



**The Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act,  
1989**

Act 6 of 1990

**Keyword(s):**

**Agricultural Produce, Agriculturist, Hamal, Market Area, Market Charges, Market Committee, Market Functionary, Marketing, Market Proper, Notified Agricultural Produce, Principal Market Yard, Processing, Processor, Regulation, Retail Sale, , Sub-market Yard, Trade Allowances, Trader.**

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THE ARUNACHAL PRADESH AGRICULTURAL  
PRODUCE MARKETING (REGULATION) ACT,  
1989

( ACT NO. 6 OF 1990 )

AN  
ACT

to provide for the better regulation of marketing of agricultural produce and the establishment and proper administration of markets for agricultural produce in the State of Arunachal Pradesh.

Be it enacted by the Legislative Assembly of Arunachal Pradesh in the Fortieth Year of the Republic of India as follows :

CHAPTER—I

PRELIMINARY

1. (1) This act may be called the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989.

Short title,  
extent and  
commencement.

(2) It extends to the whole of Arunachal Pradesh.

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

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

Definitions.

(1) "agricultural produce" means all produce and commodities, whether processed or unprocessed, of agriculture, horticulture, apiculture, pisciculture, viticulture, sericulture, animal husbandry, fleeces and skins of animals, forest products etc. as may be prescribed or declared by the Government by notification and also includes admixture of two or more of such produces.

(2) "agriculturist" means a person who ordinarily by his own labour or by the labour of any member of his family or who by the labour of his tenants or by servants or hired labour or otherwise is engaged in the production or growth of agricultural produce, but does not include a trader, commission agent, processor or broker or a partner in a trading firm or industrial concern in or in relation to agricultural produce. :

Provide that if a question arises whether any person is an agriculturist or not for the purpose of this Act, the decision of the Deputy Commissioner of the District in which such person is engaged in the production or growth of agricultural produce shall be final ;

(3) "Board" means the Arunachal Pradesh Agricultural Marketing Board constituted under Section 44 of this Act ;

(4) "Broker" means an agent who, in consideration of commission merely negotiates and brings about a contract for the purchase or sale of notified agricultural produce on behalf of his principal, but does not receive, deliver, transport, pay for the purchase of or collect the payment for the sale of notified agricultural produce ;

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

(6) "commission agent" or "arhetia" means a person who in the ordinary course of business, makes or offers to make a purchase or sale of agricultural produce, on behalf of the seller or purchaser of agricultural produce within or outside the market area or keeps it in his custody and controls it during the process of its sale or purchase and collects payment thereof for a commission agent or arhetia ;

(7) "Director" means any person appointed by the Government as Director of Agriculture Marketing for the purpose of this Act and includes any officer empowered by the Government to exercise or perform the powers and functions of the Director under this Act or Rules or the bye-laws made thereunder ;

(8) "Deputy Commissioner" means the Deputy Commissioner of the district concerned and includes Additional Deputy Commissioner ;

(9) "Government" means the Government of Arunachal Pradesh ;

(10) "Hamal" means a labour, hamal or coolie engaged for para-making, loading unloading, filling, stitching, emptying or carrying any agricultural produce in the notified market area ;

(11) "licence" means a licence granted under this Act ;

(12) "licensee" means a person or association, firm, company, Public Sector-undertaking or society holding a licence issued under this Act ;

(13) "local authority" means for the purpose of representation on the Market Committee in relation to an area within the local limits of,—

(i) in any Municipal area, the Municipal Corporation, the Municipal Council, the Cantonment Board, the Sanitary Board, the Town Committee, Town Improvement Trust or the Notified Committee or any authority for such area ;

(ii) in any rural area, the Village Panchayat, Zilla Parishad, or Anchal Samiti or any other authority constituted under the NEFA Panchayat Raj Regulation, 1967 ;

(14) "market area" means any area notified as market area under section 4 of this Act ;

(15) "market charges" includes charges on account or in respect of commission, brokerage, weighing, measuring, hamali (loading, unloading and carrying), cleaning, drying, sewing, stitching, stacking, hiring, gunny-bags, stamping, bagging, storing, warehousing, grading, surveying, transporting and processing ;

(16) "Market Committee" means any committee constituted as Market Committee under section 10 of this Act ;

(17) "market functionary" means a dealer, a broker, a commission agent, buyer, hamal, processor, a stockist, a trader and such other person as may be declared to be market functionary under the rules or bye-laws made under this Act ;

(18) "marketing" means buying and selling of agricultural produce and includes grading, processing, storages transport, channels of distribution and any other functions associated with the buying and selling ;

(19) "market proper" means any area including all lands with the buildings and structures thereon within such distance of the principal or sub-market yard as the Government may, by a notification, declare it to be a market proper ;

(20) "notified agricultural produce" means any agricultural produce notified under section 4 of this Act ;

(21) "principal market yard" in relation to a market area means a specified place and includes any enclosures, buildings or locality declared as such in any market area by the Government or by the Director, by notification ;

(22) "processing" means any one or more of series of treatment relating to powdering, crushing decortivating, husking, parboiling, polishing, ginning, pressing, curing or any other manual, mechanical, chemical or physical treatment to which raw agricultural produce or its product is subjected to ;

(23) "processor" means a person who processes any notified agricultural produce on his own accord or on payment of a charge ;

(24) "Regulation" means a Regulation made under section 51 of this Act ;

(25) "retail sale" in relation to a notified agricultural produce means a sale not exceeding such quantity as the Market Committee may determine to be a retail sale in respect thereof ;

(26) "Secretary" means the Secretary of a Market Committee and includes any other officer empowered to exercise such powers and functions of the Secretary ;

(27) "seller" means a person who sells or agrees to sell any agricultural produce and includes a person who sells on behalf of any other person as his agent or servant or commission agent ;

(28) "sub-market yard" in relation to a market area means a specified place and includes any enclosure, building or locality, declared as such in any market area by the Government or the Director, by notification ;

(29) "trade allowances" means anything realised in cash or kind by the purchaser from seller in any transaction relating to agricultural produce, either by deduction from the price agreed upon or otherwise ;

(30) "trader" means any person who in his normal course carries on the business of buying or selling, storing or processing of any agricultural produce as a principal or an authorised agent.

## CHAPTER—II

## CONSTITUTION AND REGULATION OF AREAS

3. (1) The Government may, by notification in the Official Gazette, declare its intention of regulating the purchase and sale of such agricultural produce in such areas as may be specified in the notification.

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

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

4. After the expiry of the period specified in the notification issued under section 3 and after considering such objections and suggestions as may be received before such expiry and after making such inquiry, as may be necessary, the Government may, by notification in the Official Gazette, declare the area specified in the notification issued under section 3 or any portion thereof, to be a market area for the purpose of this Act in respect of all or any of the kinds of agricultural produce specified in the said notification.

Declaration of market area.

5. (1) Subject to the provision of sections 3 and 4, the Government may at any time by notification in the Official Gazette exclude from any market area, any area or any agricultural produce comprised therein or include in any market area, any area or any agricultural produce as included in the notification issued under section 3. area or may declare that the regulation of the marketing of any agricultural produce in any market area shall cease or that the marketing of any agricultural produce (hitherto not regulated) shall be regulated in such market area :

Alteration of market area and items of regulated agricultural produce.

Provided that no notification shall be issued under this section without giving previous notice which shall not be less than 45 days from the date of notice.

(2) Where a notification is issued under sub-section (1), excluding any area from any market area and such excluded area is not declare to be a separate market area or a notification is issued including any area within the market area, the Market Committee constituted for such market area before the date of such exclusion or inclusion shall notwithstanding anything contained in this Act, continue to be the Market Committee for the said market area until a new Market Committee is constituted for such market area.

