satisfying itself that the powers, functions and duties conferred on the Board by or under this Act are exercised and performed by it properly may, at any time, appoint any person or persons to make inquiries into all or any of the activities of the Board in such manner as may be prescribed and to report to it the result of such inquiries.

Power of State Government to hold inquiry.

(2) The Board shall give to the person or persons so appointed all facilities for the proper conduct of the inquiries and shall produce before such person or persons any document or information in possession of the Board, if such person or persons so demand for the purpose of such inquiry.

**34T.** (1) The Chairman, other members, officers or servants of the Board shall be liable for the loss, waste or misapplication of any money or property of the Board, if such loss, waste or misapplication is, in the opinion of the State Government, a direct consequence of the neglect or misconduct on his part as such Chairman, other member, officer or servant.

Liability of Chairman, other members officers and servants of Board for loss, waste or misapplication of funds.

(2) If after giving such Chairman, other member, officer or servant a reasonable opportunity for showing cause to the contrary, an officer authorised by the State Government is satisfied that the Chairman, other member, officer or servant was party to the loss, waste or misapplication of any money or property of the Board or that the loss, waste or misapplication is a direct consequence of the neglect or misconduct on his part, the officer so authorised shall, by an order in writing, direct such Chairman, other member, officer, or servant, as the case may be, to pay to the Board within two months the amount required to be reimbursed to it for such loss, waste or misapplication.

(3) If the amount is not so reimbursed it shall be recovered as an arrear of land revenue under the order of the officer so authorised and credited to the Development Fund.

(4) Any person aggrieved by the order or action of the officer so authorised may, within one month from the decision or action, apply to the State Government for redress of his grievance.

(5) The State Government may, after hearing the applicant and taking such evidence as it thinks necessary, confirm, modify or set aside the order and also make such order as to costs as it thinks proper.

Supersession  
of Board for  
default.

**34U.** (1) If the State Government after giving the Board an opportunity to render an explanation is satisfied that the Board has made a default in performing any duty or obligation imposed or cast on it by or under this Act, the State Government may fix a period for the performance of that duty or obligation and give notice to the Board accordingly.

(2) If in the opinion of the State Government the Board fails or neglects to perform such duty or obligation within the 'period so fixed for its performance, the State Government may by order supersede the Board and thereafter reconstitute the Board:

Provided that no such order shall be made unless an opportunity is given to the Board to show cause against such order.

(3) After the supersession of the Board and until it is reconstituted in the manner laid down in this Chapter, the powers, duties and functions of the Board shall be carried on by the State Government or by such officer or officers or body of officers as the State Government may appoint for the purpose from time to time and the cost thereof shall be met from the Development Fund.

(4) All property vested in the Board shall, during the period of supersession, vest in the State Government."

Amendment  
of section  
57 of Guj.  
XX of 1964.

5. In the principal Act, in section 57, after the words "a market committee", the words "and the Chairman, the members and other officers and servants of the Board" shall be inserted.

Amendment  
of section 58  
of Guj. XX  
of 1964.

6. In the principal Act, in section 58, in sub-section (1), after the words "market committee" where they occur at two places the words "or the Board" shall be inserted.

Amendment  
of section 59  
of Guj. XX  
of 1964.

7. In the principal Act, in section 59, in sub-section(2), after clause (iv), the following new clause shall be inserted, namely:—

"(iv-a) the manner of election of members of the Board under clause(a) of sub-section (2) of section 34A ;

(iv-b) the allowances and fees to be paid to a member of the Board under sub-section (2) of section 34C;

(iv-c) the conditions of appointment and service and pay-scale of the Managing Director under clause (a) of sub-section (3) of section 34I;

(iv-d) the forms in which accounts shall be maintained under clause (ix) of section 34J;

(iv-e) the percentage of the income of market committees at which the market Committees shall pay contribution to Development Fund under sub-section (1) of section 34M;

- (iv-f) the auditors by whom and the audit fees on payment of which accounts of the Board shall be audited annually under sub-section (I) of section 34P;
- (iv-g) the delegation of powers and duties by the Board under section 34Q;
- (iv-h) the manner in which inquiries into all or any of the activities of the Board shall be made under sub-section (I) of section 34S.”.

8. In the principal Act, after section 59, the following new section shall be inserted, namely:—

Insertion of new Section 59-A in Guj. XX of 1964.

“59.A. (1) The Board may, with the previous approval of the State Government, make regulations, not inconsistent with this Act and the rules made thereunder, for the administration of the affairs of the Board.

Regulations.

(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 time and date at which and the place where meetings of the Board shall be held, the procedure in regard to transaction of its business (including quorum) at such meetings under sub-section (1) of section 34D;
- (b) the conditions of appointment and service of officers and servants of the Board under clause (b) of sub-section (3) of section 34I;
- (c) the manner in which accounts of the Board shall be audited under clause (ix) of section 34J;
- (d) the terms and conditions on which subsidy and loans to market committees may be granted under clause (xviii) of section 34J ;
- (e) the procedure to be followed under clause (i) of section 34K in appointing officers and servants of the Board ;
- (f) the manner in which the record of the proceedings of the meetings of the Board shall be maintained under clause (vii) of section 34K ;
- (g) authentication of orders, decisions and other documents of the Board under clause (ix) of section 34K;
- (h) any other matter which is expressly required or allowed by this Act to be prescribed by regulations.”.

