



The Punjab Agricultural Produce Markets Act, 1961

Act 23 of 1961

Keyword(s):

Agricultural Produce, Co-operative Society, Dealer, Godown Keeper, Market, Market Proper, Principal Market Yard, Processing, Producer, Retail Sale, Trade Allowance

Amendment appended: 22 of 2006, 30 of 2012

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The Punjab Agricultural Produce Markets Act, 1961

(PUNJAB ACT NO. 23 OF 1961)

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**THE PUNJAB AGRICULTURAL PRODUCE MARKETS
ACT, 1961.**

(PUNJAB ACT NO. 23 OF 1961.)

*[Received the assent of the President of India on the 18th May, 1961,
and first published for general information in the Punjab Government
gazette (Extraordinary), Legislative Supplement, of the 26th May,
1961.]*

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
1961	23	The Punjab Agricultural Produce Markets Act, 1961	Amended by Punjab Act 3 of 1962 ¹ Amended by Punjab Act 23 of 1962 ² Amended by Punjab Act 40 of 1963 ³ Amended by Punjab Act 2 of 1966 ⁴ Amended by Haryana Act 28 of 1969 ⁵ Amended by the Punjab State Agricultural marketing Board and marketing Committees (Reconstitution and Reorganisation), Order, 1969 (of G.O.I.) ⁷ Amended by Haryana Act 25 of 1970 ⁸ Amended by Haryana Act 30 of 1971 ⁹

1. For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1960, page 1047.
2. For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1962, page 512.
3. For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1962, page 1640.
4. For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1963, page 1341.
5. For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1966, page 1106.
6. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1969, page 508.
7. See Government of India, Ministry of Home Affairs, Notification No. 3021, dated 18th July, 1969, published in gazette of India (Extra.), Part II, section 3 (ii), of 21st July, 1969.
8. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1970, page 633.
9. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1971, page 990.

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
			Amended by Haryana Act 31 of 1971 ¹ Amended by Haryana Act 46 of 1971 ² Amended by Haryana Act 4 of 1972 ³ Amended by Haryana Act 23 of 1972 ⁴ Amended by Haryana Act 21 of 1973 ⁵ Amended by Haryana Act 32 of 1973 ⁶ Amended by Haryana Act 10 of 1974 ⁷ Amended by Haryana Act 17 of 1974 ⁸ Amended by Haryana Act 21 of 1975 ⁹ Amended by Haryana Act 5 of 1976 ¹⁰ Amended by Haryana Act 22 of 1977 ¹¹ Amended by Haryana Act 13 of 1978 ¹² Amended by Haryana Act 19 of 1978 ¹³

1. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1971, page 1038.
2. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1971, page 1208.
3. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1972, page 48.
4. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1972, page 1200.
5. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1973, page 275.
6. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1973, page 1426.
7. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1974, page 118.
8. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1974, page 852.
9. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1975, page 828.
10. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1976, page 36.
11. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1977, page 1640.
12. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1978, page 210.
13. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1978, page 1162.

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
			Amended by Haryana Act 10 of 1979 ¹ Amended by Haryana Act 19 of 1980 ² Amended by Haryana Act 28 of 1980 ³ Amended by Haryana Act 38 of 1980 ⁴ Amended by Haryana Act 23 of 1986 ⁵ Amended by Haryana Act 4 of 1988 ⁶ Amended by Haryana Act 18 of 1988 ⁷ Amended by Haryana Act 24 of 1988 ⁸ Amended by Haryana Act 2 of 1989 ⁹ Amended by Haryana Act 1 of 1991 ¹⁰

AN

ACT

to consolidate and amend the law relating to the better regulation of the purchase, sale, storage and processing of agricultural produce and the establishment of markets for agricultural produce in the¹¹[State of Haryana]

1. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1979, page 506.
2. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1980, page 444.
3. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1980, page 1296.
4. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1980, page 2223.
5. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1986, page 1310.
6. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1987, page 2018.
7. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1988, page 368.
8. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1988, page 1316.
9. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1989, page 387.
10. For Statement of Objects and Reasons, see *Haryana Government Gazette (Extraordinary)*, 1989, page 1799.
11. Substituted for the Words "State of Punjab" by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitution and Reorganisation). Order, 1969.

Be it enacted by the Legislature of the State of Punjab in the Twelfth Year of the Republic of India as follows :-

Short title,
extent and
commence-
ment.

1. (1) This Act may be called the Punjab Agricultural Produce Markets Act, 1961.

¹[(2) It extends to the State of Punjab and Haryana, the territories transferred to the Union Territory of Himachal Pradesh under section 5 of the Punjab Reorganisation Act, 1966 (31 of 1966) and the Union Territory of Chandigarh.]

(3) It shall come into force at once.

Definitions.

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

(a) "agricultural produce" means all produce whether processed or not, of agriculture, horticulture, animal husbandry or forest as specified in the Schedule to this Act ;

²[(b) "Board" means the Punjab State Agricultural Marketing Board or the Haryana State Agricultural Marketing Board established under the Act for the State of Punjab or the State of Haryana and includes the Administrator of the Union Territory of Himachal Pradesh functioning as the Board for the transferred territory and the Administrator of the Union Territory of Chandigarh functioning as the Board for the Union Territory of Chandigarh ;]

(c) "broker" means a person other than a private servant or an auctioneer, usually employed on commission to enter into contracts on behalf of others for the purchase or sale of agricultural produce ;

³[(cc) "Chief Administrator" means the Chief Administrator of the Board ;]

(d) "Committee" means a Market Committee established and constituted under sections 11 and 12 ;

-
1. Substituted for old sub-section (2) by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitution and Reorganisation), Order, 1969.
 2. Substituted by the Punjab State Agricultural Marketing Board and Marketing Committee (Reconstitution and Reorganisation), Order, 1969.
 3. Inserted by Haryana Act 28 of 1980.

- (e) "Co-operative Society" means a Co-operative Society registered or deemed to be registered under the Punjab Co-operative Societies Act, 1954, *¹[or any other corresponding law for the time being in force] which deals in the purchase, sale processing or storage of agriculture produce, or is otherwise engaged in the business of disposal of agricultural produce ;
- (f) "dealer" means any person who within the notified market area sets up, establishes or continues or allows to be continued any place for the purchase, sale, storage or processing of agricultural produce notified under sub-section (1) of section 6 or purchases, sells, stores, or processes such agricultural produce ;
- ²[(g) "Director" means the Director of Marketing for the State of Punjab or the State of Haryana or the transferred territory or the Union territory of Chandigarh, as the case may be, and includes a Joint Director of Marketing;]
- (h) "Godown Keeper" means a person, other than a producer who stores agricultural produce for himself for sales or stores agricultural produce of others in lieu of storage charges ;
- ³[(hh) "licensee" means a dealer to whom a licence is granted under section 10 and the rules made under this Act and includes any person who purchases or sells agricultural produce and to whom a licence is granted as Kacha Arhtia or Commission agent or otherwise but does not include a person licenced under section 13.]
- (i) "market" means a market established and regulated under this Act for the notified market area, and includes a market roper, a principal market yard and sub-market yard ;

1. Inseerted by Haryana Act 28 of 1980.

* Now *see* Punjab Co-operative Societies Act, 1961.

2. Substituted for clause (g) by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitution and Reorganisation), Order, 1969.

3. Clause (hh) inserted by Haryana Act 5 of 1976 and shall always be deemed to have been inserted.

¹[(j) * * * * *]

(k) "market proper" means any area including all lands with the buildings thereon, within such distance of the principal market or sub-market yard, as may be notified in the Official Gazette by the State Government, to be a market proper ;

²[(kk) "member" includes the ³(Chairman and the Chief Administrator) of the Board ;]

(l) "notified market area" means any area notified under section 6 ;

(m) "prescribed" means prescribed by rules made under this Act ;

(n) "principal market yard" and "sub-market yard" mean an enclosure, building or locality declared to be a principal market yard and sub-market yard under section 7 ;

⁴[(nn) "processing" means giving a treatment or a series of treatment to an agricultural produce in order to make it fit for use or consumption and includes manufacturing ⁵(out) of an agricultural produce ;]

⁶[(o) "producer" means a person whose sole avocation is to produce, grow or rear agricultural produce, through tenants or otherwise. If a question arises as to whether any person is a producer or not for the purposes of this Act, the decision of the Deputy Commissioner of the district concerned shall be final :

Provided that no person shall be disqualified from being a producer merely on the ground that he is a member of a Co-operative Society :

-
1. Clause (j) omitted by Punjab Act 40 of 1963.
 2. Clause (kk) added by *ibid*.
 3. Substituted by Haryana Act 28 of 1980.
 4. Inserted by *ibid* w.e.f. 7-4-1979.
 5. Inserted by Haryana Act 18 of 1988.
 6. Clause (o) substituted by Haryana Act 21 of 1973 and further substituted by Haryana Act 4 of 1988.

Provided further that a person shall be disqualified from being a producer if he subsequently obtains a licence under section 10 or section 13 of this Act.

Explanation.—The term "producer" shall also include tenants.]

- (p) ¹[* * * * *]
- (q) "retail sale" means sale of agricultural produce not exceeding such quantity as may be prescribed ;
- (r) "Secretary" means the Executive Officer of a Committee and includes an Assistant Secretary or a person officiating or acting as Secretary ;
- (s) "trade allowance" includes an allowance having the sanction of custom in the notified market area concerned and market charges payable to various functionaries ;
- ²[(t) "transferred territory" means the territory transferred to the Union territory of Himachal Pradesh under section 5 of the Punjab Reorganisation Act, 1966 (31 of 1966)].

³[2A. In the application of the provisions of this Act,—

- (1) to the State of Haryana, any reference therein to any expression mentioned in column (1) of the Table below shall be construed as a reference to the corresponding expression mentioned in column (2) of the said Table.

Construction of certain references in the Act.

TABLE

1	2
State Government	The Government of the State of Haryana.
Punjab State or State of Punjab except in section 1 of the Act.	State of Haryana.
State Agricultural Marketing Board	Haryana State Agricultural Marketing Board.

1. Clause (p) deleted by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitution and Reorganisation), Order, 1969.
2. Clause (t) added by *ibid.*
3. Section 2-A added by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitution and Reorganisation), Order, 1969.

State
Agricultural
Marketing
Board
constitution,
powers and
duties.

3. (1) The State Government may, for exercising the powers conferred on and performing the functions and duties assigned to the Board by or under this Act, establish and constitute a State Agricultural Marketing Board, consisting of ³[a Chairman ²(and a Chief Administrator, who shall be an officer of the rank of the Head of the Department,) to be nominated by the State Government and ¹[eleven other members of whom four shall be officials and seven non-officials] to be nominated by the State Government in the following manner :—

³(a) official members shall include the Director and three officials; one representing the Agriculture Department, the second representing the Co-operative Department and the third representing the Animal Husbandry Department ;]

(b) of the non-official members :—

⁴(i) one shall be producer member of Committees ;

(ii) one shall be member of the other registered organisations of the farmers ;

(iii) one shall be progressive producer of the State of Haryana ;

(iv) one shall be form among such persons licensed under section 10 as are members of the committee;
⁵[x x x]

(v) one representing Co-operative Societies];

⁶(vi) one shall be amongst the persons licensed under section 10 ; and

(vii) one representing Panchayat Samities.]

1. Substituted for the words "fifteen other members of whom four shall be officials and five non-officials" by Haryana Act 32 of 1973.

2. Inserted by Haryana Act 28 of 1980.

3. Substituted for clause (a) of sub-section (1) of section 3 by Punjab Act 40 of 1963.

4. Substituted by the Punjab State Agricultural Marketing Board and Marketing committees (Reconstitution and Reorganisation), Order, 1969.

5. Omitted by Haryana Act 32 of 1973.

6. Inserted by *ibid.*

¹[(2) The Director shall be the *ex-officio* Secretary of the Board.]

²[(3) The Board shall be a body corporate as well as a local authority by the name of the State Agricultural Marketing Board having perpetual succession and a common seal, and shall by the said name sue and be sued, and shall, subject to the provisions of this Act, be competent to acquire and hold property both movable or immovable, to lease, sell or otherwise transfer any movable or immovable property which may have, become vested in or been acquired by it, and to contract and to do all other things necessary for the purposes of this Act.]

³[(4) The non-official members of the Board shall hold office during the pleasure of the State Government ; provided that their term of office shall not exceed three years.]

(5) No person shall be eligible to become a member of the Board who—

(a) does not ordinarily reside within the ¹[State of Haryana]

(b) is below twenty-five-years of age ;

⁴(c) [* * * * *]

(d) is of unsound mind ; or

(e) has been declared as insolvent or sentenced by a criminal court, whether within or outside the ⁵[State of Haryana] for an offence involving moral turpitude :

⁶[Provided that the disqualification incurred under,—

⁴(i) [* * * * *]

-
1. Substituted for sub-section (2) by Punjab Act 40 of 1963.
 2. Substituted by Haryana Act 4 of 1972.
 3. Inserted by Haryana Act 4 of 1980 and further substituted by Haryana Act 24 of 1988.
 4. Omitted by Haryana Act 2 of 1989.
 5. Substituted for the Words "Punjab State" by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitution and Reorganisation) Order, 1969.
 6. Substituted for proviso to sub-section (5) of section 3 by Haryana Act 30 of 1971.