(3) When any area ceases to be a market area under sub-section (1), the Market Committee constituted therefore shall cease to exist, and the property and rights vested in such Market Committee shall subject to all charges and liabilities resulting from such ceasing vest in the Government.

(4) Where any such area is included in two or more other market areas the Government may, by order, direct that such property, rights, charges and liabilities shall vest in the Market Committees of such areas in such manner and in such proportions as may be specified in such order.

6. Where the Government is satisfied that for securing efficient regulation or marketing of any agricultural produce in any market area, it is necessary that two or more Market Committees therein should be amalgamated, than the Government may after consulting the Market Committees concerned direct for the amalgamation of such Market Committees into a single Market Committee for the market area in respect of the agricultural produce specified in the notification, with such constitution, property, rights, interests and authorities and such liabilities, duties and obligations (including provision in respect of contracts, assets, employees, proceedings and such incidental, consequential and supplementary matters as may be necessary to give effect to such amalgamation) as may be specified in such direction.

Amalgamation and division of Market Committee.

7. (1) Subject to the provision of sections 3 and 4, the Government may divide a market area into two or more separate market areas.

Division of market area into two or more separate market areas.

(2) When during the term of a Market Committee the market area for which it is established is divided into two or more separate market areas, the following consequences shall be ensured :

(a) the Market Committee constituted for the market area under this Act shall be deemed to have been dissolved and the Government shall constitute separate Market Committee under section 13 for each of the separate market areas subject to such conditions as may be prescribed ;

(b) the term of office of the newly constituted committees shall be the same as is applicable to the first Market Committee under sub-section (1) of section 13 ;

(c) the assets, rights and liabilities of the dissolved Market Committee shall be distributed by the Government between the new Market Committees in such manner as may be prescribed ;

(d) any appointment, notification, notice, fee, order, scheme, licence, permission, bye-law or form made, issued or imposed by the Market Committee so dissolved, in respect of any part of the area subject to the authority of the new Market Committee shall be deemed to have been made, issued or imposed by such Market Committee concerned unless and until it is superseded by any notification, notice, fee, order, scheme, licence, permission, rule, bye-laws, or form made, issued or imposed by it.

(3) If any difficulty arises in giving effect the provisions of this section, the Government may, by order published in the Official Gazette, as the occasion may require, do anything which appears to it to be necessary to remove such difficulty.

8. (1) For each market area, there shall be one principal market yard and one or more sub-market yards corresponding to market proper, as may be necessary.

Declaration of market yards, sub-market yards and market proper.

(2) The Government may, as soon as may be, by notification in the Official Gazette declare.

(i) any specified place including any structure, enclosure, building or locality in the market area to be the principal market yard and other enclosures, building or localities in such area to be sub-market yard for the area ; and

(ii) any area including all lands with the building thereon within such distance of the market yard as it thinks fit to be the market proper.

9. (1) On the establishment of a market under section 4 no local authority or other person shall, notwithstanding anything contained in any law for the time being in force, set up, establish or continue or allow to be set up, established, continued or used any place in the market area/market proper for the marketing of any agricultural produce so notified, except in accordance with the provisions of this Act and rules and bye-laws made thereunder.

Control of marketing of notified agricultural produce.



(2) Nothing in sub-section (1) shall apply to—

(i) the purchase or sale of any agricultural produce if the producer of such produce is himself its seller and the purchaser is a person who purchases such produce for his own private consumption or if such agricultural produce is sold by retail sale to a person who purchases such produce for his own private consumption ;

(ii) such agricultural produce which is purchased by an authorised fair price shop dealer from the Food Corporation of India, the State Commodity Trading Corporation or any other agency or institution authorised by the Government for distribution through the public distribution system ;

(iii) the transfer of such agricultural produce to a Co-operative Society, warehouse or a Bank for the purpose of securing an advance therefrom.

### CHAPTER—III

#### CONSTITUTION OF MARKET COMMITTEES

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

Establishment of Market Committee and its incorporation.

(2) Every such Market Committee shall be a body corporate by such name as the Government may, by notification specify and it shall have perpetual succession and a common seal and may sue and be sued in its corporate name and shall subject to such restrictions as are imposed by or under this Act, be competent to conduct and to acquire, hold, lease, sell or otherwise transfer any property and to do all other things for the purpose for which it is established :

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

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

11. (1) The Market Committee may require a local authority to transfer to it any land or building belonging to the local authority which is situated within the market yard and which immediately before the establishment of the market was being used by the local authority for the purposes of the market and the local

Vesting of property of local authority in Market Committee.

authority shall within one month of the receipt of the requisition, transfer the land and/or building, as the case may be, to the Market Committee on such terms as may be agreed upon between them.

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

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

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

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

(4) Subject to the order of the Government the order of the Deputy Commissioner under sub-section (2) shall be final and binding on both the parties.

(5) The Deputy Commissioner shall fix the amount of compensation for the land or building having regard to :—

- (i) the annual rent for which the building might reasonably be expected to be let from year to year ;
- (ii) the condition of the building ;
- (iii) the amount of compensation paid by the local authority for the acquisition of such land ; and

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

(6) The compensation fixed under sub-section (5) may, at the option of the Market Committee, be paid in lump sum or in such number of equal instalments not exceeding ten instalments as the Deputy Commissioner may fix :

Provided that where the compensation is paid in instalment it shall carry an interest at the rate as may be fixed by the Deputy Commissioner which shall be payable alongwith the instalments.

12. The Government may on the request of the Board or the Market Committee, as the case may be, acquire such land required for the purposes of this Act, under the provisions of the Land Acquisition Act, 1894 (No. 1 of 1894) and shall determine the compensation according to the provisions of the said Act. Acquisition of land for the purposes of this Act.

13. (1) For every Market Committee established under sub-section (1) of section 10, it shall consist of the following members namely :— Composition of Market Committee.

- (i) two agriculturists to be nominated by the Deputy Commissioner ;
- (ii) two traders holding valid licence under this Act to be elected by the traders amongst themselves in the manner prescribed ;
- (iii) one to be elected by the Co-operative Societies from amongst themselves in the manner prescribed ;
- (iv) four members to be nominated by the Government of whom one shall be nominated from Anchal Samity.

(2) When a Market Committee is constituted for the first time, all the members shall be nominated by the Government and such members shall hold office for a period of three years.

14. (1) Every member of a Market Committee other than the first one constituted by the Government shall hold office for three years commencing from the date of first meeting of the constituted Market Committee at which a quorum is present and the Market Committee, shall, thereafter be reconstituted every three years before the expiry of the third year and not earlier than three months prior to such expiry. Term of office of members of Market Committee.

(2) The term of three years referred to in sub-section (1) shall include any period which may lapse between the expiry of the said three years and the date of the first meeting of the constituted Market Committee, at which a quorum is present.

(3) The Government may, by notification for sufficient cause to be stated therein, direct from time to time that the term of office of the members of a Market Committee be extended by such period not exceeding one year as may be specified in the notification.

(4) A member elected or appointed under sub-section (1) of section 13 shall cease to hold office, if he ceases to be a member of the category of persons from which he was elected or appointed.

(5) A member shall also cease to hold office if he in writing resigns his membership and the same is accepted by the Market Committee or if he is removed by the Government under the provisions of this Act.

(6) Whenever any vacancy occurs in membership for any of the reasons aforesaid or on account of death the said vacancy shall be filled in by election, nomination or appointment, as the case may be, and every such member elected, nominated or appointed, shall hold office for the unexpired portion of the term of the member in whose place he is elected, nominated or appointed.