9. (1) The Gujarat Agricultural Produce Markets (Amendment) (Second) Ordinance, 1985 is hereby repealed.

Repeal and savings.

Guj.  
Ord.  
10 of  
1985.

(2) Notwithstanding such repeal anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.

Transitory  
provision.

10. The Gujarat State Agricultural Marketing Board functioning immediately before the date on which the assent to this Act of the Governor is first published in the *Official Gazette* shall, notwithstanding that its constitution has been rendered inconsistent with the provisions of the principal Act as amended by this Act, continue to so function after the said date until 24th February, 1989.

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Separate paging is given to this Part in order that it may be filed  
as a Separate Compilation.

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**PART IV**

**Acts of the Gujarat Legislature and Ordinances promulgated and  
Regulations made by the Governor.**

The following Act of the Gujarat Legislature having been assented to by the  
Governor on the 23rd February, 1989 is hereby published for general information.

**R. M. MEHTA,**  
Secretary to the Government of Gujarat,  
Legal Department.

**GUJARAT ACT NO. 2 OF 1989.**

(First published, after having received the assent of the Governor in the  
"Gujarat Government Gazette" on the 24th February, 1989)

An Act further to amend the Gujarat Agricultural Produce Markets (Amendment)  
Act, 1985.

It is hereby enacted in the Fortieth Year of the Republic of India as follows:—

1. This Act may be called the Gujarat Agricultural Produce Markets (Amend-  
ment) Amending Act, 1989.

Short title.

2. In the Gujarat Agricultural Produce Markets (Amendment) Act, 1985, in  
section 10, for the words, letters and figures "until 24th February, 1989", the words,  
letters and figures "until the 24th February, 1990" shall be substituted.

Amendment  
of section 10  
of Guj. 17 of  
1985.



**The Gujarat Government Gazette**  
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**P A R T I V**

**Acts of the Gujarat Legislature and Ordinances promulgated and Regulations made by the Governor**

The following Act of the Gujarat Legislature having been assented to by the Governor on the 31st July, 1990 is hereby published for general information.

**R. M. MEHTA,**  
Secretary to the Government of Gujarat,  
Legal Department.

**GUJARAT ACT NO. 10 OF 1990.**

(First published, after having received the assent of the Governor in the "Gujarat Government Gazette" on the 31st July, 1990).

**AN ACT**

*further to amend the Gujarat Agricultural Produce Markets Act, 1963.*

It is hereby enacted in the Forty-first Year of the Republic of India as follows :—

1. This Act may be called the Gujarat Agricultural Produce Markets (Amendment) Act, 1990.

Short title.

2. In the Gujarat Agricultural Produce Markets Act, 1963 (hereinafter referred to as "the principal Act"), in section 11,—

Amendment of section 11 of Gup. XX of 1964.

(1) in sub-section (4)—

13-1

(a) after clause (a), the following clause shall be inserted, namely :—

“(aa) The State Government may, by order published in the *Official Gazette* and for reasons to be recorded therein, extend the said term for a period not exceeding one year in the aggregate.”;

(b) in clause (b); for the words “date of the first general meeting of the market committee as reconstituted on the expiry of its term”, the words, brackets, letter and figure “date of the appointment of an Administrator under clause (a) of sub-section (5)” shall be substituted;

(2) after sub-section (4), the following sub-section shall be added, namely :—

“(5) (a) Where the term of office of a market committee has expired, the State Government shall, by order published in the *Official Gazette*, direct that—

(i) such person as may be appointed by the State Government from time to time shall be the Administrator to manage the affairs of the market committee, during the period beginning with the date specified in the order and ending on the day immediately preceding the date of the first general meeting of the market committee as reconstituted on the expiry of the term of the market committee (hereinafter in this sub-section referred to as “the said period”);

(ii) the market committee shall be reconstituted within such period not exceeding one year in the aggregate as may be specified in the order.

(b) During the said period, all powers, functions and duties of the market committee under this Act shall be exercised and performed by the Administrator.

(c) The Administrator may by an order in writing delegate any of the powers, functions and duties to be exercised or performed by him under clause (b) to any officer for the time being employed by the market committee.

(d) The Administrator shall receive such remuneration from the Market Committee Fund as the State Government may from time to time by general or special order determine.”.

3. In the principal Act, after section 46, the following section shall be inserted, namely :—

"46A. (1) Notwithstanding anything contained in this Act or rules or by-laws made thereunder, if at any time it appears to the State Government that a market committee has not been validly constituted under this Act, the State Government may, by notification in the *Official Gazette*, make a declaration to that effect and thereupon exercise the powers conferred on it under sub-section (5) of section 11 as if the term of the market committee had expired on the date of such declaration.

