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LAWS

**1. Madhya Pradesh Krishi Upaj Mandi
Adhiniyam, 1972**

Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972¹

[Act No. 24 of 1973]

[18th April, 1973]

PREAMBLE

An Act to provide for the better regulation of buying and selling of agricultural produce and the establishment and proper administration of markets of agricultural produce in the State of Madhya Pradesh

CHAPTER I PRELIMINARY

Section 1 - Short title, extent and commencement-

- (1) This Act may be called the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972.
- (2) It extends to whole of Madhya Pradesh.
- (3) It shall come into force on such date as the State Government may, by notification, appoint.

Section 2 – Definitions-

(1) In this Act, unless the context otherwise requires,

1. "agricultural produce" means all produce ²[x x x] of agriculture, horticulture, animal husbandry, apiculture, pisciculture, or forest as specified in the Schedule;

³[(b) "agriculturist" means a person whose source of livelihood is wholly dependent on agricultural produce and who cultivates land on one's own account,--

(i) by one's own labour; or

(ii) by the labour of the either spouse; or

(iii) under the personal supervision of oneself or any member of one's family referred to in sub-clause (ii) above by hired labour or by servants on wages payable in cash or kind but not as crop share, but does not include a trader, commission agent, processor, ⁴[manufacturer] broker, weighman, or hammad of agricultural produce although such trader, commission agent, processor, ⁵[manufacturer] broker, weighman or hammad may also be engaged in the production of agricultural produce;]

(c) "Board" means the Madhya Pradesh State Agricultural Marketing Board established under this Act;

(d) "Bye-laws" means the bye-laws made under Section 80;

¹ Received the assent of the President on 18-4-1973, first published in the M.P. Gazette (Extraordinary), dated 27-4-1973.

² Words "whether processed or not" omitted by M.P. Act. No. 5 of 1990

³ Subs. by M.P. Act No. 11 of 1985 (w.e.f. 12-6-1985).

⁴ Inserted by M.P. Act No. 7 of 2012 (w.e.f. 27-1-2012).

⁵ Inserted by M.P. Act No. 7 of 2012 (w.e.f. 27-1-2012).

⁶[(dd) "**Collector**" means the Collector of the District and includes an Additional Collector;
 (e) "**Commission Agent**" means a person who on behalf of his principal ⁷[trader] and in consideration of a commission or percentage upon the amount involved in such transaction buys agricultural produce and makes payment in cash, keeps it in his custody and delivers it to the principal ⁸[trader] in due course or who receives and takes in his custody agricultural produce sent for sale ⁹[within the market area or from outside the market area], sells the same in the market area and collects payment therefor from the buyer and remits the sale proceeds to his principal ¹⁰[trader];

¹¹[(ee) "**Contract farming**" means farming of agricultural produce on contract basis by a person on his land under a written agreement with another person to the effect that his farm produce shall be purchased at a rate specified in the agreement;]

¹²[(f) "**Managing Director**" means the Managing Director of the Madhya Pradesh State Agricultural Marketing Board appointed under this Act and he shall also be the Commissioner, Mandi, Madhya Pradesh]

¹³[(ff) "**manufacturer**" means a person who manufactures agricultural produce by manual or mechanical means;

(fff) "manufacturing with its grammatical variations and cognate expressions means the production of articles for use from raw agricultural produce or its product, by giving them new forms, qualities, properties or combinations, whether by hand-labour or by machinery;]

(g) "**Market**" means a market established under Section 4;

(h) "**market area**" means the area for which a market is established under Section 4;

(i) "**market committee**" means a committee constituted under Section 11;

(j) "**market functionary**" includes a broker, a commission agent, an exporter, a ginner, an importer, a presser, a processor, ¹⁴[a manufacturer,] a stockist, a trader, weighman, warehouseman, hammad, surveyor and such other person as may be declared under the rules or the bye-laws to be a market functionary;

(k) "**market proper**" in relation to a market yard means an area declared to be a market proper under clause (b) of sub-section (2) of Section 5;

¹⁵[(l) "**market yard or sub-market yard**" in relation to a market area means a specified place declared to be a market yard or sub-market yard under clause (a) of sub-section (2) of Section 5;]

⁸[Explanation:--The expression "sub-market yard" shall include "haat bazars";]

⁶ Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

⁷ Inserted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁸ Inserted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁹ Subs for "from outside the market area" by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁰ Inserted by MP. Act No. 24 of 1986 (21-7-86)

¹¹ Inserted by MP. Act No. 18 of 1979 (7-6-79), deleted by MP 27 of 1997 (15-6-1997) and again inserted by MP 15 of 2003 (w.e.f. 15-6-2003).