(7) Notwithstanding any vacancy in a Market Committee it shall be competent to exercise its powers and perform its duties and none of its actions shall be questioned merely on the ground of its existence of any vacancy in or any defect in the constitution of the committee.

15. (1) The Chairman of the Market Committee shall be appointed by the Government out of four members nominated under clause (iv) of sub-section (1) of section 13 and Vice-Chairman shall be elected from among other members of the committee in the manner as prescribed and the Chairman and Vice-Chairman shall exercise such powers and carry out such functions as delegated or conferred upon them under this Act or rules made thereunder.

Chairman  
and Vice-  
Chairman  
of Market  
Committee.

(2) Wherever for any reason, the offices of both the Chairman and the Vice-Chairman of any Market Committee falls vacant the Government shall appoint any one from amongst the members of such Market Committee as Chairman to hold such office temporarily till a Chairman is elected.

(3) The Chairman or in his absence, the Vice-Chairman shall preside at every meeting of the Market Committee and in the absence of both the Chairman and the Vice-Chairman from any meeting the members present shall elect one from amongst themselves to preside over that meeting :

Provided that no candidate for election to the office of Chairman or Vice-Chairman shall preside over the election.

(4) When a meeting is held for the removal of the Chairman or the Vice-Chairman or both—

- (a) the Vice-Chairman or in his absence a member duly elected at the meeting, shall preside, if the resolution relates to the removal of the Chairman ;
- (b) the Chairman or in his absence a member duly elected at the meeting shall preside if the resolution relates to the removal of the Vice-Chairman ;
- (c) a member duly elected at the meeting shall preside if the resolution relates to the simultaneous removal of both the Chairman and the Vice-Chairman.

16. (1) The Chairman or Vice-Chairman of any Market Committee may be removed from office by a resolution adopted by at least two-third of the total members of the Market Committee present and voting at the meeting convened for the purpose. Removal of Chairman and Vice-Chairman.

(2) The Government may, after giving an opportunity to explain, remove the Chairman or Vice-Chairman of a Market Committee from office if he persistently omits or refuses to carry out or disobeys the provisions of the Act or the rules made thereunder or any directive issued by the authority from time to time, or if he is deemed or becomes incapable of so acting or is declared insolvent or is convicted by a criminal court for any offence involving moral turpitude or declared disqualified under any of the provisions of this Act and the rules made thereunder.

17. (1) No business shall be transacted at any meeting of the Market Committee unless such meeting is called by the Secretary under such direction of the Chairman or the Vice-Chairman, as the case may be, required on a requisition by the members as prescribed and unless a quorum be present. Calling of meetings and quorum.

(2) The quorum referred to in sub-section (1) shall be one-third of the total number of members.

(3) If at any meeting the prescribed quorum is not present the meeting shall stand adjourned to some future day to be appointed by the Chairman, Vice-Chairman or any member who may preside in the meeting, as the case may be and the members present at such adjourned meeting shall form a quorum whatever their number may be.

18. The objects of the Market Committee shall be as follows :—

Objects of  
the Market  
Committee.

(1) to maintain and manage the market yard and to control, regulate and run the market in the interest of the agriculturists and traders holding licence under this Act ;

(2) to regulate and control transaction in the market and to deal license holder who defaulted to open, close and suspend trade in any regulated commodity, to settle disputes, levy and recover market charges, fees of an agricultural produce, license and other fees, to impose fines and penalties ;

(3) to act as a mediator, arbitrator or surveyor in all matters of differences, disputes, claims, etc., between license holders' interest or between them and agriculturists making use of the market as sellers of agricultural produce ;

(4) to control and regulate the admission to the market to determine the conditions for use of the market and to prosecute and confiscate the goods belonging to person trading without a valid license ;

(5) to bring, prosecute or defend or aid in bringing, prosecuting or defending any suit, action proceeding, application or arbitration on behalf of the Market Committee or otherwise directed by the Government ;

(6) to purchase, hire or acquire any land for construction of any house thereon or other movable or immovable property and other equipment for the purpose of its business, to raise fund from the Government or otherwise with the approval of the Director for the said purpose and to enter into arrangements with the Government, local authority or otherwise and to comply with such arrangements ; and

(7) to do such other things as may be required for the purpose of achieving the object and requirements of the Act, and the rules and the bye-laws framed thereunder.

19. A Market Committee shall have the power to regulate the entry of a person to the market, to supervise the behaviour of the persons so entered for transacting business and to take disciplinary action against the license holder who fails to fulfil the conditions of the license or any direction of the Market Committee.

Power of  
Market  
Committee.

20. It shall be the duty of every Market Committee to enforce the provisions of this Act, the conditions of license granted under the rules and bye-laws framed under this Act in the market area and to provide such facilities as the Government may, from time to time, direct in connection with the purchase sale of agricultural produce concerned.

Duties of  
the Market  
Committee.

21. A Market Committee may appoint a sub-committee or a joint committee or an adhoc committee from amongst its members or non-members of the market area for the administration of the sub-market yard, for the conduct of any work or for reporting or recommending or deciding any matter or matters and may delegate to such committees such of its powers or duties as it may think fit.

Appoint-  
ment of  
sub-com-  
mittee and  
joint  
committee.

22. Every Market Committee shall have a Secretary appointed by the Director subject to such terms and condition as may be prescribed and he shall also exercise such powers and functions as may be prescribed.

Appointment  
of Secretary.

23. (1) A Market Committee may also employ such other officers and staff as may be necessary for the management of the market and may pay such officers and staff such salaries as it may think fit:

Appointment  
and salaries  
of staff  
of Market  
Committee.

Provided that the Market Committee, shall in the case of any other office/officers or staff of the Government whom it may employ, pay such pension or other contribution, gratuity and other allowance as may be required by the condition of his/her service/services under the Government for the time being in force.

(2) A Market Committee may also, in the case of any of its officers and staff other than those of the Government provide for payment for such leave allowances, pensions and gratuities as it may deem proper and may contribute to any provident fund which may be established for the benefit of such officers and staff.

(3) The powers conferred by this section on Market Committee shall be exercisable by it subject to any rules made in this behalf by the Government.

24. Every contract entered into by a Market Committee shall be in writing and shall be signed by its Chairman and two members of the committee. Execution of contracts.

25. Every Market Committee shall levy and collect cess or fees on the agricultural produce brought into or sold in the market area in a manner and at the rates as may be prescribed : Power to levy cess or fees.

Provided that the cess or fees so levied shall not be less than two rupees per one hundred rupees of the price of the agricultural produce.

*Explanation* :— For the purpose of this section all notified agricultural produce taken out or proposed to be taken out of a market area shall, unless the contrary is provided, be presumed to have been brought or sold within such market area by the person in possession of such produce.

26. (1) Any officer or servant of the Market Committee or the Board empowered in this behalf, may for purposes of this Act require any persons carrying on business in any kind of notified agricultural produce, to produce before him the accounts and other documents hand to furnish any information relating to the stocks of such agricultural produce, or purchases, sales and deliveries of such agricultural produce by such person and also any other information relating to payment of the market fees or cess or any other payment to the seller by such person. Power to order production of accounts, and powers of entry, inspection, seizure etc.

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

(3) If any such officer or servants has reasons to suspect that any person is attempting to evade the payment of any market fee or cess or any other charges due from him under this Act or rules or the bye-laws made thereunder or that any person has purchased any



notified agricultural produce in contravention of any of the provisions of this Act or the rules, or the by-laws made thereunder 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 so long as may be necessary for examination thereof or for a prosecution as the case may be.