(2) On the issue of such notification, all the members as well as the Chairman and Vice-Chairman of the market committee shall be deemed to have vacated their respective offices and the market committee shall be reconstituted before the expiry of period specified in the order under clause (a) of sub-section (5) of section 11.

(3) Where a market committee, after its being liable to be reconstituted by reason of the expiry of its term or otherwise under the provisions of this Act continues to function as before and the members as well as the Chairman and Vice-Chairman of the market committee continue to hold their office, it shall be lawful for the State Government to take action under sub-section (1) in respect of such market committee as if it were the market committee not validly constituted under this Act."

Powers and duties of market committee not validly constituted to be performed by Administrator appointed by Government.





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 may be filed as a separate compilation.

**PART—IV**

**Acts of the Gujarat Legislature and Ordinances promulgated  
 and Regulations made by the Governor.**

The following Act of the Gujarat Legislature, having been assented to by the Governor on the 16th January, 1993 is hereby published for general information.

R. M. MEHTA,  
 Secretary to the Government of Gujarat,  
 Legal Department.

**GUJARAT ACT NO. 3 OF 1993.**

First published, after having received the assent of the Governor in the "Gujarat Government Gazette" on the 16th January, 1993).

**AN ACT**

further to amend the Gujarat Agricultural Produce Markets Act, 1963.

It is hereby enacted in the Forty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Gujarat Agricultural Produce Markets (Amendment) Act, 1993.

(2) It shall be deemed to have come into force on the 15th October, 1992.

2. In the Gujarat Agricultural Produce Markets Act, 1963 (hereinafter referred to as "the principal Act"), in section 33, after clause (11), the following new clause shall be inserted, namely:—

"(11A) donation of an amount not exceeding twenty per cent. of the Market Committee Fund (excluding the loans and funds raised or obtained for any specific purpose) for the charitable purpose within the meaning of section 2 of the Charitable Endowments Act, 1890 with the previous approval of the State Government and subject to such conditions, as it may impose; and".

Short  
 title and  
 commen-  
 cement.

Amend-  
 ment of  
 section  
 33 of Guj.  
 XX of  
 1964.

Guj. XX  
 of 1964.

VI of  
 1890.



Repeal  
and  
savings.

3. (1) The Gujarat Agricultural Produce Markets (Amendment) Ordinance, 1992 is hereby repealed.

Guj. Ord.  
1 of  
1992.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.





# The Gujarat Government Gazette

## EXTRAORDINARY

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#### PART IV

#### Acts of Gujarat Legislature and Ordinance Promulgated and Regulations made by the Governor.

The following Act of the Gujarat Legislature, having been assented to by the Governor on the 31<sup>st</sup> March, 2006 is hereby published for general information.

**S. S. PARMAR,**  
Secretary to the Government of Gujarat,  
Legislative and Parliamentary Affairs Department.

#### GUJARAT ACT NO. 21 OF 2006.

(First published, after having received the assent of the Governor in the "Gujarat Government Gazette", on the 31<sup>st</sup> March, 2006).

#### AN ACT

further to amend the Gujarat Agricultural Produce Markets Act, 1963.

It is hereby enacted in the Fifty-seventh Year of the Republic of India as follows:-

1. (1) This Act may be called the Gujarat Agricultural Produce Markets (Amendment) Act, 2006. Short title.
2. In the Gujarat Agricultural Produce Markets Act, 1963 (hereinafter referred to as "the principal Act"), in section 2, in clause (i), for the words, "agriculture, horticulture and animal husbandry", the words "agriculture and horticulture" shall be substituted. Amendment of section 2 of Guj. XX of 1964.
3. In the principal Act, in section 11, in sub-section (1), in clause (i), for the brackets and words "(other than co-operative marketing societies)", the brackets and words "(other than co-operative marketing societies and milk produce co-operative societies)" shall be substituted. Amendment of section 11 of Guj. XX of 1964.

Amendment of  
Schedule to Guj.  
XX of 1964.

4. In the principal Act, in the Schedule, the heading "IX. Animal Husbandry Products" and the items specified in entries (1) to (9) thereunder shall be deleted.

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## PART IV

Acts of the Gujarat Legislature and Ordinances promulgated  
and Regulations made by the Governor.

The following Act of the Gujarat Legislature, having been assented to by the Governor on the 30<sup>th</sup> April, 2007 is hereby published for general information.

**H. D. VYAS,**

Secretary to the Government of Gujarat,  
Legislative and Parliamentary Affairs Department.

### GUJARAT ACT NO. 17 OF 2007

(First published, after having received the assent of the Governor in the "Gujarat Government Gazette", on the 1<sup>st</sup> May, 2007).

#### AN ACT

further to amend the Gujarat Agricultural Produce Markets Act, 1963.

It is hereby enacted in the Fifty-eighth Year of the Republic of India as follows :-

1. (1) This Act may be called the Gujarat Agricultural Produce Markets (Amendment) Act, 2007.

Short title and commencement.

(2) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

✍

Guj. XX  
of 1964.

2. In the Gujarat Agricultural Produce Markets Act, 1963 (hereinafter referred to as "the principal Act"), in section 2,-

Amendment of section 2 of Guj. XX of 1964.