(ii) clause (e), on the ground of a sentence by a criminal court, shall not apply after the expiry of four years from the date on which the sentence has expired.]

(6) A member of the Board may resign from membership by tendering his resignation to the State Government through the Chairman of the Board and the seat of such member shall become vacant on the date of acceptance of his resignation :

¹[Provided that the Chairman ²(and the Chief Administrator) of the Board may resign by tendering his resignation to the State Government.]

³[* * * * *]

⁴[(7A) Whenever any member of the Board dies, resigns, ceases to reside within the State of Haryana or otherwise becomes incapable of acting as a member of the Board ⁵(or any vacancy occurs otherwise) the State Government may appoint another member in his place in the manner as provided in sub-section (1) to whichever category the vacating member belongs :

Provided that the term of office of the member so appointed shall expire on the same date as the term of office of the vacating member would have expired had the latter held office for the full period allowed under sub-section (4).].

(8) The State Government shall exercise superintendence and control over the Board and its officers and may call for such information as it may deem necessary and, in the event of its being satisfied that the Board is not functioning properly or is abusing its powers or is guilty of corruption or mismanagement, it may suspend the Board and, till such time as a new Board is constituted make such arrangements for the exercise of the functions of the Board as it may think fit :

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

-
1. Proviso to sub-section (6) of section 3 added by Punjab Act 40 of 1963.
 2. Inserted by Haryana Act 28 of 1980.
 3. Omitted by Haryana Act 2 of 1989.
 4. Inserted by Haryana Act 23 of 1986.
 5. Inserted by Haryana Act 2 of 1989.

(9) The Board shall exercise superintendence and control over the Committees:

¹[(10) The State Government, the Deputy Commissioner, Sub-Divisional Officer (Civil)-(the Chairman, the Chief Administrator) or Secretary of the Board or any other officer of the Board authorised in this behalf by the Board may call for any information or return relating to agricultural produce from a Committee or a godown-keeper or other functionaries and shall have the power to inspect the records and accounts of a Committee and stock and accounts of any godown-keeper or other functionaries for that purpose.]

²[(11) * * * * *]

²[(12) * * * * *]

(13) Subject to rules made under this Act, an estimate of the annual income and expenditure of the Board for the ensuing year shall be prepared and passed by the Board and submitted every year for sanction of the State Government not later the prescribed date. The State Government shall sanction and return the budget within two months from the date of the receipt thereof. If it is not received within two months, it shall be presumed to have been sanctioned.

(14) Subject to rules made under this Act, the Board may, with the approval of the State Government, frame bye-laws for—

- (a) regulating the transaction of business at its meetings ;
- (b) the assignment of duties and powers of the Board to its Chairman, Secretary or persons employed by it ; and
- (c) such other matters as may be prescribed.

(15) ³[Four] members shall constitute a quorum at a meeting of the Board :

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1. Substituted by Haryana Act 21 of 1973 and further substituted by Haryana Act 28 of 1980.
 2. Omitted by Haryana Act 21 of 1973.
 3. Substituted for the word "Seven by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitution and Reorganisation), Order, 1969.

Provided that if a meeting is adjourned for want of quorum, no quorum shall be necessary at the next meeting called for transacting the same business.

(16) All questions before a meeting of the Board shall be determined by a majority of votes of the members present and voting and, in case of equality of votes, the Chairman may exercise a casting vote.

(17) (i) The State Government may delegate to the Board or its [Chairman], Chief Administrator, or Secretary, any of the powers conferred on it or under this Act; and

(ii) the Board may, under intimation to Government, delegate any of its powers to its [Chairman, Chief Administrator], Secretary, or any of its officers.

(18) The headquarters of the Board shall be located at a place to be determined by the State Government.

(19) No act or proceeding of the Board shall be invalid by reason only of the existence of any vacancy among its members or any defect in the constitution thereof.

Execution of
contracts by
Board.

²[3A. (1) Every contract entered into by the Board shall be in writing and shall be signed on behalf of the Board by the Chief Administrator or any Group A Officer of the Board duly authorised by him in this behalf and shall be sealed with the common seal of the Board.

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

4. ³[* * * * *]

1. Substituted for the word "Chairman" by the Punjab Act 40 of 1963 and further substituted by Haryana Act 28 of 1980.

2. Section 3-A added by Haryana Act 4 of 1972, section 3 further substituted by Haryana Act 38 of 1980 and further substituted by Haryana Act 2 of 1989.

3. Section 4 omitted by Haryana Act 22 of 1977 and shall always be deemed to have been omitted.

5. The State Government may, by notification, declare its intention of exercising control over the purchase, sale, storage and processing of such agricultural produce, and in such area as may be specified in the notification. Such notification shall state that any objection or suggestions which may be received by the State Government within a period of not less than thirty days to be specified in the notification, will be considered.

Notification of intention of exercising control over purchase, sale, storage and processing of agricultural produce in specified areas.

6. (1) After the expiry of the period specified in the notification under section 5 and after considering such objections and suggestions as may be received before the expiry of such period, the State Government may, by notification and in any other manner that may be prescribed, declare the area notified under section 5 or any portion thereof to be a notified market area for the purposes of this Act in respect of the agricultural produce notified under section 5 or any part thereof.

Declaration of notified market area.

[(2) * * * * *]
[(3) * * * * *]

(4) For the removal of doubts, it is hereby declared that a notification published in the Official Gazette under this section or section 5 shall have full force and effect notwithstanding any omission to publish, or any irregularity or defect in the publication of, a notification under this section or under section 5 as the case may be.

[6A. (1) The State Government may, by notification, declare its intention—

Notification of intention to alter limits of or to amalgamate or to split up markets areas.

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

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

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

1b Omitted by Haryana Act 21 of 1973.
2; Inserted by ibid...

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

Procedure subsequent to notification under section 6A.

6B. (1) Any inhabitant of the market area or of the areas affected by the notification issued under sub-section (1) of section 6A may, if he objects to anything contained therein, submit his objections in writing to the State Government within the period specified for this purpose in the said notification.

(2) When the period specified in the said notification has expired and the State Government has considered and passed orders on such objections as may have been submitted to it within the said period, the State Government may, by notification,—

- (a) include the area or any part thereof in the market area or exclude it therefrom ; or
- (b) constitute a new Committee for the market area amalgamated ; or
- (c) split up an existing market area and constitute two or more Committees for such areas, as the case may be.

Power of State Government to issue consequential order with respect to constitution, etc. of Committee on alteration of limits, amalgamation of splitting up.

6C. Where a notification under section 6B has been issued the State Government may make such consequential orders as it may deem fit in respect of—

- (a) the constitution of the Committee for the altered area where an area has been included in or excluded from market area ;
- (b) dissolution of the existing Committee which have been amalgamated and the constitution of the new Committee therefor ;
- (c) the dissolution of the Committee split up and the constitution of the Committees established in its place thereafter and matters ancillary thereto.

6D. Where a notification under section 6B has been issued excluding any area from the market area and including any such area in any other market area the State Government shall after constituting the Committee frame a scheme to determine what portion of the assets and other properties vested in one Committee shall vest in the other Committee and in what manner the liabilities of the Committees shall be apportioned between the two Committees and such scheme shall come into force on the date of publication in the Official Gazette.

Effect of
alteration of
limits.

6E. On the issue of a notification under section 6B constituting a new Committee for the market areas amalgamated the following consequences shall ensue, namely—

Effect of
amalgamation.

- (a) all the property under the control of a Committee immediately before the date of amalgamation including funds shall be the property and fund of the new Committee ;
- (b) the staff of the Committees of the amalgamated market areas shall, until otherwise ordered by the State Government in accordance with the provisions of the Act, be continued and deemed to be the staff appointed by the new Committee ;
- (c) all rules, bye-laws, orders and notifications in force in the area of the Committees amalgamated immediately before the date of amalgamation shall, except the rules, bye-laws, orders and notifications in respect of such matters, as may be specified by the State Government by notification issued in that behalf stand repealed and the rules, bye-laws, orders, and notification in respect of matters specified therein shall operate, throughout the area of new Committee until altered, amended or cancelled in accordance with the provisions of this Act ;
- (d) any right, privilege, obligation or liability acquired, accrued or incurred by the Committees amalgamated shall be deemed to be the right, privilege, obligation or liability acquired, accrued or incurred by the new Committee.

Effect of
splitting up.

6F. On the issue of notification under section 6B, splitting up a market area into two or more market areas the following consequences shall ensue, namely—

- (a) all rules, bye-laws and orders, in force in the area of the original Committee immediately before the market area of such Committee is split up, shall continue to be in force in the areas comprised in the new Committees until altered, amended or cancelled in accordance with the provisions of this Act;
- (b) all property vested in the original Committee shall subject to any orders of the State Government be held and expended by the Board for the purposes of the areas of the newly constituted Committees.

Appointment
of assets and
liabilities of
Committee
split up.

6G. (1) The assets and liabilities of Committee of the original market area shall in accordance with the provisions of the Act be appointed by the State Government between several Committees of the new market areas newly constituted.

(2) The staff of the Committee of the original market area shall be absorbed by the Committees newly constituted, in accordance with the orders of the Board issued in this behalf.

Suits by or
against new
Committee.

6H. (1) The Committee or Committees of the new market area or areas shall be deemed to be the representative of the original Committee or Committees for the purposes of suing or being sued or for continuing pending suits or proceedings by or against the Committee or Committees of the original market area or areas.

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

Saving as to
existing
employees of
Committee or
Committees
amalgamated or
split up.

6I. When under section 6B, a new Committee is constituted by amalgamation of two or more Committees or where two or more new Committees are constituted by splitting up of an existing Committee, the pay and allowances, pension and retirement benefits, if any, of all employees of the Committee or Committees amalgamated or split up shall be the pay and allowances, pension and retirement benefits as in force immediately before the date of amalgamation or splitting up, as the case may be.]

7. (1) For each notified market area, there shall be one principal market yard and one or more sub-market yards as may be necessary. Declaration of market yards.

(2) The State Government may, by notification, declare any enclosure, building or locality in any notified market area to be principal market yard for the area and other enclosures, buildings or localities to be one or more sub-market yards for the area.

8. (1) From the date of issue of notification under section 6 or from such later date as may be specified therein, no person, unless exempted by rules made under this Act, shall, either for himself or on behalf of another person or the State Government, within the notified market area setup, establish or continue or allow to be continued any place for the purchase, sale, storage and processing of the agricultural produce or purchase, sell, store or process such agricultural produce except under a licence granted in accordance with the provisions of this Act, the rules and bye-laws made thereunder and the conditions specified in the licence. Control of sale and purchase of agricultural produce.

(2) From the date on which the State Government has, by a notification under section 7, declared any place to be a principal or sub-market yard, no person, Municipal Committee, Panchayat, Panchayat Samiti or any other local authority, notwithstanding anything contained in sub-section (1) or in any enactment relating to such Municipal Committee, Panchayat Samiti, Panchayat or local authority, shall be competent to set up, establish or continue or allow to be continued any place within a distance of five kilometres from the outer limits of such market yard for the purchase and sale of any agricultural produce :

Provided that nothing herein contained shall apply to the sale of agricultural produce stored in a cold-storage or processed and kept in a factory.

(3) Nothing contained in sub-sections (1) and (2) shall apply to—

(a) the sale of agricultural produce by a producer himself to any person who purchases it for his private consumption ;

(b) the purchase by a person from any person of any agricultural produce for his private consumption ;

1. Substituted by Haryana Act 21 of 1973 and further substituted by Haryana Act 21 of 1975.

(c) the sale or purchase of agricultural produce through retail sale; and

(d) the storage or the sale of hypothecated agricultural produce by a schedule bank or warehouse established under the Warehousing Corporations Act, 1962, or the Punjab Warehouses Act, 1957.

(4) The State Government may, for reasons to be recorded in writing, exempt any class of dealers from the provision of sub-sections (1) and (2).]

Authority to whom applications for grant of licences are to be made.

9. ¹[The Chief Administrator] or any other officer authorised by him in writing in this behalf shall be the authority for granting licences required under ²[section 8.]

Application for licences fees to be paid and cancellation or suspension of licences.

³[10. (1) Any person may apply to authority specified in section 9 for a licence which may be granted for such period, in such form, on such conditions and on payment of such fees not exceeding one hundred rupees and such security not exceeding five hundred rupees, as may be prescribed :

Provided that if any person carrying on any business of the nature specified in sub-section (1) of section 8 in a notified market area on the date of issue of notification under sub-section (1) of section 6 fails to apply for a licence on or before the date specified therein for obtaining licence, the proper authority may, before a licence is issued, impose on him such penalty not exceeding one hundred rupees as may be prescribed.]