(4) For the purpose of sub-section (2) or sub-section (3), such officer or servant may enter or search any place of business, warehouse, office establishment, godown, vessel or vehicle where such officer or servant has reason to believe that such person keeps, for the time being, any accounts, register or documents of his business, or stock notified agricultural produce relating to his business, and the provisions of section 100 of the Code of Criminal Procedure, 1973, shall apply to every such search.

27. (1) At any time when so required by any officer or servant of a Market Committee or Board/Director empowered in this behalf, the driver or any other person in charge of any vehicle, vessel or other conveyance, which is taken or proposed to be taken out of the market area shall stop the vehicle, vessel or other conveyance, as the case may be, and keep it stationary as long as may be reasonably necessary and allow such officer or servant to examine the contents in the vehicle, vessel or other conveyance and inspect all records relating to the notified agricultural produce carried and give his name and address and the name and address of the owner of the vehicle, vessel or other conveyance and of the owner of the notified agricultural produce carried in such vehicle, vessel or other conveyance.

Power to  
stop vehicles  
etc.

(2) The officer or servant of the Market Committee or Board empowered under sub-section (1) shall have power to seize any notified agricultural produce taken or proposed to be taken out of the market area in any vehicle, vessel or other conveyance, if such officer or servant has reason to believe that any fee or other amount due under this Act in respect of such produce has not been paid :

Provided that such seizure shall forthwith be reported by the officer or servant aforesaid to a magistrate having jurisdiction to try the offence under this Act and the provisions of Sections 457, 458 and 459 of the Code of Criminal Procedure, 1973, shall so far as may be, apply in relation to the notified agricultural produce seized as aforesaid as they apply in relation to property seized by police officer.

28. Every Market Committee shall keep in the market yard two sets of weighing and measuring instruments as prescribed under the Arunachal Pradesh Weights and Measures (Enforcement) Act, 1979 and rules made thereunder and such instruments shall be tested, verified and stamped in accordance with the provisions of the said Act or Rules made thereunder.

Use of weighing and measuring instruments.

29. Every encroacher of market yard, sub-market yard or yards shall be evicted therefrom in such manner and procedure as provided in law in force for eviction of encroacher of Government land.

Eviction of encroachers of market yard or yards.

#### CHAPTER—IV

#### MARKET COMMITTEE FUND AND BUDGET

30. (1) There shall be a Fund to be called the Market Committee Fund to which all moneys received by the Committee shall be credited and all expenditure incurred by the Market Committee under or for the purposes of this Act shall be defrayed out of the said Fund and any surplus remaining with the Market Committee after such expenditure shall be invested in such manner as may be prescribed.

Market Committee Fund.

(2) Save as otherwise provided in this Act, the amount to the credit of the said Fund and all other moneys received by the Market Committee shall be kept in Co-operative Bank or in Post Office Saving Bank or in any other Bank with the approval of the Director or Board.

31. Subject to the provisions of section 30 the Market Committee Fund shall be expanded for the following purpose only, namely :—

Application of Market Committee Fund.

- (i) the acquisition of site or sites for the market ;
- (ii) the establishment, maintenance and improvement of the market ;
- (iii) the construction and repair if buildings necessary for the purpose of the market and for convenience or safety of the persons using the market ;
- (iv) the maintenance of standard weights and measures ;

- (v) the meeting of establishment charges including payment and contribution towards provident fund, pension, gratuity and all other allowances of the officers and servants employed by a Market Committee ;
- (vi) loans and advances to the employees of the committees ;
- (vii) the payment of interest on the loans that may be raised for the purpose of the market and provisions of sinking fund in respect of such loans ;
- (viii) the collection and dissemination of information relating to crop statistics and marketing of agricultural produce ;
- (ix) expenses incurred in auditing the accounts of the Market Committee ;
- (x) payment of honorarium including travelling allowances of the Chairman, the Vice-Chairman and other members of the Market Committee and sitting fees payable to member for attending the meeting etc. ;
- (xi) contribution to Arunachal Pradesh Agricultural Marketing Board as prescribed and Consolidated Fund of the State to the extent required for salary of the employees of the Board ;
- (xii) contribution to any scheme for development of agricultural marketing including transport and scientific storage ;
- (xiii) to provide facilities like grading services and communication to agriculturists in the market areas ;
- (xiv) to provide for development of agricultural produce in the market area ;
- (xv) payment of expenses and incidental to elections under this Act ;
- (xvi) incurring of all expenses for research, extension and training in marketing of agricultural produce ;

- (xvii) prevention in conjunction with other agencies, State, Central and others of distress sale of agricultural produce ;
- (xviii) fostering co-operative marketing and assisting co-operative marketing societies in the procurement and organisation of profitable disposal of produce, particularly the produce belonging to small and marginal farmers ;
- (xix) any other purpose connected with the marketing of agricultural produce under this Act whereon the expenditure of the Market Committee Fund is in the public interest subject to the prior sanction of the Director/Board.

32. (1) A Market Committee may with the previous sanction of the Government, raise money required for carrying out the purpose for which it is established on the security of any property vested in it and of any fees leviable by it under this Act. Power to borrow.

(2) The Market Committee may, for the purpose of meeting the initial expenditure on lands, buildings and equipments required for establishing the market, obtain loan or grant-in-aid from the Government.

(3) The conditions subject to which such money or loan or grant-in-aid should be raised or obtained and the time within which the same shall be repayable, shall be subject to the previous sanction of the Government.

33. (1) Every Market Committee shall prepare and pass the budget of its income and expenditure for the ensuing year in the prescribed form and shall submit it to the Board for sanction before the prescribed date every year and on receipt thereof the Board shall sanction the budget with or without modification within two months from the date of receipt thereof and if it is not returned by the Board within two months it shall be deemed to have been sanctioned. Preparation and sanction of budget.

(2) No expenditure shall be incurred by a Market Committee on any item, if there is no provision in the sanctioned budget or unless it can be met by reappropriation from saving under any other head and any sanction for reappropriation may be obtained from the Board :

Provided that in case of reappropriation from minor heads under one major head, sanction for reappropriation shall not be required.

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

(4) The Market Committee may take up or give order for execution of any construction work up to the estimated value of not exceeding rupees one lakh without prior permission of the Board.

(5) Any construction work of the Marketing Committee shall be awarded in pursuances of open tender system only.

#### CHAPTER—V

#### REGULATION OF TRADING

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

Regulation of persons operating in the market area.

35. (1) Any person who desire to operate in the market shall apply to the Market Committee for the grant of a licence or renewal of a licence under this Act.

Power to grant licences.

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

(3) On receipt of application under sub-sections (1) and (2) the Market Committee shall grant a licence with such terms and conditions and for such period as may be prescribed or renew the licence in case of renewal or refuse to grant or renew after recording of its reason :

Provided that, if the Market Committee fails to grant or renew a licence within a period of sixty days from the date of receipt of application, the licence shall be deemed to have been granted or renewed, as the case may be.

(4) The Market Committee may, by a resolution, pass in that behalf and with the prior approval of the Director or the Board, direct that no commission agent or a broker or both shall act in any transaction

between the producer-seller and trader-purchaser, on behalf of a producer-seller nor shall he deduct any amount towards commission or deduct from the sale proceeds payable to the producer-seller nor shall he act on behalf of both the buyer and the seller :

Provided that the resolution so passed shall not be revoked by the Market Committee until a period of one year has expired from the date of its passing.

36. (1) Subject to the provision of sub-section (5) a Market Committee may, for the reasons to be recorded in writing, suspend or cancel a licence ; Power to cancel or suspend licence.