(1) after clause (v), the following clauses shall be inserted, namely:-

“(v-aa) "contract farming" means farming by a person under a written agreement with agriculturist to the effect that his agricultural produce shall be purchased as specified in the agreement;

(v-aaa) "Contract Farming Agreement" means an agreement made for contract farming between the sponsorer and agriculturist;”;

(2) after clause (vi), the following clauses shall be inserted, namely:-

“(vi-a) “e market” means a virtual platform created using information and communication technology for marketing activities in agricultural produce such as billing, booking, contracting, negotiating, information exchange, record keeping and other connected activities as are done electronically on computer network or internet;

(vi-aa) "export" means dispatch of agricultural produce outside the territory of India;

(vi-aaa)"exporter" means such person or firm who exports agricultural produce;

(vii-a) "import" means bringing agricultural produce from outside the territory of India;

(vii-aa)"importer" means such person or firm who imports agricultural produce from outside the territory of India;”;

(3) for clause (xii), the following clauses shall be substituted, namely:-

“(xii) "Managing Director" means the Managing Director of the Gujarat State Agricultural Marketing Board appointed under section 34I;

(xii-a) "market" means a market established and regulated under this Act for the notified market area and also includes a market proper, a principal market yard, sub-market yard, private market, e-market and such other markets as may be declared under this Act;”;

(4) after clause (xiii), the following clause shall be inserted, namely:-

“(xiii-a) “market service charges” means the charges on account of or in respect of commission, brokerage, weighing, measuring, *hammali* (loading, unloading, and carrying), cleaning, drying, sieving, stitching, stacking, hiring, gunny bags, *stamping*, *bagging*, storing, warehousing, grading, surveying, transporting and processing and such other charges as the Director may by order in the *Official Gazette*, specify;”;

(5) after clause (xiv), the following clause shall be inserted, namely:-

“(xiv-a) “market functionary” means a trader, a commission agent, buyer, *hamal*, processor, a stockiest and such other person as the State Government may by order in the *Official Gazette*, declare;”;

(6) after clause (xvi), the following clauses shall be inserted, namely:-

“(xvi-a)“prescribed authority” means an officer, an agency or the organization as the State Government may by order in the *Official Gazette*, appoint;

(xvi-aa) “private market” means the market for which the licence has been granted under Chapter IVA;”;

(7) after clause (xvii), the following clauses shall be inserted, namely:-

“(xvii-aa) “processing” means any one or more of a series of treatments relating to powdering, crushing, decorticating, dehusking, parboiling, polishing, ginning, pressing, curing or any other manual, mechanical, chemical or physical treatment to which raw agricultural produce or its product is subjected to;

(xvii-aaa) “processor” means a person who undertakes processing of any agricultural produce on his own accord or on payment of a charge;

(xvii-aaaa)“registration” means registration granted under section 31B;”;

(8) after clause (xx), the following clause shall be inserted, namely:-

“(xx-a) “special market” means a market declared as such under section 31M;”;

(9) after clause (xxiii), the following clauses shall be inserted, namely:-

“(xxiii-a)“transportation” means carriage of agricultural produce by any means of transport from one place to another;

(xxiii-aa) “transporter” means a person who transports agricultural produce;

(xxiii-aaa) “value addition” means processing, grading, packing or other activities due to which value is added to the agricultural produce;”.

3. In the principal Act, in section 6, in sub-section (1), for the words “After the expiry”, the words “Save as otherwise provided in this Act, after the expiry” shall be substituted.

**Amendment  
of section 6  
of Guj. XX  
of 1964.**

4. In the principal Act, section 28 shall be renumbered as sub-section (1) of that section and after sub-section (1) as so renumbered, the following sub-section shall be added, namely:-

**Amendment  
of section 28  
of Guj. XX  
of 1964.**

“(2) (a) The market fee specified in sub-section (1) shall not be levied for the second time in any market area from the buyer who is a processor, grader, packer, value addition centre or exporter of an agriculture produce and

market fee has already been paid on that agricultural produce in any market and the information in this context has been furnished, as prescribed, by the person concerned that the payment of market fee has already been made in other market, provided such proof as may be prescribed is furnished to the Director by the buyer who is doing processing, grading, packing, value addition or export within such period as may be prescribed by the Government.

(b) On the agricultural produce brought in the market area for commercial transaction or for processing, if the permit issued under clause (e) has not been submitted, the market fee shall be deposited by the buyer or processor, as the case may be, in the office of the market committee, within fourteen days but before sale or resale or processing or export outside the market area:

Provided that in case any agricultural produce is found to have been processed, sold or resold or dispatched outside the market area without payment of market fee payable on such produce, the market fees shall be levied and recovered on five times the market value of the processed produce or value of the agricultural produce, as the case may be.

(c) The market fee shall be payable by the buyer of the agricultural produce and shall not be deducted from the price payable to the agriculturist seller:

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

Provided further that in case of commercial transactions between traders in the market area, the market fee shall be collected and paid by the seller.