(2) ⁴[The Chief Administrator or any other officer, authorised by him, in writing, in this behalf] may, on being satisfied that ⁵[the licence has been obtained through wilful misrepresentation or fraud or] there has been a breach of any of the conditions specified

1. Substituted for the word "Chairman of the Board" by Punjab Act 40 of 1963 and further substituted by Haryana Act 38 of 1980.

2. Substituted for the word "section 6" by Haryana Act 21 of 1973.

3. Substituted by Haryana Act 21 of 1973.

4. Inserted by *ibid.*

5. Substituted for the word "Chairman of the Board" by Punjab Act 40 of 1963 and further substituted by Haryana Act 38 of 1980.

in a licence, by an order in writing, cancel or suspend such licence and may also direct that such licence shall not be renewed for such period not exceeding five months for the first breach and not exceeding nine months for the second breach and not exceeding one year for every subsequent breach, as may be specified in that order :

Provided that the Chairman of a Committee of the area concerned may under intimation to ¹[The Chief Administrator or any other officer, authorised by him in writing in this behalf] suspend a licence for a period not exceeding fifteen days :

Provided further that no such order shall be made without giving the licensee, an opportunity to show cause why such an order should not be made.

(3) ¹[The Chief Administrator or any other officer, authorised by him, in writing, in this behalf] after such enquiry as he may consider necessary, refuse a licence to a person who in his opinion—

- (a) is a benamidar for or a partner with any person to whom a licence has been refused, or whose licence is cancelled or suspended under sub-section (2) for the period of such cancellation or suspension ; or
- (b) is convicted of an offence affecting the said person's integrity as a man of business within two years of such conviction ; or
- (c) is undischarged insolvent:

Provided that no such order shall be made without giving such person an opportunity to show cause why such an order should not be made.

(4) Any person aggrieved by an order made under this section may at any time within one month of the making thereof, appeal to the State Government if such order is passed by ¹[the Chief Administrator or any other officer, authorised by him, in writing, in this behalf] and to ¹[the Chief Administrator or any other officer, authorised by him, in writing, in this behalf] if such order is passed by the Chairman of the Committee.

1. Substituted for the word "Chairman of the Board" by Punjab Act 40 of 1963 and further substituted by Haryana Act 38 of 1980.

Establishment
of market
Committee.

11. The State Government shall by notification establish a market committee for every notified market area and shall specify its head quarters.

Constitution of
Committees.

[12. (1) A Committee shall consist of eleven or nineteen members as the State Government may in each case determine, out of whom one shall be an official appointed by the State Government :

Provided that wherein a notified market area there is in existence a Co-operative Society, the Committee shall consist of twelve or twenty members as the case may be.

(2) The remaining members shall be nominated by the State Government by notification as follows :—

(a) if the Committee is to consist of eleven members, there shall be nominated—

(i) seven members from amongst the producer of the notified market area ;

(ii) two members from amongst the persons licenced under section 10 ; and

(iii) one member from amongst the person licenced under section 13:

Provided that the members nominated under this clause shall include at least one person belonging to Scheduled Castes or Scheduled Tribes and one person belonging to the Backward Classes, who are otherwise qualified to be nominated as members of the Committee ;

(b) if the Committee is to consist of twelve members, there shall be nominated, in addition to the members specified in clause (a), one member representing the Co-operative Societies ;

(c) if the Committee is to consist of nineteen members, there shall be nominated

(i) twelve members from amongst the producers of the notified market area ;

1. Section 12 substituted by Haryana Act 25 of 1970 and further substituted by Haryana Act 13 of 1978 and further substituted by Haryana Act 10 of 1979 and further substituted by Haryana Act 19 of 1980.

- (ii) four member from amongst the persons licenced under section 10 ; and
- (iii) two members from amongst the persons licenced under section 13 :

Provided that the members nominated under this clause shall include at least two persons belonging to Scheduled Castes or Scheduled Tribes and one person belonging to the Backward Classes, who are otherwise qualified to be nominated as members of the Committee ;

- (d) if the Committee is to consist of twenty members, there shall be nominated, in addition to the members specified in clause (c), one member representing the Co-operative Societies :

Provided that where, in the case of sub-clause (iii) or clause (a) or sub-clause (iii) of clause (c), there are no persons licenced under section 13 or the number of such persons is less than those required to be nominated, the deficiency shall be made up by nominating from amongst the persons licenced under section 10.

(3) No act done, or proceeding taken, under this Act by the Committee shall be invalid merely on the ground—

- (a) of any vacancy or defect in the constitution of the Committee ; or
- (b) of any defect or irregularity in the nomination of a person acting as a member thereof ; or
- (c) of any defect or irregularity in such act or proceeding not affecting the merits of the case.

(4) Subject to rules made under this Act, the disqualifications specified in sub-section (5) of section 3 shall also apply for purposes of becoming a member of a Committee.

(5) The State Government shall constitute Committees in accordance with the provisions of this section:

Provided that the State Government may, until such Committees are constituted and their Chairman and Vice-Chairman are [nominated] in accordance with the provisions of this Act, appoint such person or

1. Substituted by Haryana Act 2 of 1989.

persons, as may be considered suitable in this behalf, to exercise the powers and perform the functions of such Committees.

Explanation.— For the purposes of the proviso to sub-section (5), any person or persons appointed by the State Government before the commencement of the Punjab Agricultural Produce Markets (Haryana Amendment) Act, 1980, to carry out the functions of a Committee shall be deemed to be person or persons appointed by the State Government to exercise the powers and perform the functions of those Committees for which they were appointed.]

Duties and
Powers of
Committee.

13. (1). It shall be the duty of a Committee,—

- (a) to enforce the provisions of this Act and the rules and bye-laws made thereunder in the notified market area and, when so required by the ¹[* * * *] Board, to establish a market therein providing such facilities for persons visiting in connection with the purchase, sale, storage, weighment and processing of agricultural produce concerned as the ¹[* * * *] Board may from time to time direct ;
- (b) to control and regulate the admission to the market, to determine the conditions for the use of the market and to prosecute or confiscate the agricultural produce belonging to person trading without a valid licence ;
- (c) to bring, prosecute or defend or aid in bringing, prosecuting or defending any suit, action, proceeding, application or arbitration, on behalf of the Committee or otherwise when directed by the Board ²[* * * *]

(2) Every person licensed under section 10 or section 13 and every person exempted under ³[section 8] from taking out license, shall on demand by the Committee or any person authorised by it in this behalf furnish such information and returns, as may be necessary for proper enforcement of Act or the rules and bye-laws made thereunder.

1. The words "Chairman of the" omitted by Punjab Act 40 of 1963.

2. The words "or the Chairman of the Board" omitted by Punjab Act 40 of 1963.

3. Substituted for the "section 6" by Haryana Act 21 of 1973.

(3) Subject to such rules as the State Government may make in this behalf, it shall be the duty of a Committee to issue licences to brokers, weighmen, measurers, surveyors, godown keepers, and other functionaries for carrying on their occupation in the notified market area in respect of agricultural produce and to renew, suspend or cancel such licences.

(4) No broker, weighman, measurer, surveyor, godown-keeper or other functionary shall, unless duly authorised by licence, carry on his occupation in a notified market area in respect of agricultural produce:

Provided that nothing in sub-sections (3) and (4) shall apply to a person carrying on the business of warehouseman who is licensed under the Punjab Warehouses Act, 1957 (Punjab Act No. 2 of 1958).

¹[14. (1) Subject to the provisions of section 17, a nominated member of a Committee shall hold office ¹[during the pleasure of the State Government; provided that his term of office shall not exceed three years from the date of his appointment.]

Term of office of members.

(2) An outgoing member may, if otherwise qualified, be re-nominated for another term of three years.]

²[15. ²[* * * * *]]

³[Nomination of Chairman and Vice-Chairman.

16. ⁴[(1) Every Committee shall have a Chairman and a Vice-Chairman. The Chairman shall be ⁵[nominated by the State Government] from amongst the members who are producers and the Vice-Chairman shall be ⁵[nominated by the State Government] from amongst the members who are licencees under sections 10 and 13.]

⁶[Proviso * * * * *]

⁷[(2) The Committee may by a majority of two-thirds of the total members, at a meeting specially convened for the purpose, pass a resolution

1. Section 14 substituted by Haryana Act 25 of 1970 and further substituted by Haryana Act 13 of 1978 and further substituted by Haryana Act 19 of 1980 and further substituted by Haryana Act 24 of 1988.
2. Omitted by Haryana Act 2 of 1989.
3. Substituted by the Haryana Act 2 of 1989.
4. Substituted by the Haryana Act 10 of 1979.
5. Substituted by the Haryana Act 24 of 1988.
6. Proviso to sub-section (1) omitted by the Haryana Act 24 of 1988.
7. Substituted by the Haryana Act 23 of 1972.

for the removal of Chairman or Vice-Chairman and any resolution so passed shall be subject to the confirmation by the Board. The office of the Chairman or Vice-Chairman, as the case may be, shall stand vacated from the date of such confirmation.]

²[16-A. (* * * * *)]

Filling of
vacancies.

17. (1) Whenever any member dies, resigns, ceases to reside permanently in the notified market area or becomes incapable of acting as a member of a Committee or any vacancy occurs through transfer ¹[* * * * *] or otherwise, the State Government may appoint a member to fill in such vacancy in accordance with the provisions of sections 12 :

Provided that the term of office of the member so appointed shall expire on the same date as the term of office of the vacating member would have expired had the latter held office for the full period allowed under section 14. ³[* * * * *].

(2) Should the State Government decide to raise the number of members of an existing Committee ⁴[from eleven to nineteen] the additional vacancies shall be filled in accordance with the provisions of sub-section (1) and the term of office of the additional members appointed shall be the unexpired portion of the term of the existing members of the Committee.

⁵[(3) If any vacancy occurs in the office of the Chairman or Vice-Chairman of the Committee as a result of death, resignation ⁶[] or otherwise, the vacancy shall be filled in the manner provided in sub-section (1) of section 16.

(4) The Chairman or Vice-Chairman so ⁷[nominated by the State Government] shall hold office only so long as the person in whose place he is ⁷[nominated by the State Government] would have held office if the vacancy had not occurred.]

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1. Omitted by Haryana Act 2 of 1989.
 2. Section 16-A, inserted vide the Haryana Act 23 of 1972, omitted vide the Haryana Act 2 of 1989.
 3. Omitted by Haryana Act 23 of 1986.
 4. Substituted by Haryana Act 19 of 1980.
 5. Inserted by Haryana Act 23 of 1972.
 6. Omitted by Haryana Act 2 of 1989.
 7. Substituted by Haryana Act 24 of 1988.

18. Every Committee shall be a body corporate as well as a local authority by such name as the State Government may specify in the notification establishing it, shall have perpetual succession and a common seal may sue and be sued in its corporate name, and shall subject to the provisions of section 32 be competent to acquire and hold property, both movable and immovable, to lease, sell or otherwise transfer any movable or immovable property which may have become vested in or been acquired by it, and to contract and to do all other things necessary for the purposes for which it is established :

Incorporation of Committees.

Provided that no committee shall permanently transfer any immovable property except in pursuance of a resolution passed at a meeting specially convened for the purpose by a majority of not less than three fourth of the members of the Committee and prior approval of ¹[the Chief Administrator].

19. A Committee may appoint, one or more of its members or other to be a sub-committee or to be a joint committee or to be an adhoc committee for the administration of the sub-market yard, for the conduct of any work or for reporting on any matter and may delegate to such committee or any one or more of its members such of its powers or duties as it thinks fit :

Appointment of sub-committees and joint committees and delegation of powers.

Provided that when any such committee is to consist of, or the powers of the Committee are delegated to one member the resolution shall operate only after it is duly approved by the ²[* * * *] Board.

³[20. (1) There shall be a Marketing Service (hereinafter referred to as the Service). It shall consist of the existing officials of the Board and the Committees and such other officials as may hereafter be appointed by the Board on such terms and conditions as it may deem fit, except class IV employees of the Committees. The members of the Service shall be deemed to have been appointed by the Board :

Constitution of Marketing Service.

Provided that the officials of the Committees employed after the 31st day of March, 1973 shall not be the members of the Service .

(2) The members of the Service shall be governed by the same terms and conditions on which they are serving under the Board or the Committees till their terms and conditions are prescribed.

1. Substituted by Haryana Act 38 of 1980.

2. The words "Chairman of the" omitted by Punjab Act 40 of 1963.

3. Substituted by Haryana Act 21 of 1973.

(3) The integration of the officials in the Service shall be made in the manner prescribed.

(4) The Board shall have the power,—

(a) to determine the strength of the Service and cadres thereof ;

(b) to determine the strength of the categories of the officials required by each Committee.

(5) The Board shall have the power to suspend, remove, dismiss or otherwise punish the officials in the Service :

Provided that the Committee shall have the power regarding the members of the Service engaged in managing affairs of the Committee to impose minor punishment like censure and stoppage of increment.

(6) The Board shall have the power to transfer any member of the Service anywhere within the State of Haryana.

(7) The Powers conferred under this section on the Board and the Committee shall be exercised subject to such rules as may be made in this behalf by the State Government.

Appointment
of class IV
employees.