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

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

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

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

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

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

(2) Subject to the provisions of sub-section (5), the Chairman of a Market Committee or the person authorised by the Board in this behalf, may for reasons to be recorded in writing, suspend a licence for a period not exceeding one month for any reasons for which a Market Committee or the person authorised by the Board in this behalf may suspend a licence under sub-section (1).

(3) Subject to the provisions of sub-section (5) the Secretary of a Market Committee may, for reasons to be recorded in writing, suspend a licence for a period not exceeding one week for any reason for which a Market Committee may suspend a licence under sub-section (1).

(4) Notwithstanding anything contained in sub-section (1), but subject to the provisions of sub-section (5), the Director or the officer authorised by the Board may for reasons to be recorded in writing, by order, suspend or cancel any licence granted or renewed by the Market Committee :

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

(5) No licence shall be suspended or cancelled under this section, unless the holder thereof is given an opportunity to show cause against such proposed suspension or cancellation.

37. (1) No trade allowances, other than allowance prescribed by or under this Act, shall be made or received by any person in any market area in any transaction in respect of the notified agricultural produce and no Civil Court shall, in any suit or proceedings arising out of any such transaction, have regard to or recognise any trade allowance not so prescribed.

Prohibition of trade allowances other than those prescribed under this Act.

(2) The weight of a container shall be counter balanced by the same type of container and no deduction in any form whatsoever shall be allowed for counter balancing the weight of the container and if the same type of container is not available, the weight of the container shall be determined and deducted from the weight of the produce.

38. All notified agricultural produce brought into the market proper for sale shall be brought into the market yard specified for such produce and shall not, subject to the provision of the bye-laws be sold at any other place outside such yard.

Sale of agricultural produce in markets.

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

Conditions of buying and selling.

(2) The price of the agricultural produce brought into the market yard shall be paid to the seller on the same day of the sale.

## CHAPTER—VI

## MARKETS OF NATIONAL IMPORTANCE

40. (1) Save as provided under sub-section (1) of section 10, the Government may by notification, constitute separate Market Committee for effective implementation of provisions of this Act for such markets located in the State which are considered as the markets of 'National Importance'. Constitution of the Market Committee for Markets of National importance.

(2) The Government may, after consideration of such aspects as, the turn over, upstream catchment area, down stream servicing (number of consumers served) and price leadership (where the market influence the price at the national level), declare the market as the market of 'National Importance' :

Provided that the markets handling not less than one lakh tonne of produce per year (out of which at least 30% of the arrivals may be from not less than two other States) may be considered for conferring the status as the markets of National Importance, provided such market influence the price of the regulated commodity at the national level.

(3) All provisions for and in relation to the Market Committee provided in this Act shall mutatis mutandis apply to the Market Committee established for the Markets of National Importance under sub-section (1).

(4) The Market Committee constituted under sub-section (1) shall consist of the following members, namely :—

- (i) one agriculturists to be nominated by the Government ;
- (ii) one trader to be nominated by the Government ;
- (iii) the Deputy Commissioner of the district concerned ;
- (iv) one representative from the Co-operative Societies to be nominated by the Registrar ;
- (v) one representative from the Town Planning Board or Committee ;
- (vi) one representative from the Market Committee to be nominated by its Chairman ;



- (vii) one representative from the Agricultural Marketing Board ;
- (viii) the Director or its nominee of the Agricultural Marketing ;
- (ix) one representative from the other States concerned ;
- (x) the Agricultural Marketing Adviser to the Government of India or his representative ;
- (xi) one representative from the Government who shall function as the Chief Executive Officer of the Committee.

(5) The Market Committee shall meet at least once in six months.

41. (1) The Market Committee for Market of National Importance shall have Chairman and Vice-Chairman who may be nominated by the Government. Chairman and Vice-Chairman of the Committee.

(2) The members of the Committee shall hold office during the pleasure of the Government.

42. (1) There shall be an Executive Committee consisting of the following members, namely :— Executive Committee.

- (i) the Chairman of the Market Committee for National Importance ;
- (ii) one representative from the traders holding trading licence under this Act ;
- (iii) one representative from growers ;
- (iv) the Registrar or its nominee of the Co-operative Societies ;
- (v) the Director of Marketing or its nominee ;
- (vi) the Chief Executive Officer or his nominee of the Marketing Board ;
- (vii) the Chief Executive Officer of the Market Committee of National Importance who shall act as the Member Secretary.

(2) The Executive Committee may decide matters requiring approval of the Market Committee in case of emergency subject to approval of the Market Committee within forty-five days from the date of such decision.

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

43. The Executive Committee of market of National Importance shall exercise such powers and functions such duties as may be prescribed.

Powers and functions of the Executive Committee.

#### CHAPTER—VII

#### CONSTITUTION OF AGRICULTURAL MARKETING BOARD AND ITS POWERS AND FUNCTIONS

44. (1) The Government may, for co-ordinating the activities of Market Committees and for exercising such other powers and performing such functions as are conferred or entrusted by or under this Act, constitute a Board to be called the Agricultural Marketing Board.

Constitution of Agricultural Marketing Board.

(2) The Board shall be a body corporate having perpetual succession and a common seal and may sue and be sued in its corporate name and shall be competent to acquire and hold property, both movable and immovable and to lease, sell or otherwise transfer any such property and to contract and to do all other things necessary for the purpose for which it is constituted.

(3) The Board shall consist of a Chairman and such other members as may be appointed by the Government.

45. Director shall function as the Chief Executive Officer of the Board and he shall exercise such powers and functions such duties as may be delegated to him by the Board or as may be prescribed.

Chief Executive Officer of the Board.

46. (1) The term of office of the non-official members of the Board shall be for five years.

Terms of office of the members of the Board.

(2) The tenure of office of the other members of the Board shall continue so long he holds the office by virtue of which he was nominated as member of the Board.

47. In the event of any vacancy occurs due to death or resignation or otherwise before the expiry of his term of office such vacancy shall be filled up as soon

Filling up of casual vacancy.

as may be, by nomination by the authority having powers to nominate or appoint such member and the person so nominated shall hold such office for the unexpired term of the member in whose place he is nominated.

48. The 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, it may suspend the Board and till such time a new Board is constituted, make such arrangement for the exercise of the powers and function of the Board as it may think fit:

Superintendence of the Board.

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

49. The non-official members of the Board shall be paid such fees and allowances as may be fixed by the Government from time to time for attending any meeting of the Board or for any other works assigned to them by the Board.

Fees and other allowances of Members of the Board.

50. The Board shall subject to the provisions of this Act perform the following functions namely :—

Powers and functions of the Board.

- (i) to supervise the functions of the Market Committees including co-ordination of the working of the Market Committee ;
- (ii) to undertake the State level planning for development of agricultural produce markets ;
- (iii) to administer the Marketing Development Fund ;
- (iv) to approve any proposal submitted by the Market Committee ;
- (v) to maintain audits and accounts of the Board in the prescribed manner ;
- (vi) to prepare and publish annual reports and returns of its progress, balance sheet, assets and liabilities etc. in the prescribed manner ;
- (vii) to make necessary arrangements for propagandas and publicity on matters related to regulated marketing of an agricultural produce ;
- (viii) to provide facilities for the training of officers and staff of the Market Committee ;

- (ix) to prepare and adopt budget for the ensuing year ;
- (x) to grant advance or loan to Market Committees for the purpose of this Act ;
- (xi) to arrange or organise seminar, workshops, exhibitions etc. on the agricultural marketing produce ; and
- (xii) to do such other things as may be considered necessary for the efficient functioning of the Board.

51. (1) The Board may with the previous approval of the Government make Regulations, not inconsistent with the provisions of this Act and rules made thereunder for carrying out the purposes of this Act. Power to make Regulation.