(d) The market functionaries, as the market committee may by bye-laws specify and in the case of market established under Chapter IVA of this Act as the Director may specify, shall maintain accounts relating to sale and purchase or processing or value addition in such manner as may be prescribed and submit to the market committee, the periodical returns, as may be prescribed.

(e) Any agricultural produce shall be removed out of the market area only in the manner and in accordance with the permit issued in such form, as may be prescribed. The vehicle carrying agricultural produce shall be accompanied by such proofs as may be prescribed:

Provided that the producer of the agricultural produce himself may remove the agricultural produce from one place to another without such permit.

5. In the principal Act, after section 28, the following section 28 A shall be inserted, namely:-

“28 A. The State Government may, by notification published in the *Official Gazette*, and subject to such conditions and restrictions, if any, as may be specified therein exempt in whole or part any agricultural produce brought for

Insertion of  
new section  
28A in Guj.  
XX of 1964.

Power to  
grant  
exemption  
from  
payment of  
market fee.



sale or bought or sold in the market area specified in such notification, from the payment of market fee for such period as may be specified.”

6. In the principal Act, after section 31, the following Chapter and sections shall be inserted, namely:-

Insertion of new sections 31A to 31R in Guj. XX of 1964.

#### “CHAPTER IVA

#### PRIVATE MARKET, SPECIAL MARKET, E-MARKET, DIRECT PURCHASE MARKET, FARMER-CONSUMER MARKET AND CONTRACT FARMING.

**31 A.** Notwithstanding anything contained in any other provisions of this Act, the provisions contained in this Chapter shall apply to the private market, special market, e-market, direct purchase market, farmer-consumer market and contract farming.

Special provisions relating to private market and other markets.

**31 B. (1)** Any person who, in respect of agricultural produce, desires to operate in the market area as a trader, commission agent, weighman, *hamal*, surveyor, warehouseman, contract farming buyer, owner or occupier of processing factory or such other market functionary, shall apply to the managing body of the respective market for registration or renewal of registration in such manner and within such period as may be prescribed:

Registration of market functionaries.

Provided that the State Government may, by notification in the *Official Gazette*, exempt such persons or class of persons from the requirement of registration for such period as may be specified:

Provided further that any person who desires to trade or transact in any agricultural produce in more than one market areas, shall apply for registration to the Director.

(2) Every such application shall be accompanied by such fee as may be prescribed.

(3) The managing body or, as the case may be, the Director may refuse to register or renew the registration on the basis of one or more of the following reasons, namely:-

- (i) if not accompanied by the prescribed fee;
- (ii) dues of the market committee are outstanding against the applicant;
- (iii) the applicant is a minor or not bonafide;
- (iv) the applicant is a defaulter of dues payable under this Act and rules or bye-laws made thereunder; or
- (v) any other reasons as may be prescribed.

- (4) (i) If the application received under sub-section (1) fulfills all the requirements, it shall be disposed of by the managing body or as the case may be, the Director within a period of four weeks. Where the managing body or as the case may be, the Director fails to dispose of application within a period of four weeks, the applicant shall request in writing the managing body or as the case may be, the Director, for disposal of his application, and also inform in writing to the Director, in case of application made to the managing body or to the State Government, in case of application made to the Director.
- (ii) If the application is not disposed of, within a period of two weeks from the date of receipt of request made under clause (i), the registration or as the case may be its renewal shall be deemed to have been granted.
- (iii) The State Government in case of Director or, as the case may be, the Director in case of the managing body shall, on the basis of information received by him and after the expiry of period of two weeks, confirm that the application for registration or the renewal was submitted to the managing body or, as the case may be, the Director and that due action has not been taken by the managing body or, as the case may be, the Director for disposal of the said application, then-
- (a) the Director, in case of the application made to the managing body, shall issue a certificate granting deemed registration or its deemed renewal within the period of two weeks;
- (b) the State Government, in case of the application made to the Director, shall direct the Director to issue a certificate granting deemed registration or its deemed renewal within the period of two weeks.

Establishment  
of Private  
Market, e-  
market, direct  
purchase from  
agriculturist.

**31 C.** (1) Any person who desires to establish a private market or an e-market or to purchase agricultural produce directly from the agriculturist in one or more market areas, shall apply to such authority, in such form, in such manner and accompanied by such fee as may be prescribed.

(2) The prescribed authority may grant or renew licence on such terms and conditions as may be prescribed for -

- (a) establishing a private market for-
- (i) process of the agricultural produce;
- (ii) trade of fruits and vegetables;
- (iii) export of agricultural produce; or
- (iv) grading, packing and adding value in any other way to the agricultural produce,
- (b) establishing an e-market, or

- (c) purchasing agricultural produce directly from the agriculturist in one or more market areas.

**31D.** (1) The managing body of the private market, e-market and the markets established under section 31M shall levy and collect the fees on the agricultural produce referred to in clause (a) of sub-section (1) of section 31C brought or transacted in the private market, e-market and the markets established under section 31M at such rate and in such manner as may be prescribed.

Levy of market fees.

(2) No market fee shall be levied for second time in any market area for agricultural produce on which market fee has been paid in a private market, e-market and the markets established under section 31M on production of such proof as may be prescribed.