20A. Subject to the rules made under this Act, every Committee shall appoint such class IV employees as may be necessary for the management of the market and pay them such salary and allowances as may be fixed by the Board and shall have the power to control and punish them.]

Persons who
are to be
deemed Public
Servants within
the meaning of
section 21 of
Indian Penal
code.

21. Every member and officer or servant of the Board or a Committee shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.

Execution of
Contracts.

22. (1) Every contract entered into by a Committee shall be in writing and shall be signed on behalf of the Committee by the Chairman or if, for any reason he is unable to act, by the Vice-Chairman, and two other members of the Committee and shall be sealed with the common seal of the Committee.

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

¹[23. A Committee may, subject to such rules as may be made by the State Government in this behalf, levy on *ad-valorem* basis fees on the agricultural produce ²[* * * *] ²[bought or sold or brought for processing by dealers] in the notified area at a rate not exceeding ³[three rupees] for every one hundred rupees : Levy of fees.

⁴[Provided that, except in the case of agricultural produce brought for processing]—

- (a) no fee shall be leviable in respect of any transaction in which delivery of the agricultural produce bought or sold is not actually made ; and
- (b) a fee shall be leviable only on the parties to a transaction in which delivery is actually made.]

⁵[23A. (1) Notwithstanding anything contained in section 23, a dealer or licensee may pass on the burden of fee paid by him under that section and the rules made thereunder to the next purchaser or add the same towards the cost of agricultural produce or the goods processed or manufactured out of it. Passing on burden of fee.

(2) Whenever a dispute arises as to the passing on the burden of fee or its addition towards the cost of agricultural produce or the goods processed or manufactured out of it, it shall always be presumed, unless proved otherwise, that the burden of the fee has been passed on to the next purchaser or has been added towards the cost of the agricultural produce or the goods processed or manufactured out of it.]

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1. Substituted by Haryana Act 21 of 1973.
 2. Omitted by Haryana Act 5 of 1976 and further substituted by Haryana Act 10 of 1979.
 3. The words "one rupee and fifty paise" substituted for the words "one rupee" by Haryana Act 10 of 1974 and the words "two rupees" substituted for the words "one rupee and fifty paise" by Haryana Act 17 of 1974 and further the words "three rupees" shall be deemed to have been substituted with effect from 2nd day of September, 1977 for the words "two rupees" by Haryana Act 22 of 1977.
 4. Substituted by Haryana Act 5 of 1976 and further substituted by Haryana Act 10 of 1979.
 5. Inserted by Haryana Act 28 of 1980.

Octroi not payable on certain agricultural produce.

24. Notwithstanding anything to the contrary contained in the Punjab Municipal Act, 1911, ¹[and any other corresponding law for the time being in force] the State Government may by notification direct that in respect of such agricultural produce, notified under section 6, brought or received within notified market area, as may be specified in the notification, no octroi shall be payable by any person to a Municipal Committee from such dates as may be specified therein.

Marketing Development Fund.

25. (1) All receipts of the Board shall be credited to a fund to be called the Marketing Development Fund.

²[(2) All expenditure incurred by the Board shall be defrayed from such fund which shall be jointly operated upon by ³[the Chief Administrator] or the Secretary and any officer of the Board authorised by the Board in this behalf.]

Purposes for which the Marketing Development Fund may be expended.

26. The Marketing Development Fund shall be utilised for the following purposes :—

- (i) better marketing of agricultural produce ;
- (ii) marketing of agricultural produce on co-operative lines ;
- (iii) collection and dissemination of markets rates and news ;
- (iv) grading and standardisation of agricultural produce ;
- (v) general improvements in the markets or their respective notified market areas ;
- (vi) maintenance of the office of the Board and construction and repair of its office buildings, rest-house and staff quarters ;
- (vii) giving aid to financially weak Committees in the shape of loans and grants ;
- (viii) payment of salary leave allowance, gratuity, compassionate allowance, compensation for injuries or death resulting from accidents while on duty, medical

1. The words added by the Punjab State Agricultural Marketing Board and Marketing Committees (Reconstitutions and Reorganisation) Order, 1969.

2. Substituted by Haryana Act 21 of 1973.

3. Substituted by Haryana Act 38 of 1980.

- aid, pension or provident fund to the persons employed by the Board and leave and pension contribution to Government servants on deputation ;
- (ix) travelling and other allowances to the employees of the Board, its members and members of Advisory Committees ;
 - (x) propoganda, demonstration and publicity in favour of agricultural improvements ;
 - (xi) production and betterment of agricultural produce ;
 - (xii) meeting any legal expenses incurred by the Board ;
 - (xiii) imparting education in marketing or agriculture ;
 - (xiv) construction of godowns ;
 - (xv) loans and advances to the employees ;
 - (xvi) expenses incurred in auditing the accounts of the Board ; and
 - (xvii) with the previous sanction of the State Government, any other purpose which is calculated to promote the general interests of the Board and the Committees ¹[or the national or public interest] :

Provided that if the Board decides to give aid of more than five thousand rupees to a financially weak Committee under clause (vii), the prior approval of the State Government to such payment shall be obtained.

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

(2) (a) Every Committee shall, out of its fund pay to the Board as contribution such percentage of its income derived from licence fee, market fee and fines levied by the Courts as is specified below to defray expenses of the office establishments of the Board and

1. The words "or the national or public interest" added by Punjab Act 23 of 1962.

such other expenses incurred by it in the interest of the Committees generally and also pay to the State Government the cost of any special or additional staff employed by the State Government in consultation with the Committee for giving effect to the provisions of this Act in the notified market area—

- (i) if the annual income of a Committee does not exceed Rs. 10,000 [20 per centum]
- (ii) if the annual income of a Committee exceeds Rs. 10,000 —
 - on the first 10,000 [20 per centum]
 - on the next 5,000 or part thereof [25 per centum]
 - on the remaining income [30 per centum]

(b) The State Government shall determine the cost of such special or additional staff and shall, where the staff is employed for the purposes of more Committees than one, apportion such cost among the Committees concerned in such manner as it thinks fit. The decision of the State Government determining the amount payable by any Committee shall be final.

Purposes for which the market Committee Funds may be expended.

28. Subject to the provisions of section 27, the Market Committee Funds shall be expended for the following purposes :

- (i) acquisition of sites for the market ;
- (ii) maintenance and improvement of the market ;
- (iii) construction and repair of buildings which are necessary for the purposes of the market and for the health, convenience and safety of the persons using it ;
- (iv) provisions and maintenance of standard weights and measures ;
- (v) pay, leave allowances, gratuities, compassionate allowances and contributions towards leave allowances, compensation for injuries and death resulting from accidents while on duty, medical aid,

- pension or provident fund of the persons employed by the committee ;
- (vi) payment of interest on loans that may be raised for purposes of the market and the provisions of a sinking fund in respect of such loans ;
 - (vii) collection and dissemination of information regarding all matters relating to crop statistics and marketing in respect of the agricultural produce concerned ;
 - (viii) providing comforts and facilities, such as shelter, shade, parking accommodation and water for the persons draught cattle, vehicles and pack animals coming or being brought to the market or on construction or repair of approach roads ¹[link Road] culverts, bridges and other such purposes ;
 - (ix) expenses incurred in the maintenance of the offices and in auditing the accounts of the Committees ;
 - (x) propoganda in favour of agricultural improvements and thrift ;
 - (xi) production and betterment of agricultural produce ;
 - (xii) meeting any legal expenses incurred by the Committee ;
 - (xiii) imparting education in marketing or agriculture ;
 - (xiv) payments of travelling and other allowances to the members and employees of the Committee as prescribed ;
 - (xv) loans and advances to the employees ;
 - (xvi) expenses of and incidental to elections ; and
 - (xvii) with the previous sanction of the Board, any other purpose which is calculated to promote the general interests of the Committee or the notified market area, ²[or with the previous sanction of the State Government, any purpose calculated to promote the national or public interest.]

1. Inserted by Haryana Act 2 of 1989.

2. Added by Punjab Act 23 of 1962.

Liability of member or employee of Committees or the Board.

29. (1) Every person shall be liable for the loss, waste or misapplication of any money or other property belonging to a Committee, if such loss, waste or misapplication is proved to the satisfaction of the Board to be the direct consequence of his neglect or misconduct in the performance of duties as a member or an employee of the Committee¹[or an official managing the affairs of the Committee] and he may, after being given an opportunity by a written notice to show cause why he should not be required to make good the loss, be surcharged with the value of such property on the amount of such loss by the Board, and if the amount is not paid within one month from the expiry of the period of appeal prescribed by the sub-section (3) it shall be recoverable as arrears of land revenue :

Provided that no such person shall be called upon to show cause after the expiry of a period of four years from the occurrence of such loss waste or misapplication or after the expiry of two years from the time of his ceasing to be a member or an employe¹[or official] whichever expires first.

(2) Every person shall be liable for the loss, waste or misapplication of any money or other property belonging to the Board if such loss, waste or misapplication is proved to the satisfaction of the State Government to be the direct consequence of his neglect or misconduct in the performance of duties as a member or an employee of the Board, and he may, after being given an opportunity by a written notice to show cause why he should not be required to make good the loss, be surcharged with the value of such property or the amount of such loss by the State Government and if the amount is not paid within one month from the expiry of the period of appeal prescribed by sub-section (3) it shall be recoverable as arrears of land revenue :

Provided that no such person shall be called upon to show cause after the expiry of a period of four years from the occurrence of such loss, waste or misapplication or after the expiry of two years from the time of his ceasing to be a member or an employee, whichever expires first.

(3) The person against whom an order under sub-section (1) or sub-section (2) is made may, within one month of the service of

1. Inserted by Haryana Act 21 of 1973.

such order, appeal to the State Government which shall have the power of confirming, modifying or disallowing the surcharge.

30. No trade allowance, other than an allowance permitted by rules or bye-laws made under this Act, shall be made or received in a notified market area by any person in any transaction in respect of the agricultural produce concerned and no Civil Court shall, in any suit or proceeding arising out of any such transaction, recognise any trade allowance not so permitted :

No Trade Allowances permissible except as prescribed.

Provided that all market charges shall be paid by the buyer.

31. (1) No suit shall be instituted against the Board or a Committee or any member or employee thereof or any person acting under the direction of any such Committee, member or employee for anything done or purporting to be done 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 the Board or a Committee delivered to him or left at its office, and in the case of any such member, employee or person as aforesaid, delivered to him or left at his office or usual place of abode, and the plaint shall contain a statement that such notice has been so delivered or left.

Bar of suit in absence of notice.

(2) Every such suit shall be dismissed unless it is instituted within six months from the date of the accrual of cause of action.

32. (1) A Committee may, with the previous sanction of the [* *] Board raise the money required for carrying on the purposes for which it is established on the security of any property vested in and belonging to the Committee and of any fees leviable by it under this Act.

Power to borrow.

(2) A Committee may, for the purpose of meeting the initial expenditure on lands, buildings and equipment required for establishing the market, for the proper discharge of the duties and functions imposed on it by or under this Act, or for the purpose of development activities and extension of market obtain a loan from the State Government or the Board on such conditions and subject to such rules as may be prescribed.

1. The words "Chairman of the" omitted by Punjab Act 40 of 1963.

(3) A Committee may, with the previous sanctions of the ¹[* * *] Board, obtain loans from other Committees on such conditions and subject to such rules as may be prescribed.

²[(4)The Board may with the previous sanctions of the State Government raise the money required for carrying on the purpose for which it is established.]

Power to call information, inspect, enforce attendance and to suspend actions, etc., of Committees.

33. (1) When the affairs of a Committee are investigated or the proceedings of such committee are examined by ³[the Board or] any other officer to whom the powers have been delegated under sub-section (17) of section 3, all officers, servants and members of such Committee shall furnish such information in their possession in regard to the affairs or proceeding of the Committee as ³[the Board or] such officer may require.

(2) ³[The Board or] any officer authorised by him by general or special order shall have power to inspect or cause to be inspected the accounts of a Committee or to institute an enquiry into the affairs of the Committee and to require the Committee to do a thing or to desist from doing a thing which he considers necessary in the interest of the Committee and to make a written reply to him within a reasonable time stating its reasons for not desisting from doing it or for not doing such a thing.

(3) An officer investigating the affairs of a Committee or examining the proceeding of such Committee under sub-section (1) shall have the power to summon and enforce the attendance of officers or members of the 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 Civil Court under the Code of Civil Procedure, 1908.

(4) (i) The [¹* * *] Board may, by order in writing, annual any proceeding of a Committee or sub-committee or joint committee or *ad hoc* Committee which it considers not to be in conformity with law or

1. The words "Chairman or the" omitted by Punjab Act 40 of 1963.

2. Sub-section (4) added by Haryana Act 46 of 1971.

3. Substituted for the words "Chairman of the Board" by Punjab Act 40 of 1963 and further substituted by Haryana Act 28 of 1980 and further substituted by Haryana Act 38 of 1980.

with the rules or bye-laws made thereunder and may do all things necessary to secure such conformity, or may suspend any resolution which it considers likely to cause injury or annoyance to the public or is likely to affect adversely the interest of the Committee or of producers or dealers or any class of functionaries working in the notified market area concerned.