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

- (i) the summoning and holding of meetings of the Board, the time and date and place of such meetings ;
- (ii) the powers and duties of the officers and other employees of the Board ;
- (iii) the salaries and allowances and other conditions of service of officers and other employees of the Board ;
- (iv) the management of the properties of the Board ;
- (v) the execution of contracts and agreement of the Board ;
- (vi) the maintenance of accounts and the preparation of balance sheet by the Board ;
- (vii) quorum for any meeting or sitting of the Board ;
- (viii) the procedure for carrying out the functions of the Board under this Act ; and
- (ix) any other matter for which provision is to be or may be made by Regulation.

52. All moneys received by or on behalf of the Board shall be credited to a fund called the Marketing Development Fund and all payment incurred by the Board shall be defrayed out of the said fund. Marketing Development Fund.

53. Every Market Committee shall pay 50% of the total income derived from various sources to the Board as contribution and out of 50% so contributed to the Board, 50% of it shall go to the Government revenue. Contribution towards the Board and the Government.

54. The Board may from time to time, with the previous sanction of the Government, and subject to the provisions of this Act, borrow or obtain grant in aid such sum as may be required for carrying out the purpose for which it is constituted. Power to borrow.

55. The Marketing Development Fund shall be utilised for the following purposes, namely :— Utilisation of Marketing Development Fund.

- (i) payment of administrative expenditure of the Board ;
- (ii) payment of travelling and other allowances to the Chairman and members of the Board ;
- (iii) payment of legal expenses incurred by the Board ;
- (iv) for granting aid to the Market Committees as loan or advance ;
- (v) expenses incurred for propaganda and publicity on matters relating to marketing of agricultural produce ;
- (vi) training of the officers and staff of the Market Committees or Board ;
- (vii) imparting education in marketing of agricultural produce ;
- (viii) organising or arranging workshops, seminars, exhibitions etc. by the Board ;
- (ix) construction of infrastructural facilities in the market area including construction of link and approach road, culverts, bridges etc ;
- (x) general improvement of the regulation of marketing in Arunachal Pradesh ;

- (xi) providing technical assistance to the Market Committee ; and
- (xii) for any other purpose as deemed necessary for execution of the functions assigned to the Board under this Act.

56. (1) The accounts of the Board shall be audited each year by a person authorised by the Government by a general or special order in writing in its behalf. Audit of account of the Board.

(2) The audit under the foregoing sub-section shall include examination of overdue if any, the verification of the cash balance and securities and valuation of the assets and liabilities of the Board.

57. (1) The Chairman of the Board shall preside over the meeting of the Board. Supervision and control over officers and staff of the Board.

(2) The general superintendent, control and direction over all the officers and staff of the Board shall be vested with the Chief Executive Officer of the Board.

58. The Chief Executive Officer of the Board shall exercise general supervision and control over officers and staff of the Board and also exercise such other powers and functions as may be delegated to him by the Board or as may be prescribed by Regulation. Powers and functions of the Chief Executive Officer.

59. (1) The Board shall meet for the transaction of its business at least once in every three months at such place and at such time as may be fixed by the Chairman. Conduct of business of the Board.

(2) The Board shall conduct its business in a manner prescribed under the Regulation.

60. (1) The Board shall with the previous approval of the Government create and appoint such other officers and staff as it considers necessary for the efficient discharge of its duties and functions under this Act. Appointment of officers and staff of the Board.

(2) The salaries, allowances and other conditions of service of officers and staff shall be as may be prescribed by Regulation.

61. Subject to the provisions of this Act and Rules and Regulation made thereunder, the Director may exercise the following powers and functions, namely :— Powers and functions of the Director.

- (i) to inspect or cause to be inspected the affairs of the Market Committees including its accounts ;

- (ii) to hold inquiry into the affairs of the Market Committees ;
- (iii) to make such arrangement for performing the duties and functions of the Market Committee where such Market Committee is not competent to perform the duties imposed by or under this Act ;
- (iv) to direct the Market Committee or any officers of the Committee to furnish such information as requires by the Director ; and
- (v) such other powers and functions as may be delegated to him by the Board or as may be prescribed by rules or regulations.

62. An officer investigating the affairs of a Market Committee or examining the proceedings of such committee under this Act or Rules or Regulation made thereunder shall have powers to summon and enforce the attendance of officers or members of the Market Committee and to compel to give evidence and to produce documents by the same means and as far as possible in the same manner as is provided by the Code of Civil Procedure, 1908.

Power to enforce attendance.

## CHAPTER—VIII

### OFFENCE AND PENALTIES

63. Any person who contravenes any provision of this Act or rule or bye-laws or Regulation made thereunder shall be punishable with simple imprisonment which may extend to six months or with fine which may extend to one thousand rupees or with both :

Penalty for contravention of Act, Rules, Bye-laws and Regulation.

Provided that in the case continuing contravention of the provisions of section 9 and 34 he shall be liable to be punished with a further fine which may extend to one hundred rupees for every day during which the contravention is continued after the first conviction.

64. Whenever any person is convicted of any offence punishable under this Act the Magistrate shall in addition to any fine which may be imposed, recover summarily and pay over to the Market Committee the amount of fees or any other amount due from

Recovery of market dues.

him under this Act or rules or bye-laws made thereunder and may, in his discretion, also recover and pay over to the Market Committees the costs of the prosecution.

65. (1) No court inferior to that of Magistrate of Second Class shall try any offence under this Act or any rules or bye-laws made thereunder. Cognizance of offences.

(2) No court shall take cognizance of any offence punishable under this Act or any rule or any bye-laws made thereunder except on the complain made by the Deputy Commissioner or the Chairman, Vice-Chairman, or Secretary of the Market Committee or of any person duly authorised by the Market Committee in this behalf.

66. (1) Subject to the provisions of sub-section (2) an appeal shall lie :— Appeals.

- (i) from every decision under sub-section (1) and (2) of section 36 to the Director ; and
- (ii) from every decision under sub-section (3) of section 36 to the Chairman of the Market Committee ;
- (iii) from every decision under sub-section (4) of section 36 to the Government or any officer specially authorised by the Government.

(2) Every such appeal shall be preferred within sixty days from the date of the decision appealed against :

Provided that the appellate authority may, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the said period of sixty days, permit the appellant to prefer the appeal within a further period of sixty days.

(3) On receipt of any such appeal, the appellate authority shall after giving the parties to the appeal a reasonable opportunity of being heard and after making such inquiry as it deems proper, make such order, as it may think fit, confirming, modifying, or reversing the decision appealed against, or may send back the case with such direction as it may think fit for a fresh decision after taking additional evidence, if necessary.

(4) Every appeal shall be preferred on payment of such fees, as may be prescribed.



CHAPTER—IX  
MISCELLANEOUS

67. (1) The Government may, on the recommendation of the Market Committee supported by least two-third of the total members or on the recommendations of the Director, remove any member of the Market Committee elected or nominated or appointed under this Act, if such a member has, in the opinion of the Government, been guilty of misconduct or gross negligence of his duties or has become incapacitated for performing his duties as a member :

Removal of members of Market Committee.

Provided that no recommendations shall be made by the Market Committee or the Director unless the member has been given a reasonable opportunity of showing cause why such recommendations should not be made :

Provided further that no order for removal of any member shall be passed by the Government, unless the member has been given a reasonable opportunity of showing cause why such order should not be passed.

(2) The decision of the Government under subsection (1) shall be final.

68. Every member of the Market Committee shall be personally liable for the mis-application of fund to which he has been a party, or which has happened through or being facilitated by gross neglect of his duty as a member and he may be sued for recovery of the moneys so mis-applied.

Members to be held responsible for mis-application of Funds.