(3) The private market, e-market and the markets established under section 31M which has collected the fee under sub-section (1), shall contribute to the Development Fund established under section 34L, such percentage of fees in such manner, as may be prescribed.

(4) In case of e-market, the market fee shall be paid by the buyer on the purchase of goods at such rate and in such manner, as may be prescribed. Out of the fees so collected, such percentage of fees as may be prescribed shall be contributed to the Development Fund established under section 34L.

(5) Where the agricultural produce is purchased directly from the agriculturist, the market fee shall be paid to the market committee constituted under section 11 from whose market area the agricultural produce has been bought and removed.

**31E.** (1) Any person who desires to establish a Farmer-Consumer market shall apply to such authority, in such form, in such manner and accompanied by such fee as may be prescribed.

Establishment of farmer-consumer market.

(2) The prescribed authority may grant or renew licence to establish Farmer- Consumer market on such terms and conditions, as may be prescribed. The person to whom a licence has been granted shall develop necessary infrastructure and at such place, producer of agricultural produce himself may, as may be prescribed, sell his produce directly to the consumer:

Provided that the consumer shall not purchase in excess of such quantity of commodity at a time in the market as may be prescribed.

(3) No market fee shall be levied on the transactions undertaken in the Farmer-Consumer market.

(4) The proprietor of the Farmer-Consumer market may charge such amount from the buyer for the services provided by him at such rate as may be prescribed.

Rejection of application for grant or renewal of licence.

**31F.** An application received under section 31C and 31E for grant or renewal of licence may be rejected for the reasons recorded in writing by the prescribed authority, on the basis of one or more of the following reasons, namely, :-

- (i) the application is not accompanied by the prescribed fee;
- (ii) the dues of the managing body are outstanding against the applicant;
- (iii) the applicant is a minor or not bonafide;
- (iv) the applicant is a defaulter of the dues payable under this Act, rules or the bye-laws made thereunder; or
- (v) any other reasons as may be prescribed.

Grant of common licence.

**31G.** (1) Any person who desires to obtain a common licence for the purpose of purchase of a minimum prescribed quantity of agricultural produce from not less than five markets shall apply to the Director, in such form and in such manner and accompanied by such fee as may be prescribed.

(2) On receipt of application under sub-section (1), the Director may, after making such inquiry as he may deem fit, grant a common licence subject to such terms and conditions as may be prescribed.

Power to suspend or cancel licence or registration.

**31H.** (1) The managing body or, as the case may be, the Director who has issued the licence or the registration, may, for the reasons to be recorded in writing, suspend or cancel the licence or the registration, if,-

- (a) the licence or the registration has been obtained through willful misrepresentation or fraud;
- (b) the holder of the licence or the registration or his servant commits a breach of any of the terms or conditions of the licence or the registration;
- (c) the holder of the licence or the registration in combination with other licence or registration holder commits any act or abstains from carrying on his normal business in the market area with the intention of willfully obstructing, suspending or stopping the marketing of agricultural produce in the market yard or sub-market yard and in consequence whereof the marketing of any agricultural produce has been obstructed, suspended or stopped;
- (d) the holder of the licence or the registration has become an insolvent; or
- (e) the holder of the licence or the registration incurs any disqualification, as may be prescribed.

(2) No licence or registration shall be suspended or cancelled under sub-section (1) without giving a reasonable opportunity to its holder to show cause against such suspension or cancellation.

**31-I.** (1) Any person aggrieved by an order of the managing body or, as the case may be, the Director, passed under section 31B, section 31F or section 31G, as the case may be, may prefer an appeal within thirty days of the receipt of the order in such form and in such manner as may be prescribed, -

**Appeal.**

- (a) to the Director, if such order is passed by the managing body; and
- (b) to the State Government, if such order is passed by the Director.

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

(3) The order passed by the managing body or, as the case may be the Director shall, under section 31B, section 31F or section 31G, subject to the order in the appeal under this section be final.

**31 J.** (1) The dispute between the private market, the special market, the e-market, the direct purchase market, the farmer-consumer market, contract farming or the market committee shall be referred to an officer authorised by the State Government in this behalf.

**Redressal of disputes between markets.**

(2) The authorized officer after giving opportunity of being heard to the parties may resolve the dispute and the decision given by the authority under sub-section (1) shall be final.

**31 K.** (1) The Director or an officer authorized by the State Government in this behalf may, for the purposes of this Chapter, require any person carrying on business in any kind of agricultural produce to produce before him the accounts and other documents and to furnish any information relating to stocks of such agricultural produce or purchase, sale, processing, value addition and delivery of such agricultural produce by such person and also to furnish any other information relating to payment of market fees.

**Power to order production of accounts of entry, inspection and seizure.**

(2) All accounts and registers maintained by any person in the ordinary course of business of any agricultural produce and documents relating to stocks of such agricultural produce or purchase, sale, processing, value addition of such agricultural produce in his possession and offices, establishment, godowns, vessels or vehicles of such persons shall be kept open for inspection at all reasonable time by the Director or such officer.