¹² Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹³ Inserted by MP Act No. 7 of 2012 (27-1-2012)

¹⁴ Inserted by MP Act No. 7 of 2012 (27-1-2012)

¹⁵ Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁶[(m) "**notified agricultural produce**" in relation to a market means all such produce specified in the Schedule;]

¹⁷[(m-1) "**Other Backward Classes**" means the Other Backward Classes of citizens as specified by the State Government by Notification No. F. 85-XXV-4-84, dated the 26th December, 1984 as amended from time to time.]

¹⁸[(mm) "**petty trader**" means a person who does not hold more than ten quintals of various kinds of notified agricultural produce or four quintals of any single notified agricultural produce in stock at a time;]

Provided that he shall not purchase more than four quintals of cereals or two quintals of oilseeds, pulses and fibre crops, in a day]; and

¹⁹[(mmm) "**processing**" means powdering, crushing, decorticating, husking, parboiling, polishing, ginning, pressing, curing or any other treatment to which an agricultural produce or its product is subjected to before final consumption;

(mmmm) "**processor**" means a person who processes agricultural produce by manual or mechanical means;]

²⁰[(mmmmm) "**Scheduled Castes**" and "**Scheduled Tribes**" shall carry the same meanings as assigned to them under clauses (24) and (25) respectively of Article 366 of the Constitution of India;]

²¹[(n) [xxx]

(o) "**Secretary**" means the secretary of a Market Committee;

²²[(p) "trader" means a person who in his normal course of business buys or sells any notified agricultural produce, and includes a person engaged in processing of agricultural produce, but does not include an agriculturist as defined in clause (b) of this sub-section.]

(2) 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.

CHAPTER II Establishment of Markets

Section 3 - Notification of intention of regulating marketing of notified agricultural produce in specified area-

(1) Upon a representation made by local authority or by the growers of any agricultural produce within the area for which a market is proposed to be established or otherwise, the State Government may, by notification, and in such other manner as may be prescribed,

¹⁶ Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

¹⁷ Inserted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁸ Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

¹⁹ Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁰ Inserted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²¹ Omitted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²² Substituted by M.P. Act No. 26 of 1987 (w.e.f. 1-6-1987).

declare its intention to establish a market ²³[for regulating the purchase and sale of agricultural produce in such area] as may be specified in the notification.

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

Section 4 - Establishment of market and of regulation of marketing of notified agricultural produce therein-

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 making such inquiry, if any, as may be necessary, the State Government may, by another notification, establish a market for the area specified in the notification under Section 3 or any portion thereof for the purpose of this Act ²⁴[in respect of the agricultural produce specified in the Schedule] ²⁵[and the market so established shall be known by the name as may be specified in that notification.]

Section 5 - Market yard and market proper-

(1) (a) In every market area,--

(i) there shall be a market yard; and

²⁶[(ii) there may be more than one sub-market yards];

(b) ²⁷[for every market yard or sub-market yard] there shall be a market proper.

(2) The State Government shall, as soon as may be, after the issue of notification under Section 4, by notification,--

²⁸[(a) declare any specified place including any structure, enclosure, open place, or locality in the market area to be a market yard or sub-market yard, as the case may be]; and

(b) declare in relation to [such market yard or sub-market yard as the case may be], any specified area in the market area to be a market proper.

Section 6 - Control of marketing of notified agricultural produce-

On the establishment of market under Section 4,--

(a) no local authority shall, notwithstanding anything contained in any enactment for the time being in force, set up, establish, continue or use or allow to be set up, established, continued or used any place in the market area for the marketing of any notified agricultural produce;

(b) no person shall, except in accordance with the provisions of this Act and the rules and bye-laws made thereunder,--

²³ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²⁴ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²⁵ Inserted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁶ Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²⁷ Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²⁸ Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986).

(i) use any place in the market area for the marketing of the notified agricultural produce; or

(ii) operate in the market area as a market functionary:

Provided that nothing herein shall apply to--

(a) the sale or purchase of such agricultural produce--

²⁹[(i) the producer whereof is himself its seller and such sale is made in quantity not exceeding four quintals at a time to a person who purchases it for his domestic consumption];

(ii) which is brought by head loads;

³⁰[(iii) which is purchased or sold by a petty trader ³¹[x x];

³²[(iv) [Deleted]

³³[(v) which is purchased by an authorised fair price shop dealer from the Food Corporation of India, the Madhya Pradesh State Commodities Trading Corporation or any other agency or institution authorised by the State Government for distribution of essential commodities through the Public Distribution System.]