69. If in the opinion of the Government a Market Committee is not competent to perform, or persistently makes default in the performance of the duties imposed on it by or under this Act or otherwise by law, or exceeds or abuses its powers, the Government may, after giving the Market Committee an opportunity for submitting, an explanation in regard to the matter, by notification, stating the reasons for so doing, declare such Committee to be incompetent or in default or to have exceeded its powers, as the case may be, and supersede the Committee for a period not exceeding one year, at a time and dissolve the committee and reconstitute it within six months from the date of dissolution :

Supersession of a Market Committee.

Provided that when a committee is dissolved the Government may appoint any person as Chairman to carry on day to day routine matters on behalf of the

committee until the same is reconstituted and a new Chairman is elected.

70. (1) When an order of supersession has been passed under section 69, the following consequences shall ensue— Consequences of supersession.

(a) all the members as well as the Chairman and the Vice-Chairman of the Market Committee shall from the date of such publication, vacate their office ;

(b) all the powers and duties which under this Act may be exercised and performed by the committee, whether at a meeting or otherwise, shall, during the period of supersession, be exercised and performed by the Chairman appointed by the Government or by such person as the Government may direct ;

(c) all assets vested in such committee shall during the period of supersession vest in the Government subject to all its liabilities.

(2) On the expiration of the period of supersession specified in the order the Government may—

(a) extend the period of supersession for such further term as it may be considered necessary but not exceeding a period of one year at a time ; or

(b) reconstitute the Market Committee and the persons who vacated their offices under clause (a) of sub-section (1) shall not be deemed to be disqualified for election or appointment, as the case may be :

Provided that the Government may, at any time before the expiration of the period of supersession, take action under clause (b) of this sub-section.

(3) If the Government make an order for reconstitution of the Market Committee under sub-section (2) it shall transfer the assets and liabilities of the Market Committee as on the date of such transfer to the new Market Committee constituted as such or to the person or persons, if any, appointed for carrying out the functions of the Market Committee, as the case may be :

Provided that if the Market Committee is not reconstituted or if no person is appointed for carrying out the functions of the Market Committee the Government may transfer all the assets of the Market Committee which remain after the satisfaction of all its liabilities to the local authority within whose jurisdiction the

Market Committee is situated or if there are more than one such authority such portion of the assets as the Government may determine and the local authority to which the assets are so transferred shall have to utilise the same in the area within its jurisdiction for such objects as the Government may consider necessary for the benefit of the agriculturists in that area in consonance with the provisions of this Act.

71. (1) Any sum due from the Market Committee to the Board or the Government shall be recoverable as an arrear of Public demand. Recovery of sums dues.

(2) Any sum due to a Market Committee to any person shall be reduced to the form of a demand certificate as prescribed over the signature of the Director or of such officer as may be authorised in this behalf and shall be recovered as an arrear of public demand on such certificate being forwarded to the certificate officer concerned.

72. All the members, officers and servant of the Market Committee and the Board shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code, 1860 (No. 45 of 1860). Members and officers and servant to be public servants.

73. (1) The Government may by notification in the Official Gazette, delegate any of its powers conferred on it by or under this Act other than the powers to make rules under Section 75 to the Director or to any of the Board officers. Powers to delegate.

(2) The Director or the Chairman or Secretary of the Board may delegate any of his powers to any officer of the Board.

74. (1) It shall be the duty of every local authority or its officers to give all the necessary information in respect of possession of or under the control of any notified agricultural produce to the Market Committee or its officers authorised in that behalf as and when requires. Duty of local authorities to give information and assistance.

(2) It shall also be the duty of every local authority and its officers and staff concerned to give all the possible assistance to any officer of the Market Committee in discharging his duties under this Act.

75. (1) The Government may, after previous publication, in the Official Gazette, make rules for carrying out the purposes of this Act. Power to make rules.

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

(i) the qualifications of the voters, the preparation and the revision of the list of voters, the division of market area in its constituencies, the election, appointment and nomination of members of the Market Committee, the manner of holding election, the drawing up of the election, programme, the fixing of polling stations and the appointment of returning, presiding and polling officers, the declaration of the results of election and matters regarding appeal in respect of disputed cases in connection with elections ;

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

(iii) the filling up of casual vacancies in the office of the Chairman, Vice-Chairman or member of a Market Committee ;

(iv) the powers to be exercised and duties to be performed by a Market Committee and its Chairman, Vice-Chairman and its Secretary ;

(v) the management of the market, minimum and maximum cess or fees which may be levied and collected by the Market Committee, the method, manner and mode of collection of such cess or fees in respect of agricultural produce regulated under the Act and sold in the market area ;

(vi) the issue of licences to the traders, persons and firms, engaged in processing of the agricultural produce, commission agent, brokers, weighmen, measures, surveyors, warehousemen and the cancellation and suspensions of such licencee and category of such other persons operating in a market area as may be determined by the Director and the form in which and the conditions subject to which such licenses shall be issued, cancelled and renewed therefore ;

(vii) the method and manner of holding meetings, the procedure to be followed at such meetings, and the powers to be exercised at such meetings ;

(viii) the form in which returns shall be submitted by a Market Committee to the Director and such other officers as may be authorised by the Director ;

(ix) the persons by whom and the form in which copies of documents, entries in the books of a Market Committee may be certified and the charges to be levied for the supply of such copies ;

(x) the kind and the descriptions of the weights and measures and the weighing and the measuring instruments which alone shall be used in the transactions in agricultural produce in a market area ;

(xi) the periodical inspection of all weight and measures and weighing and measuring instrument in use in market areas ;

(xii) the procedure to be followed in presenting and disposing of an appeal to the Government or the officer appointed by it in that behalf ;

(xiii) the manner in which the inquiry and inspection of a Market Committee shall be held ;

(xiv) the matters in respect of which a Market Committee shall or may make bye-laws and the procedure to be followed in making or abrogating bye-laws and the conditions to be fulfilled prior to making of such abrogations and alterations ;

(xv) the declaration of market proper and market yards ;

(xvi) the service rules, recruitment rules, provident fund rules, pension rules and such other rules as may be required for the employment of the staff ;

(xvii) the trade allowance which may be made or received by any person in any transaction in any agricultural produce in a market area ;

(xviii) the prohibition of brokers for acting in any transactions on behalf of both the buyer and the seller, of agricultural produce or as a buyer or seller ;

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

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

(xxi) the form in which the accounts of a Market Committee and the grant and the sanction to plans and estimates shall be kept, the audit, inspection and publication of such accounts, if any, to be made for such audit and the inspection of audit, memoranda of accounts and supply of copies of such memoranda ;

(xxii) the preparation and the submission for sanction of the annual budget and the report and the returns to be furnished by a Market Committee ;

(xxiii) the investment and the disposal of surplus fund of a Market Committee ;

(xxiv) the regulations of advances, if any, given to agriculturists by brokers, commission agent, or traders ;

(xxv) the prevention of adulteration of agricultural produce ;

(xxvi) the grading and standardisation of agricultural produce ;

(xxvii) the keeping of a list of prices of agricultural produce in respect of which the market is established ;

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

(xxix) the recovery and disposal of cost leviable by or under this Act ;

(xxx) write off of losses etc ;

(xxxi) any other matter which is required to be or may be prescribed.

*NOTE* : Published in Arunachal Pradesh Gazette Extraordinary No. 305 Vol. IV, dated, Sept 14, 1990.