(3) If the Director or such officer has reason to believe that any person is attempting to evade the payment of any market fee due from him under this Chapter or that any person has purchased, sold, processed or value added to any agricultural produce in contravention of any of the provisions of this Act or the rules or the bye-laws, he may seize such accounts, registers or documents of such a person, as may be necessary, and shall grant a receipt for the same and shall retain the same only so long as may be necessary for examination thereof or for prosecution.

(4) For the purposes of sub-section (2) or sub-section (3), the Director or such officer may enter or search any place of business, warehouse, office, establishment, godown, vessel or vehicle where the Director or such officer has reason to believe that such person keeps or for the time being has kept accounts, registers or documents of his business or stock of agricultural produce relating to the business.

(5) The provisions of sub-sections (4) to (8) of section 100 of the Code of Criminal Procedure, 1973, shall, so far as may be, apply to a search or seizure made under this section. 2 of 1974.

(6) Where any books of accounts or other documents are seized from any place and there are such entries therein making reference to quantity, quotations, rates, receipts or payment of money or sale or purchase of goods, such books of accounts or other documents shall be admitted in evidence and such entries shall be the prima facie evidence of matters, transactions and accounts purported to have been recorded therein.

Submission of audited annual accounts and statement of transactions.

**31 L.** Every trader, processor, proprietor of a private market, farmer-consumer market, the e-market, the direct purchase market, contract farming or commission agent, carrying on business of agricultural produce shall, before the 30<sup>th</sup> June, every year submit to the Managing Director, audited annual accounts and a statement of transactions undertaken by or through him during the previous financial year, in the manner as may be prescribed.

Special market and special commodity market.

**31 M.** (1) The State Government may, by notification published in the *Official Gazette*, declare any market area as 'Special Market' or 'Special Commodity Market' having regard to the factors such as turnover, area, nature of produce, special infrastructure requirements of particular commodity and such other factors as it may deem fit, also in addition to the existing market.

(2) Notwithstanding anything contained in sub-section (1) of section 11, the State Government may by notification in the *Official Gazette*, establish separate market committee for effective implementation of provisions of this Act for the market notified under sub-section (1).

(3) All provisions relating to the market committee made in the Act shall *mutatis mutandis* apply to the market committee established under sub-section (2).

Constitution of market committee for special market special commodity market.

**31 N.** (1) Notwithstanding anything contained in sub-section (1) of section 11, every market committee for special market or special commodity market shall consist of following members, namely:-

- (i) The Chairman, to be nominated by the State Government;
- (ii) The Vice-Chairman, to be nominated by the State Government;
- (iii) not more than five agriculturists, to be nominated by the State Government from amongst the agriculturist residing in the State;

- (iv) not more than five traders, to be nominated by the State Government from amongst the traders holding trading licence in any market committees in the State. Out of the traders so nominated, at least two shall be the licence holders from the market committee of special market or special commodity market;
  - (v) The Municipal Commissioner or his nominee of the area where the special market or special commodity market is located, *ex-officio*;
  - (vi) The Collector of the District in which special market or special commodity market is located, or his nominee, *ex-officio*;
  - (vii) The Chief Town Planner or his nominee, *ex-officio*;
  - (viii) The Registrar of Co-operative Societies or his nominee, *ex-officio*;
  - (ix) The Director or his nominee. *ex-officio*;
  - (x) Executive Member, to be appointed by the State Government, who shall be the Secretary of the market committee;
  - (xi) The Agricultural Marketing Advisor to the Government of India or his nominee, *ex-officio*;
- (2) The members of the market committee, other than *ex-officio* members, shall hold office during the pleasure of the State Government.
- (3) The market committee shall meet at least once in three months.

**31 O.** (1) There shall be Executive Committee of the Market Committee of the Special Market or Special Commodity Market consisting of -

**Executive  
Committee  
for special  
market.**

- (i) one representative of the traders holding the trading licence in the market committee of Special Market Special Commodity Market, nominated by the Director;
  - (ii) one representative of agriculturists; to be nominated by the Director;
  - (iii) the Registrar of Co-operative Societies, Gujarat State or his nominee,.
  - (iv) the Director or his nominee.
  - (v) executive-member of the Market Committee who shall be the Member-Secretary of the Executive Committee.
- (2) In case of emergency, the Executive Committee may decide issues requiring approval of the Market Committee. However, such decisions shall have to be approved by the Market Committee within 45 days from the date of such decisions. Failure in doing so or in the event of disapproval of such

decisions by the Market Committee, such decisions shall be null and void.

(3) The Executive Committee shall meet at least once in two months.