(ii) The [***] Board may, by order in writing, suspend the execution of any resolution or order of a Committee or sub-committee, or sub-committee, or joint committee or *ad hoc* Committee, or prohibit the doing of any act which is being done or is about to be done in pursuance of or under cover of this Act or any rule or bye-law made thereunder, if in its opinion, the resolution, order or Act is in excess of the powers conferred by law, or is likely to cause injury or annoyance to the public or is likely to affect adversely the interest of the Committee or of producers or of dealers or of any class of functionaries working in the notified market area concerned.

(iii) When the [***] Board makes an order under this sub-section, it shall forthwith forward a copy thereof, with a statement of reasons for making it and the explanation, if any, of the Committee concerned to the State Government, who may thereupon rescind the order or direct that it shall continue in force with or without modification, permanently, or for such period as it thinks fit.

(5) [The Chief Administrator or any other officer authorised by him, in writing, in this behalf] shall also have the power to suspend or cancel the licences of market functionaries issued under section 13.

(6)(i) If any officer or member of a Committee when required to furnish information in regard to the affairs or proceedings of a committee under sub-section (1)

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

(b) wilfully furnishes a false information ;

he shall, on conviction, be punishable with fine not exceeding five hundred rupees, or with imprisonment for a term which may extend to six months or with both.

1. The words "Chairman of the" omitted by Punjab Act 40 of 1963.

2. The words "Chairman of the" omitted by Punjab Act 40 of 1963 and further Substituted by Haryana Act 38 of 1980.

(ii) If any officer, member or a servant of a Committee wilfully neglects or refuses to do any act or wilfully or without any reasonable excuse disobeys a lawful written order issued under the provision of this Act or fails to furnish information or return lawfully required from him, he shall on conviction, be punishable with fine not exceeding five hundred rupees, or with imprisonment for a term which may extend to one month, or with both.

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

[33A. (1) Any officer empowered by the Board in this behalf, may, for the purpose of this Act, require any dealer to produce before him, the accounts and other documents and to furnish any information relating to the stock of agricultural produce or purchase, sale, storage and processing of agricultural produce by such person and also to furnish any other information relating to the payment of the market fee by such person.

(2) All accounts and registers maintained by any dealer and documents relating to the stock of agricultural produce or purchase, sale, storage and processing of such agricultural produce in his possession and the office, establishment, godown or vehicle of such person shall be open to inspection at all reasonable times by such officer.

(3) If such an officer has reason to believe that any person is attempting to evade the payment of market fee due from under section 23 or that any person has purchased any agricultural produce in contravention of any of the provisions of this Act or the rules or bye-laws in force in any market area, he may, for reasons to be recorded in writing, seize such accounts, registers or documents of such person as may be necessary, and shall grant a receipt for the same and shall retain the same only so long as may be necessary for examination thereof or for the prosecution of the person concerned but not in any case exceeding the period of fifteen days.

(4) For the purpose of sub-section (2) or sub-section (3) such officer may enter and search any place of business, warehouse, office, establishments, godown or vehicle where he has reason to believe that such person keep, or is for the time being keeping, any accounts, registers, documents or stock of agricultural produce relating to his business.

(5) The provisions of sections 102 and 103 of the Code of Criminal Procedure, 1898, shall, so far as may be, apply to a search under sub-section (4).

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

33B. ¹[***] At any time, when so required by ²[the Chief Administrator or] the Secretary of the Board or any other officer of the Board so authorised by ²[the Chief Administrator] by the Secretary, the driver or any other person in-charge of any vehicle or other conveyance which is taken or proposed to be taken out of the market area shall stop the vehicle or other conveyance, as the case may be, keep it stationary as long as may reasonably be necessary and allow the Secretary of the Board or such officer to examine the contents in the vehicle or other conveyance and inspect all records relating to the agricultural produce carried, and give his name and address and name and address of the owner of the vehicle or other conveyance and of the owner of the agricultural produce carried in such vehicle or other conveyance.

Power to stop vehicles.

33C. It shall be the duty of every Police Officer to communicate as soon as may be, to the 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 of a Committee or any officer of the Board and of the Committee demanding his aid in the exercise of the lawful authority.]

Duties of Police Officer.

34. (1) When any land is required for the purposes of this Act, the State Government may on the request of the Board or a Committee requiring it, proceed to acquire it under the provisions of the Land Acquisition Act, 1894, and on payment by the Board or Committee of the compensation awarded under that Act and of all other charges incurred by the State Government on account of the acquisition, the land shall vest in the Board or Committee.

Acquisition of land for the Board and Committees.

1. Omitted by Haryana Act 38 of 1980.

2. Inserted by *ibid.*

(2) The Board or a Committee shall be deemed to be a local authority for the purposes of the Land Acquisition Act, 1894.

Supersession
of
Committees.

35. (1) If in the opinion of the State Government a Committee is incompetent 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, supersede the Committee :

Provided that before issuing a notification under this sub-section the State Government shall give a reasonable opportunity to the Committee for showing cause against the proposed supersession and shall consider the explanations and objections, if any, of the Committee.

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

- (a) all the members including the Chairman and Vice-Chairman of the Committee shall as from the date of such publication, be deemed to have ceased to be members of the Committee;
- (b) all assets of the Committee shall vest in the Board and the Board shall be liable for all the legal liabilities of the Committee subsisting at the date of its supersession up to the limit of the said assets;
- (c) the State Government may, in its discretion by order constitute either a new Committee as provided under section 12 or such other authority for the carrying out of the functions of the Committee, as the State Government may deem fit.

(3) (a) When the State Government has made an order under clause (c) of sub-section (2), the assets and liabilities defined in clause (b) of sub-section (2) vesting in the Board at the date of such order shall be deemed to have been transferred on the date of such order to the new Committee or authority constituted as aforesaid.

(b) (i) Where the State Government by order under clause (c) of sub-section (2) has appointed an authority other than a new Committee for the carrying out of the functions of the superseded Committee the State Government may, by notification determine the period not exceeding one year for which such authority, shall act :

Provided that the term of office of such authority may be terminated earlier, if the State Government for any reason consider it necessary.

(ii) At the expiry of the term of office of such authority a new Committee shall be constituted.

(iii) Upon such an order being made the assets and liabilities vesting in the authority thereby superseded shall be deemed to have been transferred by such order to the new Committee.

(4) Whenever the assets of a Committee vest in the Board and no new Committee or authority is appointed in its place the Board shall employ the balance of the assets remaining after the discharge of the subsisting legal liabilities of the Committee for any object of public utility in the area specified in the notification issued under section 6.

36. If at any time the State Government is satisfied that a situation has arisen in which the purposes of this Act cannot be carried out in accordance with the provisions thereof, the State Government may by notification—

Emergency powers.

(a) declare that the functions of a Committee shall, to such extent as may be specified in the notification, be exercised by the Board or such person or persons as it may direct ; or

(b) assume to itself all or any of the powers vested in or exercisable by a Committee ;

and such notification may contain such incidental and consequential provisions as may appear to the State Government to be necessary or desirable for giving effect to the objects of the notifications.

¹[37. (1) Whoever contravenes the provisions of section 8 shall, on conviction be punished with imprisonment for a term which may extend to six months or with fine which shall not be less than fifty rupees, but may extend to five hundred rupees, or with both; and in the case of a continuing contravention, with a further fine which may extend to fifty rupees per day during which the contravention is continued after the first conviction :

Penalties.

1. Substituted by Haryana Act 21 of 1973.

Provided that in the absence of special and adequate reasons to the contrary mentioned in the judgement of the court the punishment for the second or any subsequent offence shall not be less than imprisonment for a term of three months and a fine of five hundred rupees.

(2) Whoever in contravention of the provisions of section 30 makes or recovers any unauthorised trade allowance shall, on conviction, be punished with imprisonment for a term which may extend to three months, or with fine which shall not be less than fifty rupees, but may extend to two hundred rupees or with both and in case of subsequent contravention with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees or with both.

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

(4) Whoever obstructs any authorised person in performing his duty under section 33A of the Act shall, on conviction, be punished with fine which may extend to five hundred rupees.

(5) Any person who fraudulently evades the payment of any fee or other sum due to the market committee under the provisions of this Act or the rules or bye-laws made thereunder or evades the payment due to towards remuneration to any weighman or palledar or demands remuneration without authority, of the seller or buyer for his employment or demands remuneration otherwise than in accordance with the provisions of the rules and bye-laws made under this Act shall, on conviction, be punished with fine which may extend to five hundred rupees and in the case of continuing offence with a further fine which may extend to fifty rupees for every day during which such offence is continued after first conviction.

(6) Whoever contravenes any provisions of this Act or any rule or bye-law made thereunder shall, if no other penalty is provided for the offence, be punished with fine which shall not be less than twenty rupees, but may extend to two hundred rupees.]

38. The State Government may, by notification, add to the Schedule to this Act any other item of Agricultural produce or amend or omit any item of such produce specified therein.

Powers of State Government amend the Schedule.

39. (1) No offence made punishable by this Act or any rule or byelaw made thereunder shall be tried by a court inferior to that of a magistrate of the first class.

Trial of offences.

¹{(2) Prosecution under this Act may be instituted by ²[the Chief Administrator] or the Chairman or Secretary of a Committee or by any other person authorised by the Board or the Committee.]

(3) All fines received from an offender shall be credited to State revenues and grant equivalent to such fines shall be paid to the Committee.

40. Any person objecting to an order passed by a Committee under section 13 or ²[an order passed] under sub-section (5) of section 33 may appeal to the Board in the manner prescribed and the Board's decision on appeal shall be final.

Appeal.

41. (1) Every sum due from a Committee to the State Government or the Board shall be recoverable as an arrear of land revenue.

Recovery of sums due to State Government from Committee.

(2) Every sum due to a Committee from any person shall be recoverable as an arrear of land revenue.

42. Notwithstanding anything in this Act, the State Government shall have the power of reversing or modifying any order of the Board or any of its officers passed or purporting to have been passed under this Act, if it considers it to be not in accordance with this Act or the rules or bye-laws made thereunder.

Revision.

43. (1) The State Government may by notification make rules for carrying out the purposes of this Act.

Power to make rules.

1. Substituted by Haryana Act 21 of 1973.

2. The words "Chairman of the" omitted by Punjab Act 40 of 1963 and further substituted by Haryana Act 38 of 1980.

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

- ¹(i) the [appointment or nomination] of members of the Board and Committees and their removal ;]
- (ii) the powers to be exercised and the duties to be performed by the Board or Committees and their officers and servants ;
- ²(iii) the election of the Chairman and Vice-Chairman of Committees, their powers and term of office ;]
- (iv) the filling of casual vacancies in the office of member or in the office of the Chairman or Vice-Chairman of Committees ;
- (v) the time, place and manner in which a contract between buyer and seller is to be entered into, continued and carried out and the money is into be paid to the seller ;
- (vi) generally for the guidance of the Board or Committee ;
- (vii) management of the market, maximum fees which may be levied by a Committee in respect of the agricultural produce brought or sold by licencees in the notified market area, and disposal of such fees ;
- (viii) the issue by a Committee of licences to brokers, weighman, measures, surveyors, godown-keepers or other functionaries, the form in which, and the conditions under which, such licences shall be issued or renewed and the fees, if any, to be charged therefor ;
- (ix) the issue ³[* * * *] of licences to dealers, the form in which, and the conditions under which, such licences shall be issued or renewed and the fees, if any, to be charged therefor ;

1. Substituted by Haryana Act 25 of 1970 and further substituted by Haryana Act 13 of 1978 and further substituted by Haryana Act 10 of 1979 and further substituted by Haryana Act 19 of 1980.

2. Substituted by Haryana Act 13 of 1978.

3. Substituted for the words "Chairman of the Board" by Punjab Act 40 of 1963 and further omitted by Haryana Act 38 of 1980.