(b) the transfer of such agricultural produce to a co-operative society for the purpose of securing an advance therefrom³⁴ [;

(c) agricultural produce notified in Part VII and VIII of the Schedule which is purchased or sold outside the notified market yard:]

³⁵[Provided further that the State Government may, by notification, for reasons to be specified therein, withdraw the exemption under sub-clause (ii) of clause (a) of the preceding proviso. The State government may also, by notification, withdraw the exemption and issue directives for the agricultural produce purchased or sold with respect to clause (c) of the preceding proviso, and the directives so issued would be bound to be complied with.]

CHAPTER- III

Constitution of Market Committes

Section 7 - Establishment of Market Committee and its incorporation-

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

²⁹ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

³⁰ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

³¹ Omitted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

³² Omitted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

³³ Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

³⁴ Cl. (c) ins. By M.P. 7 of 2012 [27-1-2012]

³⁵ 2nd proviso substituted by M.P. Act 7 of 2012 for the following:-

“provided further that the State Government may, by notification, for reasons to be specified therein, withdraw the exemption under sub-clause (2) of the clause (a) of the preceeding proviso in respet of such market area as may be specified in the notification.”

(2) ³⁶[Every Market Committee shall be a body corporate by the name specified in the notification under Section 4.] 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 contract and to acquire, hold, lease, sell or otherwise transfer any property and to do all other things necessary for the purposes of this Act:

³⁷[Provided that no immovable property shall be acquired without the prior permission of the Managing Director in writing:

Provided further that no immovable property shall be transferred by way of sale, lease or otherwise in a manner other than the manner prescribed in the rules made by the State Government for the purpose.]

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

Section 8 - Vesting of property of local authority in Market Committee-

(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 authority shall, within one month of the receipt of the requisition, transfer the land 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 the 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 the said sub-section, the land or building required by the Market Committee shall vest in the Market Committee for the purposes of this Act and the local authority shall be paid such compensation as may be determined by the Collector under sub-section (5):

Provided that no compensation shall be payable to a local authority in respect of any land or building which had vested in it by virtue of the provisions contained in the enactment 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 Collector may, within thirty days from the date of such order, appeal to the State 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 Collector shall take possession of the land or building and cause it to be delivered to the Market Committee.

(4) The order of the State Government and subject to that order, the order of the Collector under sub-section (2) shall be final and binding on both the parties.

³⁶ Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

³⁷ Substituted by MP. Act No.15 of 2003 (w.e.f. 15-6-2003). Prior to substitution it read as under : "Provided that no immovable property shall be acquired, transferred by way of sale, lease or otherwise without the prior permission of the Managing Director in writing."

(5) The Collector 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 building;

³⁸[(iii) the amount of compensation paid by the local authority for the acquisition of such land and the present market value of the land; and

(iv) the cost or the present market value of any building erected or other work executed on the land by 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 annual installments not exceeding ten as the Collector may fix. Where the compensation is paid in installments, it shall carry interest at the rate of six percent, per annum which shall be payable along with the installment.

Section 9 - Acquisition of land for Board or Market Committee-

(1) When any land within the market area is required for the purposes of this Act and the Board or the Market Committee is unable to acquire it by agreement the State Government may, at the request of the Board or the Market Committee, as the case may be, proceed to acquire such land under the provisions of the Land Acquisition Act, 1894 (No. 1 of 1894) and on the payment of the compensation awarded under that Act, by the Market Committee and of any other charges incurred by the State Government in connection with the acquisition, the land shall vest in the Board or the Market Committee, as the case may be.

³⁹[(2) Any land which has been acquired for and vests in the Board or Market Committee under sub-section (1) shall be transferred by way of sale, lease or otherwise only in accordance with the rules made by the State Government for the purpose.]

⁴⁰[(3) Nothing contained in the Madhya Pradesh Land Revenue Code, 1959 (No. 20 of 1959), and rules made thereunder in so far as they relate to diversion of land, revision of land revenue consequent on the change in the use of land from agriculture to any other purpose and other matters incidental thereto, shall apply to land acquired by the Market Committee under subsection (1) or acquired by transfer, purchase, gift or otherwise and used for the purpose of establishment of a market yard or a sub-market yard :

Provided that the premises used for market yard, sub-market yard or for the purpose of the Board shall not be deemed to be included in the limits of the Municipal Corporation, Municipal Council, Notified Area, Gram Panchayat or a Special Area Development Authority, as the case may be.]