THE ARUNACHAL PRADESH AGRICULTURAL  
PRODUCE MARKETING (REGULATION)  
(AMENDMENT) ACT, 2006  
(ACT NO. 6 OF 2006)

(Received the assent of the Governor on  
5th May, 2006)

AN

ACT

*to amend the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989 (Act No. 6 of 1990).*

BE it enacted by the Legislative Assembly of Arunachal Pradesh in the Fifty-seventh year of the Republic of India as follows :-

1. (1) This Act may be called the Arunachal Pradesh Agricultural Produce Marketing (Regulation) (Amendment) Act, 2006.

Short title  
extent and  
commence-  
ment.

(2) It shall extend to the whole of Arunachal Pradesh.

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

2. In the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989 (Act No. 6 of 1990) (hereinafter referred to as the Principal Act), after subsections (6) and (21) of Section-2 the following definitions shall be added :

"(6)(a) "Contract Farming" means farming by a person called "Contract Farming Producer" under a written agreement with another person called "Contract Farming Sponsor" to the effect that his farm produce, shall be purchased as specified in the agreement.

(6)(b) "Contract Farming Agreement" means the agreement made for contract farming between Contract farming sponsor and Contract Farming Producer.

(21)(a) "Private market Yard" means such place other than the market yard/sub-market yard in the market area where infrastructure has been developed and managed by a person for marketing of notified agricultural produce holding a licence for this purpose under this Act.

3. After Chapter V of the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989, the following chapter shall be inserted :

#### "CHAPTER V-A

##### ESTABLISHMENT OF PRIVATE YARD

Establishment of Private yards, and direct purchase of agricultural produce from agriculturist (direct purchasing from Producer)

34.A. Notwithstanding anything contained in this Act, the Director/Chief Executive Officer of the Arunachal Pradesh Agricultural Marketing Board may grant licence to purchase agricultural produce by establishing private yard or direct from Agriculturist, in one or more market area for :

- (a) process of the notified agricultural produce;
- (b) trade of notified agricultural produce of particular specification;
- (c) export of notified agricultural produce;
- (d) grading, packing and transaction in other way by value addition of notified agricultural produce;

Establishment of Consumer/Farmer market (Direct sale by the producer)

35.A (1) Consumer/Farmer market may be established by developing infrastructure as prescribed, by any person in any market area. At such place, producer of agricultural produce himself may, as prescribed, sell his produce directly to the consumer.

(2) Market service charge shall be collected on sale of agriculture produce by the seller and will be remitted to the proprietor of the consumer market.



(3) Save as otherwise provided in this Act no market fee shall be leviable on the transactions undertaken in the consumer/farmers market.

(4) Licence for establishment of consumer/farmer market shall be granted by the State Government/ Director/Managing Director.

36.A. (1) Any person who, under Section 34-A desires to purchase notified agricultural produce direct from the agriculturists or wishes to establish a private yard or under Section 35-A desires to establish consumer/farmer market in one or more than one market area, shall apply to the Director for grant or renewal of license, as the case may be, in the manner and for the period, as may be prescribed by the State Government.

Grant/  
Renewal of  
license of  
Private yard,  
Consumer/  
Farmer  
market and  
Weighman.

(2) Along with every such application for licence, fee prescribed, by Director, shall be deposited.

(3) Application received under sub section (1) for grant or renewal of licence may be accepted or rejected for reasons recorded in writing by the authority prescribed by the State Government, as the case may be provided :

- (i) if the Market Committee dues are outstanding against the applicant, the licence shall not be granted/renewed;
- (ii) the applicant is a minor or not bonafide;
- (iii) the applicant has been declared defaulter under the Act and rules and bye-law made thereunder ;
- (iv) the applicant having been declared guilty in any criminal case and convicted by imprisonment.
- (v) Any other reasons.

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

Power to cancel or suspend licence/ registration.

37.A. (1) Subject to the provisions of sub-section (4) of Section 35.A, the Director or Prescribed officer who has issued licence or registration as the case may be may, for the reasons to be communicated to the licence holder/registration holder in writing, suspend or cancel, licence/registration :-

- (a) if the licence or registration has been obtained through willful misrepresentation or fraud ; or
- (b) if the holder of the license or registration or any servant or anyone acting on his behalf with his (license/registration holder's) expressed or implied permission, commits a breach of any of the terms or conditions of licence/ registration ;
- (c) if the holder of the licence/registration in combination with other licence/registration holder commits any Act or abstains from carrying on his normal business in the market area with the intention of willfully obstructing, suspending or stopping the marketing of notified agricultural produce in the market yard/ sub-market yard and in consequence whereof the marketing of any notified agricultural produce has been obstructed, suspended or stopped;
- (d) if the holder of the licence/registration has become an insolvent ;
- (e) if the holder of the licence/registration incurs any disqualification, as may be prescribed; or
- (f) if the holder of the licence/registration is convicted of any offence under this Act then within one year of the conviction if the conviction is for the first time and within three years for subsequent conviction.

(2) Subject to the provisions of sub-section (4) of Section 35.A, the Director or the Prescribed Officer may, after communicating the reasons in writing to the licence/registration holder, suspend a licence/registration for the period not exceeding one month on any reason under sub-section (1).

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

(3) Notwithstanding anything contained in sub-section (1), but subject to the provisions of sub-section (4) of Section 35.A, the Director may, for the reasons to be communicated in writing to the licence/registration holder, by order suspend or cancel his/its licence/registration granted or renewed by a Market Committee.

(4) No licence/registration shall be suspended or cancelled under this section without giving a reasonable opportunity to its holder to show cause against such suspension or cancellation.

38.A. (1) Any person aggrieved by an order of the Chairman of Market Committee or the Director passed under Section 36-A or Section 37-A, as the case may be prefer an appeal-

- (a) to the Market Committee, where such order is passed by the Chairman, within seven days of receipt of the order-
- (b) to the Director, where such order is passed by the Market Committee, within thirty days of receipt of the order; and
- (c) to the State Government, where such order is passed by the Director, within thirty days of receipt of the order; in such manner, as may be prescribed.

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

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

Redressal of dispute between Private market or Consumer market and market Committee.

39.A (i) Dispute between the Private, market or Consumer market and Market Committee, shall be referred to the Director or Managing Director or his representative, or any other officer authorized by the State Government in this regard. The dispute shall be resolved after giving both parties a reasonable opportunity of being heard, in the manner prescribed.

(ii) The decision given by the authority under sub-section (i) above shall be final and shall not be called in question in any court of law."

4. After Chapter - VII of the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989 the following chapter shall be inserted :

#### "CHAPTER VII-A

#### CONTRACT FARMING

Procedure and Form of contract farming agreement.

44.A (1) Contract Farming agreement shall be governed in the manner laid down hereinafter.

(2) Contract Farming Sponsor shall register himself with the Market Committee or with a prescribed officer in such a manner as may be prescribed.

(3) The Contract Farming Sponsor shall get the contract farming agreement recorded 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.

Notwithstanding anything contained in contract farming agreement, no title, rights, ownership or possession shall be transferred or alienated or vest in

the contract farming sponsor or his successor or his agent as a consequence arising out of the contract farming agreement.

(4) Disputes arising out of contract farming agreement may be referred to an authority prescribed in this behalf for settlement. The prescribed authority shall resolve the dispute in a 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 Appellant Authority within thirty days from the date of decision. The Appellant Authority shall dispose off the appeal within thirty days after giving the parties a reasonable opportunity of being heard and the decision of the Appellant Authority shall be final.

(6) The decision by the 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 decretal amount shall be recovered as arrears of land revenue.

(7) Disputes relating to and arising out of contract farming agreement shall not be called in question in any court of law than otherwise provided herein above.

(8) The agricultural produce covered under the Contract Farming Agreement may be sold to the Contract Farming Sponsor outside the market yard and in such a case no market fees will be leviable."