- (x) the place or places at which agricultural produce shall be weighed, the kind and description of bardana to be used and the quantity of the produce to be weighed and of the scales, not being handscales (Takri), weights and measures which alone may be used in transactions in agricultural produce in a notified market area ;
- (xi) the inspection, verification, regulation, correction and confiscation of scales weights and measures in use in a notified market area ;
- (xii) the trade allowance which may be made or received by any person in any transaction in an agricultural produce in a notified market area ;
- (xiii) the provision of facilities for the settlement by arbitration or otherwise of any dispute between a buyer and a seller of agricultural produce or their agents, including disputes regarding the quality or weight of the article, the price or rate to be paid, allowances for wrappings, dirt or impurities or deductions for any cause ;
- (xiv) the prohibition of brokers from acting in the same transaction on behalf of both the buyer and the seller of agricultural produce ;
- (xv) the provisions of accommodation for storing any agricultural produce brought into the market ;
- (xvi) the preparation of plans and estimates for work proposed to be constructed partly or wholly at the expense of the Board or a Committee, and the grant of sanction to such plans and estimates ;
- (xvii) the form in which the accounts of Committee shall be kept, the audit and publication of such accounts, the charges, if any, to be made for such audit ;
- (xviii) the management and regulation of provident funds which may be established for the benefit of the employees of the Board or Committees ;
- (xix) the preparation and submission for sanction of an annual budget and the reports and returns to be furnished by the Board or Committees ;

- (xx) the investment and disposal of the surplus funds of the Board or Committees ;
- (xxi) the manner in which auctions of agricultural produce shall be conducted and bids made and accepted in any market ;
- (xxii) any matter in respect of which fees shall be payable under this Act, and fixing the amount of such fees and the mode of payment and recovery thereof ;
- (xxiii) exemption of classes of persons from the obligation of obtaining licences under section 6 ;
- (xxiv) the authority to which applications for obtaining licences shall be made ;
- (xxv) the realisation or disposal of fees recoverable thereunder or under any rules or bye-laws made under this Act ;
- (xxvi) the travelling and other allowances that may be ¹[paid to Chairman members and employees of the Board ;]
- (xxvii) the settlement of any question as to whether any person is a producer or not ;
- (xxviii) service rules, recruitment rules, provident fund rules, pension rules and such other rules as may be required for the employment of the staff of the Board and Committees ;
- (xxix) the penalties to be imposed upon the employees of the Board and Committees, including the manner of imposing such penalties and the right of appeal against such penalties;
- (xxx) nature and status of the servants of the Board and Committees ;
- (xxxi) imposing on persons holding licences under this Act, the duty of making returns to Committees at regular intervals of transactions of sale, purchase, storage and

1. Substituted for the words "paid to the members and employees of the Board" by Punjab Act 40 of 1963.

processing affected by them, or at their places of business and of producing accounts for inspection and furnishing information, when called upon by an authority duly empowered, and prescribing the form and mode of verification of, and the particulars to be entered in, such returns as well as the nature of such information ;

- (xxxii) the regulation of advances, if any, given to producers by brokers or dealers ;
- (xxxiii) the prevention of adulteration of the agricultural produce ; and
- (xxxiv) the grading and standardization of the agricultural produce.

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

44. (1) Subject to any rules made by the State Government under section 43, a Committee may, in respect of notified market area, make bye-laws for—

- (i) the regulation of its business ;
- (ii) the conditions of trading ;
- (iii) the appointment and punishment of its employees;
- (iv) the payment of salaries, gratuities and leave allowances to such employees ;
- (v) the delegation of powers or duties to the Sub-Committee or Joint Committee or adhoc Committee or any one or more of its members under section 19 ; and
- (vi) the remuneration of different functionaries not specifically mentioned in this Act, working in the notified market area and rendering any service in connection with the sale, purchase, storage and processing of agricultural produce ;

and may provide that contravention of any of such bye-laws shall be punishable, on conviction, with a fine which may extend to fifty rupees.

(2) Where a Committee fails to make bye-laws under this section within six months from the date of its establishment or the date on which this Act comes into force, whichever is later, the Board may make such bye-laws as it may think fit and the bye-laws so made shall remain in operation in that Committee.

(3) (a) Notwithstanding anything contained in this Act or the rules or bye-laws made thereunder, if the '[* * * *] Board considers that an amendment, alteration, rescission or adoption of a new bye-law is necessary or desirable in the interests of such Committee, he may, by an order in writing to be served on the Committee by registered post, require the Committee, to make such amendment, alteration, rescission or adopt a new bye-law within such time as may be specified in such order.

(b) If the Committee fails to make any such amendment, alteration or rescission or to adopt the new bye-law within the time specified by the '[* * *] Board in his order under clause (a), the '[* * *] Board may, after giving the Committee an opportunity of being heard, register such amendment, alteration, rescission or such new bye-laws, and issue a certified copy thereof to such Committee.

(c) The Committee may, within one month from the date of issue of an order made under clause (b), appeal against such order to the State Government.

(d) Where an appeal is presented within one month from the date of the issue of an order under clause (b), registering an amendment, such amendment shall not come into force till the order is confirmed by the State Government.

(e) A certified copy of the amendment of the bye-laws registered by the '[* * *] Board under clause (b), shall subject to the result of an appeal, if any, under clause (c) be conclusive evidence that the same has been duly registered and such amendment, alteration, rescission or a new bye-law shall be deemed to have been made by the Committee.

1. The words "Chairman of the" omitted by Punjab Act 40 of 1963.

(4) No bye-law or rescission of a bye-law or its alteration or amendment shall take effect until it has been confirmed by the ¹[* * *] Board and notified in the official gazette.

45. Whenever it is found that any amount due to the Board or a Committee is irrecoverable or should be remitted, or whenever any loss of the Board's or a Committee's money or stores or other property occurs through the fraud or negligence of any person or for any other cause and such property or money is found to be irrecoverable the facts shall be reported to the Board or Committee, as the case may be and the Board with the approval of the Government and Committee with the approval of the Board, may order the amount or value of the property to be written off as lost, irrecoverable or remitted, as the case may be, provided that in case of Committee, if in any case the amount due or the value of such property is in excess of one hundred rupees, such order shall not take effect without the approval of the State Government.

Powers to write off irrecoverable fees etc.

²[46. (1) The Secretary of the Committee, with the concurrence of the Chairman thereof, may, after obtaining the approval of the ³[Chief Administrator of the Board], accept, from any person against a reasonable suspicion exists that he has committed an offence under this Act or any rule or bye-law made thereunder, a sum of money by way of composition for such offence.

Power to Compound offender.

(2) The amount payable by way of composition shall be so fixed as to remain within the limits of minimum and maximum fine specified under section 37 for such offence. If no minimum limit of fine is fixed, it shall not be less than ten per cent of the maximum fine fixed for the offence:

Provided that in the case of late payment or evasion of any fee recoverable under this Act or any rule or bye-law made thereunder, the amount payable way of composition shall not be less than ten per cent of the amount recoverable as fee or otherwise and shall not be more than five hundred rupees :

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1. The words "Chairman of the" omitted by Punjab Act 40 of 1963.
 2. Substituted by Haryana Act 21 of 1973 and further substituted by Haryana Act 21 of 1975.
 3. Substituted by Haryana Act 38 of 1980.

Provided further that the composition money will be in addition to the fee or other amount recoverable under the Act or any rule or bye-law made thereunder.

(3) On payment of the composition money, the fee and any other amount due to the Committee, no further proceedings shall be taken against the suspected person and if in custody, he shall be discharged.]

Vesting of
properties of
Mandi
Township etc.

[46A. (1) Notwithstanding anything contained in any other law for the time being in force,—

- (a) all property, movable and immovable and all interests of whatsoever nature and kind therein of the State Government in respect of mandi portion of the mandi townships established by the Colonization Department under the Punjab, New Mandi Townships (Development and Regulation) Act, 1960, shall vest in the Committee ;
- (b) anything done or any action taken including any notification, order, scheme, or rule made, permission granted or issued under any provision of the Punjab New Mandi Townships (Development and Regulation) Act, 1960, relating to the mandi portion shall, so far as it is not inconsistent with the provisions of this Act, continue in force and be deemed to have been done or taken under the provisions of this Act unless and until it is superseded by anything done or any action taken under this Act ;
- (c) all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for the State Government, under the Punjab New Mandi Townships (Development and Regulation) Act, 1960, in respect of mandi portion only, shall be deemed to have been incurred, entered into or engaged to be done by, with or for the Committee ;
- (d) all taxes, fees and other sums of money in respect of the mandi portion due, to the State Government under the

Punjab New Mandi Townships (Development and Regulation) Act, 1960, shall be deemed to be due to the Committee ;

- (e) all suits, prosecutions and other legal proceedings instituted or which might have been instituted by, or against the State Government under the Punjab New Mandi Townships (Development and Regulation) Act, 1960 and the Colonization of Government Lands (Punjab) Act, 1912, in respect of mandi portion only, may be continued or instituted by, for or against the Committee.

(2) If any mandi portion or a part thereof lies within the limits of a Municipality, Notified area, Gram Panchayat area or local area under the Punjab Town Improvement Act, 1922, the State Government, may, by notification in the Official Gazette, direct that any or all the powers under the Haryana Municipal Act, 1973, the Punjab Gram Panchayat Act, 1952 or the Punjab Town Improvement Act, 1922, as are relevant to the purposes of this Act shall, subject to such conditions and restriction as may be specified in the notification, cease to operate in such mandi portion and the Municipal Committee, the Gram Panchayat, or the Improvement Trust, as the case may be, shall thereafter cease to have jurisdiction over that mandi portion or a part thereof, as the case may be, in respect of such powers.

(3) The provisions of the Haryana Municipal Act, 1973, the Punjab Gram Panchayat Act, 1952, and the Punjab Town Improvement Act, 1922, in so far as they are inconsistent with the provisions of this Act, shall not apply to the mandi portion or a part thereto.

(4) Where any person makes default in the payment of any rent due in respect of lease of any site or building or both, as the case may be or any fees payable for providing, maintaining or continuing any amenity under the Punjab New Mandi Townships (Development and Regulation) Act, 1960, the Secretary of the Committee may direct that in addition to the amount of arrears, a sum not exceeding that amount shall be recovered from the person by way of penalty :

Provided that no such direction shall be made unless the person affected thereby has been given a reasonable opportunity of being heard in the matter.

(5) Where any person makes default in the payment of any amount being the arrears or penalty, or both, directed to be paid under sub-section (4), such amount may be recovered from him in the same manner as arrears of land revenue.

(6) Where any person makes default in the payment of any consideration money or any instalment on account of the sale of any site or building, or both, to him, the Secretary of the Committee may by notice in writing, call upon him to show cause within a period of thirty days, why a penalty which shall not exceed ten per cent of the amount due from him, be not imposed upon him.

(7) After considering the cause, if any, shown by him and after giving him a reasonable opportunity of being heard in the matter, the Secretary of the Committees may, for reasons to be recorded in writing, make an order imposing the penalty and direct that the amount of money due along with the penalty shall be paid by such person within such period as may be specified in the order.

(8) If a person fails to pay the amount due together with the penalty in accordance with the conditions of sale or allotment of any site or building to him or commits a breach of any other conditions of such sale or allotment, the Committees may, by notice in writing, call upon him to show cause, within a period of thirty days, why an order of resumption of the site or building or both, as the case may be, and forfeiture of the whole or any part of the money, if any, paid in respect thereof, which in no case shall exceed ten per cent of the total amount of the consideration money interest and other dues payable in respect of the sale or allotment should not be made.

(9) After considering the cause, if any, shown by him in pursuance of a notice under sub-section (8) and any evidence that he may produce in support of the same and after, giving him a reasonable opportunity of being heard in the matter, the Committee may, for reasons to be recorded in writing, make an order resuming the site or building or both, as the case may be, and directing the forfeiture as provided in sub-section (8) of the whole or any part of the money paid in respect of such site, etc.

(10) Any person aggrieved by an order of the Committee under sub-section (9) may, within a period of thirty days of the date of

the communication to him of such order, prefer an appeal to the Chief Administrator in such form and manner, as may be prescribed :

Provided that the Chief Administrator may, entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(11) The Chief Administrator may, after hearing the appeal, confirm, vary or reverse the order appealed against and may pass such order as he may deem fit.

(12) The Chief Administrator may, either on his own motion or on an application received in this behalf, at any time within a period of six months from the date of the order, call for the record of any proceedings in which the Committee has passed an order for the purpose of satisfying himself as to the legality or propriety of such order and may pass such order in relation thereto as he thinks fit :

Provided that the Chief Administrator shall not pass an order under this sub-section prejudicial to any person without giving him a reasonable opportunity of being heard.

(13) For the purposes of this section 'Mandi portion' means that portion of any type of land or building, inclusive of all encumbrances, enclosures, fittings and fixtures, roads, parks, parking, passengers, platforms, plots etc., where sale-purchase of agricultural produce or other connected activity of any kind in pursuance of the purposes of the Punjab New Mandi Townships (Development and Regulation) Act, 1960, takes place.]

47. The Punjab Agricultural Produce Markets Act, 1939, and the Patiala Agricultural Produce Markets Act, 2004 B.K. are hereby repealed : Repeal and Savings.

Provided that such repeal shall not affect—

- (a) the previous operation of any Act so repealed or anything duly done or suffered thereunder ; or
- (b) any right, privilege, obligation or liability acquired or incurred under any Act so repealed ; or
- (c) any penalty forfeiture or punishment incurred in respect of any offence committed against any Act so repealed ; or

(d) any investigation, legal proceedings or remedy in respect of any such right, privilege, obligation, liability, penalty forfeiture or punishment as aforesaid;

and any such investigation legal proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture or punishment may be imposed, as if this Act had not been passed :

Provided further that anything done or any action taken under the Acts so repealed shall be deemed to have been done or taken under this Act, and shall continue to be in force accordingly, unless and until superseded by anything done or any action taken under this Act :

Provided further that the State Marketing Board constituted under the Patiala Agricultural Produce Markets Act, 2004 B.K. and functioning immediately before the commencement of this Act shall, till a Board is established and constituted under section 3, be deemed to be the State Agricultural Marketing Board for the purposes of this Act and all employees in the service of the State Marketing Board immediately before such commencement shall be deemed to be the employees of the State Agricultural Marketing Board and their emoluments and other conditions of service shall not be varied to their disadvantage :

Provided further that the Market Committees functioning immediately before the commencement of this Act shall be deemed to be constituted for the first time under sub-section (4) of section 12 and their members including the Chairman and Vice-Chairman shall hold office until new Committees set up under this Act are notified
[* * * * *]

Validation.