Section 10 - Appointment of Officer-in-Charge pending constitution of first Market Committee-

³⁸ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

³⁹ Substituted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003). Prior to substitution it read as under :

⁴⁰ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁴¹[(1) When a market is established for the first time under this Act, the [Managing Director] shall, by an order, appoint a person to be the Officer-in-Charge ⁴²[for a period not exceeding two years.] The Officer-in-Charge shall, subject to the control of the [Managing Director] exercise all the powers and perform all the duties of the Market Committee under this Act:

Provided that in the event of death, resignation, leave or suspension of the Officer-in-Charge a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled, as soon as may be, by appointment of a person thereto by the ⁴³[Managing Director] and until such appointment is made a person nominated by the Collector shall act as an Officer-in-Charge:

Provided further that if the Market Committee is constituted before the expiration of the period aforesaid the Officer-in-Charge shall cease to hold office on the date appointed for the first general meeting of the newly constituted Market Committee.

(2) Any Officer-in-Charge appointed under sub-section (1), may at any time be removed by the [Managing Director] who shall have power to appoint another person in his place.

(3) Any person appointed Officer-in-Charge under sub-section (1) shall receive from the Market Committee Fund for his services such pay and allowances as may be fixed by the [Managing Director].

(4) The Officer-in-Charge appointed under sub-section (1) shall, notwithstanding the expiration of his term thereunder, continue to hold office or function till the date appointed for the first general meeting under ⁴⁴[sub-section (1) of Section 13] of the newly constituted Market Committee.]

Section 11 - Constitution of Market Committee-

⁴⁵[(1) A Market Committee shall consist of,--

(a) the Chairman elected under Section 12;

(b) ten representatives of agriculturists possessing such qualifications as may be prescribed chosen by direct election from the constituencies of a market area in accordance with the provisions of this Act and the rules made thereunder;

Explanation:--The expression "representatives of agriculturists" in this clause shall not include an agriculturist of the market area if any relative, that is to say wife, husband, father, mother, brother, sister, son, daughter, father's father, father's brother, father's sister, mother's father, mother's brother or sister, father's brother's son or daughter, mother's sister's son or daughter, brother's son or daughter, sister's son or daughter, brother's son or daughter, sister's son or daughter, son's wife, daughter's husband, sister's husband, wife's sister's husband, father's sister's husband, mother's sister's husband, son's son or daughter, daughter's son or daughter, wife's father or mother,

⁴¹ Substituted by M.P. Act No. 8 of 1994 (w.e.f. 16-1-1994).

⁴² Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁴³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁴⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁴⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

wife's brother or sister, wife's brother's son or daughter, wife's sister's son or daughter, husband's brother, husband's brother's wife, husband's brother's son or daughter of such agriculturist holds a trader's licence from any Market Committee of the State.

(c) one representative of traders possessing such qualifications as may be prescribed, elected by and from amongst the persons holding licence from the Market Committee for a period of two successive years as traders or owners or occupiers of processing factories under this Act :

Provided that in the case of a Market Committee established for the first time under Section 10, the qualifying period of holding licence from such Market Committee shall be six months:

⁴⁶[Provided further that no person shall be qualified to be a representative of traders of Market Committee if he has more than two living children one of whom is born on or after 26th January, 2001 :

Provided also that any elected representative of trader shall become disqualified to hold such office if on or after 26th January, 2001 a child is born which increases the number of his children to more than two:]

Provided ⁴⁷[also] that no person shall be a voter of more than one Market Committee at a time:

Provided also that no person shall be voter unless,--

- (i) he has completed the age of 18 years.
- (ii) he was not a defaulter of the Market Committee.

Explanation.--The expression "defaulter" shall include a person who has defaulted in the payment of Nirashrit Shulk recoverable by the Market Committee in accordance with the provisions of the Madhya Pradesh Nirashriton Avam Nirdhan Vyaktiyon Ki Sahayata Adhiniyam, 1970 (No. 12 of 1970);

(d) Such member of the State Legislative Assembly and House of the People in whose constituency at least fifty per cent of population resides in rural areas that is outside the local limits of a Municipal Corporation, Municipal Council or Nagar Panchayat:

Provided that in a constituency where more than one Market Committee exists ⁴⁸[the member of the house of people shall have to give his option], before the election, one of the Market Committees in which he wishes to become a member:

⁴⁹[Provided further that the member of the House of the People or the member of the State Legislative Assembly who is a member of the Market Committee may nominate

⁴⁶ Inserted by M.P. Act No. 21 of 2000.

⁴⁷ Substituted by M.P. Act No. 21 of 2000, for the word "further".