**Powers and functions of Secretary of market committee of special market.**

**31 P.** The Executive Member of the Market Committee shall act as the Secretary of the Market Committee of the Special Market or Special Commodity Market. The Secretary shall -

- (i) exercise supervision and control over the officers and staff of the market committee in matters of executive administration concerning accounts and records and disposal of all questions relating to the services of the officers and staff of the Market Committee as per the prescribed procedure.
- (ii) appoint officers and staff of the Market Committee as per direction and procedure prescribed by the Market Committee,
- (iii) incur expenditure from the Market Committee fund for the sanctioned items of work,
- (iv) in cases of emergency, direct the execution or stoppage of any work,
- (v) sanction and launch prosecution for violation of the provisions of this Act or rules or bye-laws made thereunder,
- (vi) issue licences to the functionaries operating in the market,
- (vii) prepare annual budget of the Market Committee,
- (viii) arrange for summoning the meetings of the market committee and maintenance of records of the proceedings of such meetings,
- (ix) inspect from time to time the construction work undertaken by the Market Committee and send report of such inspection to the Chairman of the Market Committee,
- (x) report such acts of the Market Committee or members of the Market Committee including the Chairman and Vice-Chairman which are contrary to the provisions of this Act or rules or by-laws framed thereunder, to the Director,
- (xi) take such steps as deemed necessary for the effective discharge of the functions and decisions of the Market Committee.

**Provisions relating to Contract Farming Agreement.**

**31 Q.** The Contract Farming Agreement shall be subject to the following provisions, namely:-

- (1) The contract farming agreement shall be in such form containing such particulars and terms and conditions, as may be prescribed.
- (2) The sponsorer shall furnish the copy of the agreement to the Board or to such officer and in such manner as may be prescribed.
- (3) The agricultural produce covered under contract farming agreement when sold, shall be liable to such market fees as may be prescribed by the Board.



**31 R. (1)** If any difficulty arises in giving effect to the provisions of this Chapter, the State Government may, by order published in the *Official Gazette*, make such provisions not inconsistent with the provisions of this chapter, as appears to it to be necessary or expedient for removing the difficulty:

Power to remove difficulty.

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

(2) Every order made under this section shall, as soon as may be after it is made, be laid before the State Legislature.”.

7. In the principal Act, after section 51, the following section shall be inserted, namely,:-

Insertion of new section 51A in Guj. XX of 1964.

“51A. (1) At any time when so required, -

- (i) by any officer or employee of the State Government authorized by the Director in this behalf in any market area, or
- (ii) by any officer or employee of the market committee authorized by the market committee in this behalf in the market area concerned,

Power to stop vehicles and inspect store.

the driver or any other person in charge of the vehicle, vessel or other means of conveyance shall stop such vehicle, vessel or other means of conveyance, as the case may be, and keep it stationary, as long as may reasonably be necessary, and allow such person to examine the contents in the vehicle, vessel or other means of conveyance and inspect all records relating to agricultural produce carried, and give his name, address and name and address of the owner of the vehicle, vessel or other means of conveyance and name and address of the owner of the agricultural produce carried in such vehicle, vessel or other means of conveyance.

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

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

Provided that no agricultural produce shall be confiscated without giving a reasonable opportunity of being heard to the person concerned.

(4) The provisions of the Code of Criminal Procedure, 1973 shall apply to entry, search and seizure under sub-sections (1), (2) and (3) as they apply in relation to the entry, search and seizure of property by the police officer.”

2 of 1974.

**Amendment  
of section 59  
of Guj.XX of  
1964.**

8. In the principal Act, in section 59, in sub-section (2),-

(1) after clause (iv), the following clauses shall be inserted, namely:-

“(iv-aa) (i) the manner of furnishing information regarding payment of market fee and manner of providing proof thereof and within a period to be prescribed under sub-section (2) of section 28;

(ii) the manner of maintaining account and furnishing of periodical returns under sub-section (2) of section 28;

(iii) the manner and form for permit for removal of agricultural produce and the proofs to be accompanied with the vehicle carrying agricultural produce under sub-section (2) of section 28;

(iv-bb) the manner and the fee for the grant or renewal of registration of functionaries and reasons for refusal of such application under section 31B;

(iv-cc) the form, manner and fee for making an application and for prescribing terms and conditions for grant or renewal of licence under section 31C;

(iv-dd) the rate of market fee and manner of levy and collection thereof; the proofs to be produced; the percentage of market fee and manner of making contribution to the Development Fund, under section 31D;

(iv-ee) the form, the manner, the fees and the authority to whom application shall be made, the terms and conditions for grant or renewal of licence, the manner of selling of agricultural produce and the quantity of commodity that may be purchased at a time and the rate of market charge under section 31E.

(iv-ff) the other reasons for rejection of application for grant or renewal of application made under section 31C and section 31E, under section 31F;

(iv-gg) the form, the manner and fees required to be paid, the terms and condition for grant of common licence under section 31G;

(iv-hh) such other disqualifications for suspension or cancellation of licence or registration under section 31H;

(iv-ii) the form and manner for preferring the appeal under section 31-I;

(iv-jj) the manner of submitting audited annual accounts and statement of transaction under section 31L;

- (iv-kk) the procedure for supervision and control and procedure for appointment of the officers and staff of the market committee under section 31P;
- (iv-ll) the form, the particulars and the terms and conditions of, the manner in which and the officer to whom the contract farming agreement shall be furnished under section 31Q;”;
- (2) after clause (iv-h), the following clause shall be inserted, namely :-
- “(iv-ha) the manner in which the agricultural produce may be confiscated under section 51A;”.

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