²[Notwithstanding anything contained in the Punjab Agricultural Produce Markets Act, 1961 (hereinafter referred to as the principal Act), or any other law for the time being in force or any judgment, decree or order of any court, the existing notified market areas, principal market yards and sub-market yards, wherein amenities or services as contemplated by the principal Act are being provided or rendered, as the case may be, and the market committees, shall be deemed to have been duly declared or established and constituted, as the case may be, in accordance with law and all fees levied and collected or purporting to have been levied and

1. The words "or the expiry of six months from the commencement of this Act whichever is earlier" omitted by Punjab Act 3 of 1962.
2. Validation by Haryana Act 12 of 1972.

collected under the principal Act in respect of those areas, shall, for all purposes, be deemed to be, and to have always been, levied and collected, in accordance with law, and all actions taken, things done, orders passed or directions given, or purporting to have been taken, done, passed or given, under the principal Act, shall, for all purposes, be deemed to be and to have always been, taken, done, passed or given, as the case may be, in accordance with law and accordingly—

- (a) no suit or other legal proceedings shall be maintained or continued in any court for the refund of the whole or any part of the fee so levied and collected ; and
- (b) no court shall enforce any decree or order directing the refund of the whole or any part of the fee so levied and collected.]

¹[Notwithstanding anything contained in any law, judgement, decree or order of any court, any fee levied, imposed, assessed or collected from a licensee under section 23 of the principal Act and the rules made thereunder on the agricultural produce bought or sold or brought for processing by him in any notified market area shall be deemed to have been validly levied, imposed, assessed or collected and such levy, imposition, assessment or collection shall not be called in question in any court and accordingly - Validation.

- (a) no suit or other legal proceedings shall be maintained or continued in any court for the refund of the whole or any part of the fee so levied, imposed, assessed or collected ; and
- (b) no court shall enforce any decree or order directing the refund of the whole or any part of the fee so levied, imposed, assessed or collected.]

²[(1) Notwithstanding anything contained in the principal Act or in any other law for the time being in force or judgement, decree or order of any court, any amount purported to have been collected from a dealer or licensee as fee, in respect of any transaction in excess of the fee leviable under section 23 and deposited with any Committee before the 15th day of May, 1980, the burden of which has been passed on by the Validation.

1. See Haryana Act 5 of 1976.

2. See Haryana Act, 28 of 1980.

dealer or licensee to the next purchaser or which has been added towards the cost of the agricultural produce or the goods, processed or manufactured out of it, shall be retained and deemed to have been validly levied, imposed, assessed or collected and shall be spent for meeting the costs of services to be rendered towards the development and improvement of existing markets where from the collection of such fee was made and accordingly—

- (a) no suit or other legal proceedings shall be maintained or continued in any court for the refund of whole or any part of the fee so collected ; and
- (b) no court shall enforce any decree or order directing the refund of the whole or any part of the fee so collected.

(2) If any amount of fee so collected has been refunded to any dealer or licensee, the same shall be recoverable by the Committee concerned as arrears of land revenue.]

¹[Notwithstanding anything contained in the principal Act, or in any other law for the time being in force or judgement, decree or order of any court, any amount purported to have been collected by a dealer or licensee as fee, in respect of any transaction in excess of the fee leviable under section 23 of the principal Act and not deposit with any Committee, the burden of which has been passed on by the dealer or licensee to the next purchaser or which has been added towards the cost of the agricultural produce or the goods processed or manufactured out of it, shall be deemed to have been validity levied, imposed, assessed or collected and shall be recoverable by the Committee concerned as arrears of land revenue and spent for meeting the costs of services to be rendered towards the development and improvement of existing markets where from the collections of such fee was made and accordingly—

- (a) no suit or other legal proceedings shall be maintained or continued in any court for the refund of whole any part of the fee so collected ; and
- (b) no court shall enforce any decree or order directing the refund of the whole or any part of the fee so collected.]

1. See Haryana Act, 38 of 1980.

THE SCHEDULE

[See section 2(a) and section 38]

1. Wheat (Kanak)
2. Barley (Jau)
3. Maize (Makki).
4. Great Millet (Jowar).
5. Spiked Millet (Bajra).
6. Paddy and ²[Rice] (Dhan) and ²{* *}.
7. Gram and Kabli Gram (Chanc Kale and Safaid)
- ²8. Green Gram (Moong) whole and split.
9. Black Gram (Mash) whole and split.
10. Phaseolus aconitifolius (Moth) whole and split.
11. Lentil (Masur) whole and split.
12. Indian Colza (Sarson).
13. Indian Rale (Torla).
14. Rochet (Tara Mira).
15. Cotton seed (Banaula.)
- ²16. Ground-nut (Shelled, unshelled and roasted)
17. Cotton (Ginned and uniginned) (Kapas and Rui).
18. Cluster Bean (Guara.).
19. Dry and Green Fodder (Suka and Sabaz Chara)
20. Potato (Alu).
21. Sweet Potato (Shakarkandi).
- ²22. Onion dry and green (Piaz Khushak and Hara).
23. Arum (Arvi)
24. Cauli flower (Phul Gobi)
25. Cabbage (Band Gobi)
26. Carrot (Gajjar).
27. Radish (Muli).
28. Turnip (Salgam).
29. Tomato (Tomator)

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1. Substituted for Items 1 to 85 by the Punjab Government, Agriculture Department, Notification No. G.S.R. 111/PA-13/61/S-38/Amd./ 62, dated the 24th July, 1962, published in Punjab Government Gazette (Extra.), Legislative Supplement, Part III of 30th July, 1962.
 2. Substituted by Haryana Govt. Gazette (Extra.), No. 2301 Agriculture S(3)87/15941, dated 1-9-1987, page 1445.

30. Brinjal (Baingan)
31. Lady's Finger (Bhindi)
32. Peas Green (Mattar Hara).
33. Garlic dry (Iashman Khushak)
34. Orange (Malta).
35. Chillies Dry and Green (Mirch Khushak and Hari)
36. Gur.
37. Shakkar.
- 1[38. Khandsari (including Sulphur, Desi Khand and Bura).]
39. Dry Peas (Matar Khushak).
40. Water Melon (Tarbuz)
41. Wool (Oon)
- 2[42. Tinda Gourd (Tinda).
43. Bottle Gourd (Lauki).
44. Pumpkin round (Ghia Kadu).
45. Squash or Red Gourd (Halwa Kadu).
46. Bitter Gourd (Karela).
47. Cow Peas (Lobhia).
48. Green Beans (Raj Maha and Soya Beans)
49. Long Melon (Tarr).
50. Elephant Foot (Zime Kand)
51. Cucumbar (Khira).
52. Chappan Kadu.
53. Turmeric (Haldi).
54. Musk Melon (Kharbuza)
55. Mango (Am)
56. Mandrain (Sangtara)
57. Lime (Nimboo)
58. Lemon (Galgal and khatta)
59. Apple (Saib)
60. Guava (Amrud).

1. Substituted by Haryana Govt. Gazette (Extra.), No. 2301 Agriculture S(3)87/15941, dated 1-9-1987, page 1445.

2. Item No. 42 to 76, added by Punjab Government, Agriculture Department, Notification No. G.S.R. 93/PA-23/61/S-38/Amd./66, dated 16th April, 1966, published in Punjab Government Gazette, Legislative Supplement, Part III of 29th April, 1966.

61. Pear (Nashpati).
62. Anar
63. Sweet Lime (Mitha)
64. Apricot (Khurmani)
65. Plum (Alubakhara and Alucha)
66. Peach (Ara)
67. Litchi.
68. Sapota (Chickoo).
69. Loquat
70. Castaud Apple (Sharifa).
71. Walnut (Akhrot).
72. Sag (Palak and Sarson).
73. Ginger (Adrak).
74. Heena (Mehndi).
75. Goat Hair.
76. Camel Hair]
77. 2[* * *]
78. 3[* * *]
79. 2[* * *]
80. Bhabar Grass.
81. Sunehri.
82. Banana.
83. 2[* * *]
84. 4[* * *]
85. Rosin.
86. Arhar.
87. Grapes.

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1. Item 77 to 99. added by the Haryana Government, Agriculture Department, Notification No. 217-Agri. (iv) (S)-70/9754, dated 24th/27th April, 1970, published in Haryana Government Gazette (Extra.), dated 27th April, 1970.
 2. Omitted by Haryana Government, Agriculture Department, Notification No. 1482 Agri. (II)-4-71/4091, dated 31st March, 1971, published in Haryana Government Gazette (Extraordinary) of 31st March, 1971.
 3. Omitted by Haryana Government, Agriculture Department, Notification No. 848 Agri. (II)-71/6524, dated 1st May, 1971, published in Haryana Government Gazette (Extraordinary) of 1st May, 1971.
 4. Omitted by Haryana Government, Agriculture Department, Notification No. S.O./PA-23/61/S. 38/70, dated 4th July, 1970, published in Haryana Government Gazette (Extraordinary), Legislative Supplement, Part III, dated 4th July, 1970.

88. Ber.
 89. ¹[* * *]
 90. ²[* * *]
 91. Oats.
 92. ³[* * *]
 93. ⁴[* * *]
 94. Barsem Seed.
 95. Sanghra.
 96. Til.
 97. Methi/(Seed)⁵
 98. ⁶[* * *]
 99. ⁷[* * *]
⁸100. Mausani/Sweet orange
 101. Kinnow
 102. Sponge gourd (Ghia Tori)
 103. Sweet Pepper (Simla Mirchi)
 104. Linseed (Alsi)
 105. Gram Dal.
⁹106. [* * *]
¹⁰107. Sun-flower Seed (Surajmukhi Beej)
¹¹108. Eggs.
 109. Poultry birds.
 110. Fish.

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1. Omitted by Haryana Government, Agriculture Department, Notification No. S.O./PA-23/61/S-38/70 dated 4th July, 1970, published in Haryana Government Gazette (Extraordinary), Legislative Supplement, Part III of 4th July, 1970.
 2. Items at 90-92 and 93, namely, butter, tobacco and ghee, respectively omitted vide No. S.O. 217/PA-23/61/S-30/70, dated the 21st August, 1970.
 3. The words 'Methi Green' replaced vide Notification No. 3545-Agri. S(I) 85, dated the 31st December, 1985.
 4. The word firewood at 98 omitted vide the Haryana Government Notification No. 848 Agri. (II)-71/6524, dated the 1st May, 1971.
 5. The word 'meat' at 99 omitted vide the Haryana Government, Agriculture Department, Notification No. S.O./PA-23/61/S. 38/70, dated the 4th July, 1979.
 6. Sr. Nos. 100 to 105 added vide Notification No. 2301-Agri. S (III)-87/15941, dated the 1st September, 1987.
 7. Sr. Nos. 106 "Timber and Firewood" added vide Notification No. 2628-Agri. S (3)-88/4749, dated the 6th March, 1998 and omitted vide Notification No. 951-Agri. S (3)-88/5418, dated the 23rd March, 1988.
 8. Added vide Notification No. 3575-Agri. S (1)-91/23670, dated the 2nd December, 1991.
 9. Sr. Nos. 108 to 110 added vide Notification No. 1725-Agri. S (I) 98/21831, dated the 28th December, 1998.

PART I

HARYANA GOVERNMENT
LEGISLATIVE DEPARTMENT

Notification

The 5th July, 2006

No. Leg. 24/2006.—The following Act of the Legislature of the State of Haryana received the assent of the President of India on the 25th May, 2006, and is hereby published for general information:—

HARYANA ACT NO. 22 OF 2006

THE PUNJAB AGRICULTURAL PRODUCE MARKETS
(HARYANA AMENDMENT) ACT, 2005

AN

ACT

to substitute the long title of the Punjab Agricultural Produce Markets Act, 1961 and further to amend the said Act in its application to the State of Haryana

Be it enacted by the Legislature of the State of Haryana in the Fifty-sixth Year of the Republic of India as follows :—

1. This Act may be called the Punjab Agricultural Produce Markets (Haryana Amendment) Act, 2005. Short title.

2. For the existing long title of the Punjab Agricultural Produce Markets Act, 1961 (hereinafter called the principal Act), the following long title shall be substituted, namely :— Substitution of long title to Punjab Act 23 of 1961.

“to provide for improved regulation in marketing of agricultural produce, development of efficient marketing system, promotion of agri-processing and agricultural export and the establishment and proper administration of markets for agricultural produce in the State of Haryana and to put in place an effective infrastructure for marketing of agricultural produce and lay down procedures and systems thereto.”

3. In section 2 of the principal Act.— Amendment of section 2 of Punjab Act 23 of 1961.

(f) for clause (a), the following clauses shall be substituted, namely:—

(a) “agricultural produce” means all produce and commodities whether processed or unprocessed of agriculture, horticulture/ apiculture, sericulture, animal husbandry, *ho re.* (raw wool)

and skin of animals, forest produce etc. as are specified in the Schedule or declared by the State Government, by notification in the Official Gazette, from time to time and also includes a mixture of more than two such products;

(aa) "agriculturist" means a person who is a resident of notified market area and who is engaged in production of agricultural produce by himself or by hired labour or otherwise, but does not include any market functionary. If a question arises whether any person is an agriculturist or not for the purpose of this Act, the decision of the Collector of the district in which such person is engaged in the production or growth of agricultural produce shall be final ;;

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

(ca) "business" means purchase-sale, processing, value addition, storage, transportation and connected activities of agricultural produce;

(cb) "buyer" means a person, a firm, a company or co-operative society or government agency, public undertaking/public agency or corporation, commission agent, who himself or on behalf of any other person or agent buys or agrees to buy agricultural produce in the market area as notified under this Act; ;

(III) after clause (d), the following clauses shall be inserted, namely:—

(da) "contract farming" means farming by a contract farming producer under a written agreement with contract farming sponsor to the effect that his farm produce shall be purchased as specified in the agreement;

(db) "contract farming agreement" means an agreement made for contract farming between contract farming sponsor and contract farming producer;

(de) "contract farming producer" means an agriculturist association of agriculturists, self-help group, authorised tenants of agriculturist, co-operative societies registered under the Haryana Co-operative Societies Act, 1984 (22 of 1984), and shall include the successors, heirs, executors and representatives of the party executing the agreement;

(dd) "contract farming sponsor" means a person, a sole proprietor, a company registered under the Companies Act, 1956 (1 of 1956), a partnership firm registered under the Indian Partnership

Act, 1932 (9 of 1932), a Government agency, a co-operative society registered under the Haryana Co-operative Societies Act, 1984 (22 of 1984), and shall include its administrators, successors, representatives and assignees;'

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

'(ia) "marketing" means all activities involved in the flow of agricultural produce from the production points commencing from the stage of harvest till these reach the ultimate consumers viz. grading, processing, storage, transport, channels of distribution and all other functions connected therewith including the marketing under contract farming;'

4. After section 8 of the principal Act, the following section shall be inserted, namely:—

Insertion of
section 8A in
Punjab Act 23
of 1961.

"8A. Procedure and form of contract farming agreement.—

(1) The contract farming agreement shall be governed as under :—

- (i) contract farming sponsor shall register himself with the Committee or with a prescribed officer in such manner as may be prescribed;
- (ii) contract farming sponsor shall get the contract farming agreement executed with the contract farming producer and get the same registered with the officer prescribed in this behalf. The contract farming agreement shall be in such form containing such particulars and terms and conditions as may be prescribed for marketing of contract farming produce.

(2) Notwithstanding anything contained in contract farming agreement, no title, rights, ownership or possession of the land shall be transferred or alienated or vested in the contract farming sponsor or his successor or his agent as a consequence arising out of the contract farming agreement.

(3) The contract farming sponsor shall be the buyer of the agricultural produce covered under the contract farming agreement. The business premises of the sponsor shall be deemed to be the market yard for the purpose of sale and purchase of agricultural produce covered under contract farming agreement of that sponsor.

(4) Disputes arising out of the contract farming agreement may be referred to any authority prescribed in this behalf for settlement. The prescribed authority shall resolve the dispute in the summary manner within thirty days after giving the parties a reasonable opportunity of being heard in the manner prescribed.

(5) The party aggrieved by the decision of the prescribed authority under sub-section (4) may prefer an appeal to an appellate authority as may be prescribed, within thirty days from the date of decision. The appellate authority shall dispose of the appeal within thirty days after giving the parties reasonable opportunity of being heard and the decision of the appellate authority shall be final.

(6) The decision by the prescribed authority under sub-section (4) and decision in appeal under sub-section (5) shall have force of the decree of the civil court and shall be enforceable as such and the decretal amount shall be recovered as an arrear of land revenue.

(7) Disputes relating to and arising out of contract farming agreement shall not be called in question in any civil court."

M. S. SULLAR,
Secretary to Government, Haryana,
Legislative Department.

PART-I

HARYANA GOVERNMENT

LAW AND LEGISLATIVE DEPARTMENT

Notification

The 19th December, 2012

No. Leg. 35/2012.—The following Act of the Legislature of the State of Haryana received the assent of the Governor of Haryana on the 30th November, 2012, and is hereby published for general information :—

HARYANA ACT NO. 30 OF 2012

**THE PUNJAB AGRICULTURAL PRODUCE MARKETS
(HARYANA AMENDMENT) ACT, 2012**

AN

ACT

*further to amend the Punjab Agricultural Produce Markets Act, 1961,
in its application to the State of Haryana.*

BE it enacted by the Legislature of the State of Haryana in the Sixty-third Year of the Republic of India as follows :—

1. This Act may be called the Punjab Agricultural Produce Markets (Haryana Amendment) Act, 2012. Short title
2. The Punjab Agricultural Produce Markets Act, 1961 (hereinafter called the Principal Act), without prejudice to any other mode of citation, be cited for all purposes by the short title “the Haryana Agricultural Produce Markets Act, 1961”. Citation of Punjab Act 23 of 1961.
3. In sub-section (1) of section 1 of the principal Act,— Amendment of section 1 of Punjab Act 23 of 1961.
 - (i) for the word “Punjab”, the word “Haryana” shall be substituted; and
 - (ii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) It shall extend to the State of Haryana.”.
4. In section 2 of the Principal Act,— Amendment of section 2 of Punjab Act 23 of 1961.
 - (i) for clause (b), the following clause shall be substituted, namely:—

‘(b) “Board” means the Haryana State Agricultural Marketing Board established under the Act;’;

- (ii) after clause (dd), the following clause shall be inserted, namely:—
'(de) "consumer's market" means a market notified under section 7, where retail sale of agriculture produce is made especially to consumer, not exceeding quantities, as may be prescribed;'
- (iii) after clause (g), the following clause shall be inserted, namely:—
'(ga) "farmer's market" means a market notified under section 7, where the farmer himself acts as retailer and where retail sale of agricultural produce is made to the consumer, not exceeding quantities, as may be prescribed;'
- (iv) after clause (ia), the following clause shall be inserted, namely:—
'(ib) "market of national or international importance" means a market notified under section 7 for the purpose of trading in agricultural or horticultural produce from more than one State of the Union or outside the country;'
- (v) after clause (l), the following clause shall be inserted, namely:—
'(la) "person" means an individual, registered firm, company, society, association of persons, body of individuals, agency or any other legal entity which may sue and be sued in the eyes of law;'
- (vi) after clause (r), the following clauses shall be inserted, namely:—
'(ra) "special commodity market" means a market notified under section 7 for the purchase and sale of particular agricultural produce, as may be specified, from time to time, by a general or special order;
(rb) "special market" means a market notified under section 7 for the purchase of horticultural produce and other commercial specified crops sourced from the State of Haryana or from anywhere else in the country or outside the country;
(rc) "spot exchange" means a place where notified agricultural produce is traded, in which billing, booking, contracting, negotiating, information exchange, record keeping and other connected activities are done through e-trading by licensee;
(rd) "terminal market" means a market notified under section 7 where facilities are provided for attracting the produce from

national and international level to encourage bulk purchase, export etc.;

5. For section 7 of the Principal Act, the following section shall be substituted, namely:—

Amendment of
section 7 of
Punjab Act 23
of 1961.

“7. Declaration of market yards etc.- (1) For each notified market area, there shall be one principal market yard, one or more sub-market yards, consumer’s market, farmer’s market, market of national or international importance, special commodity market, special market, spot exchange or terminal market, as may be necessary.

(2) The State Government may, by notification, declare any enclosure, building or locality in any notified market area to be one principal market yard for the area and other enclosure, building or locality to be one or more sub-market yards, consumer’s market, farmer’s market, market of national or international importance, special commodity market, special market, spot exchange or terminal market, for the area.”

6. In section 8 of the Principal Act,—

Amendment of
section 8 of
Punjab Act 23
of 1961.

(I) in sub-section (1),—

(a) for the sign “.” existing at the end, the sign “:” shall be substituted; and

(b) the following provisos shall be inserted, namely:—

“Provided that a licensee may apply for licence to be operative in one or more Market Committee or for the entire State, on payment of such fee, as may be prescribed :

Provided further that the licensee shall have to comply with provisions of other Central and State Acts and obtain permission or licence etc. from the competent authority for carrying out national or international trade by way of import or export of any agricultural or horticultural produce or product.”

(II) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) From the date on which the State Government has, by a notification under section 7, declared any place to be

principal market yard, sub-market yard, consumer's market, farmer's market, market of national or international importance, special commodity market, special market, spot exchange or terminal market, no person, Municipal Committee, Panchayat, Panchayat Samiti or any other local authority, notwithstanding anything contained in sub-section (1) or in any enactment relating to such Municipal Committee, Panchayat Samiti, Panchayat or local authority, shall be competent to set up, establish or continue or allow to be continued any place within a distance of five kilometres from the outer limits of such market yard for the purchase or sale of any agricultural produce:

Provided that nothing herein contained shall apply to the sale of agricultural produce stored in a cold-storage or processed and kept in a factory.”.

Insertion of
section 8B in
Punjab Act 23 of
1961.

7. After section 8A of the Principal Act, the following sections shall be inserted, namely:—

“8B. Establishment of collection centre.—The Chief Administrator may, from time to time, specify particular area or location or premises in notified area of any Market Committee as a dedicated collection centre for horticultural produce and other commercial crops, as may be notified by the State Government, from time to time. Further, the Chief Administrator may grant a licence on terms and conditions, as may be prescribed from time to time to any person, for purchase of horticultural produce and other such crops directly from farmers in such collection centre:

Provided that such licensee shall be at liberty to conduct onward transaction of horticultural produce and other such crops, in retail, wholesale or by transfer, as the case may be:

Provided further that the Chief Administrator may allow any person including a licence holder to provide facilities such as processing, packaging, sorting, grading, storage, sale and export of the produce and refrigeration in Public Private Partnership (PPP) mode or otherwise by charging appropriate user charges along with such fee, security and other terms and conditions, as may be prescribed, from time to time.

8C. Establishment of spot exchange.- (1) No person shall establish and run a spot exchange for trading in notified agricultural produce without obtaining a licence under this section, which shall be granted by the Chief Administrator, subject to such conditions, fee and security, as may be prescribed.

(2) The licensee shall—

- (i) have online trading and clearing system with national reach;
- (ii) ensure efficient clearing, settlement and guarantee system;
- (iii) ensure transparency in operations and decision making related to entire operations;
- (iv) provide for delivery of defined commodities backed by warehouse receipt system.

(3) The licensee shall provide the following services, namely:—

- (a) electronic spot trading facility for notified agricultural or horticultural produce;
- (b) grading, quality certification and standardization of commodities;
- (c) facilitating collateral financing and borrowing against warehouse receipts;
- (d) customized service relating to storage, transportation, logistics, handling and shipment; and
- (e) procurement and disposal of commodities through online trading system.

(4) The licensee may collect fees and/or annual subscriptions etc. relating to membership for Very Small Aperture Terminal (VSAT) from the members:

Provided that the State Government may, prescribe the fee or annual subscription to be charged from the member.

(5) The terms and conditions relating to trading, delivery, clearing and settlement of agricultural produce or horticultural produce, shall be such, as may be prescribed.

- (6) The licensee shall furnish guarantee of performance of all contracts executed on the spot exchange platform. For this purpose, the licensee shall maintain a settlement guarantee fund. Notwithstanding any default of any member, the licensee shall be responsible for collection and payment to the sellers within a prescribed time.
- (7) The licensee shall maintain accounts of all transactions on electronic platform and submit such periodical reports and returns to the Chief Administrator or to any other officer authorized by him in this behalf, at such time and in such forms, as may be specified by the Chief Administrator, from time to time.
- (8) In case of any dispute with regard to any transaction, the redressal thereof shall be done at the spot exchange level by the concerned District Marketing Enforcement Officer, who shall dispose off the matter within fifteen days. Any person aggrieved with such order, may file an appeal before the Chief Administrator within a period of thirty days, from the date of passing of order.
- (9) The Chief Administrator, for the reasons to be recorded in writing, may suspend or cancel the licence in case of violation of any of the provisions of this Act.”.

Amendment of
section 26 of
Punjab Act 23
of 1961.

8. After clause (i) of section 26, the following clause shall be inserted, namely:—

“(ia) execution of market extension activities through Public Private Partnership;”.

Amendment of
section 28 of
Punjab Act 23
of 1961.

9. After clause (i) of section 28, the following clause shall be inserted, namely:—

“(ia) execution of market extension activities through Public Private Partnership;”.

MANJIT SINGH,
Secretary to Government, Haryana,
Law and Legislative Department.