⁴⁸ Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001), for "the member shall have to give his option".

his representative who possesses such qualification as may be prescribed for the purpose of attending the meeting of the Market Committee;]

(e) One representative of the Co-operative Marketing Society functioning in the market area who shall be elected by the Managing Committee of such society:

Provided that if more than one such society functions in the market area, such member shall be elected by all the members of the Managing Committees of such societies:

Provided further that nothing in this clause shall apply if the Managing Committee of any society stands superseded under the provisions of the Madhya Pradesh Co-operative Societies Act, 1960 (No. 17 of 1961);

(f) An Officer of the Agriculture Department of the State Government to be nominated by the Collector;

(g) One representative of the weighmen and hammals operating in the marketing area holding license from the Market Committee to be nominated by the Chairman;

(h) One representative of the District Central Co-operative Bank who shall either be the Chairman of such Bank or such other member of the Managing Committee thereof, as may be nominated by the Chairman of such Bank;

(i) One representative of the District Land Development Bank who shall either be the Chairman of such Bank or such other member of the Managing Committee thereof, as may be nominated by the Chairman of such Bank;

"Provided further that the member of the Legislative Assembly shall be a special invitee in all other Market Committees in his constituency."

(j) One representative of the Gram Panchayat or Janpad Panchayat or Zila Panchayat which falls within the jurisdiction of the market area nominated by the Chairperson of the Zila Panchayat:

Provided that in Market Committee situated in the District headquarters the representative shall be nominated from amongst the members of the Zila panchayat only.

(2) All members under sub-section (1) shall have a right to vote except the member nominated under clause (f) and the special invitees under the second proviso to clause (d) of sub-section (1).

(3) The State Government may make rules for the preparation of voters' list and conduct of elections.

(4) If the electorate under clause (b) or (c) of sub-section (1) fails to elect a representative, the Collector shall nominate the representative of the agriculturists or traders, as the case may be.

⁴⁹ Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001).

(5) Every election and nomination of a member shall be notified by the Collector in the official gazette.]

Section 11A - Division of market area for constituencies and reservation of seats-

⁵⁰[(1) The Collector shall by notification in the local Newspaper divide a market area into as many numbers of constituencies equal to the number of the representatives of the agriculturists to be chosen from that area.

(2) Seats shall be reserved for Scheduled Castes and Scheduled Tribes in every Market Committee and the number of seats so reserved shall bear as nearly as may be the same proportion to the total number of seats to be filled in that Market Committee as the population of Scheduled Castes or Scheduled Tribes in that market area bears to the total population of that area and such seats shall be allotted to the constituencies in the prescribed manner.

(3) Where the total number of seats belonging to Scheduled Castes and Scheduled Tribes in a market area is fifty per cent or less than fifty per cent, twenty-five per cent of total number of seats shall be reserved for Other Backward Classes.

(4) Not less than one-third of the total number of seats reserved under sub-sections (2) and (3) shall be reserved for women belonging to Scheduled Castes or Scheduled Tribes or Other Backward Classes, as the case may be.

(5) Not less than one-third (including the number of seats reserved for women belonging to Scheduled Castes, Scheduled Tribes and Other Backward Classes) of the total number of seats shall be reserved for women and such seats shall be allotted by the Collector to different constituencies in the prescribed manner.

Section 11B - Qualifications to vote and to be a representative of agriculturists-

⁵¹[(1) Every person--

(a) whose name is entered as Bhumiswami in the village land records;

(b) who ordinarily resides in the market area;

(c) who has completed the age of 18 years; and

(d) whose name is included in the voters' list prepared under the provisions of this Act and the rules made thereunder; shall be qualified to vote at the election of a representative of agriculturists :

Provided that no person shall be eligible to vote in more than one constituency.

Explanation.--The word "Bhumiswami" shall have the same meaning as assigned to it in the Madhya Pradesh Land Revenue Code, 1959 (No. 20 of 1959).

(2) No person shall be qualified to be elected as a representative of agriculturists unless,--

(a) his name is included in the list of voters of the market area;

(b) he is an agriculturist;

(c) he is otherwise not disqualified for being so elected :

⁵²[(cc) he has not more than two living children one of whom is born on or after 26th January, 2001:

⁵⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁵¹ Cl. (a) substituted by M.P. Act No. 32 of 2011 [6-9-2011], which was as under:-

“(a) whose name is entered as Bhumiswami in the village land records.”

Provided that any elected representative of agriculturists shall become disqualified to hold such office if on or after 26th January, 2001 a child is born which increases the number of his children to more than two.]

(3) A person shall be disqualified for being a representative of agriculturist if he is disqualified for being an office bearer of a Panchayat under Section 36 of the Madhya Pradesh Panchayat Raj Adhiniyam, 1993 (No. 1 of 1994).

(4) No person shall be eligible for election from more than one market committee or constituency as the case may be.]

Section 12 - Election of Chairman and Vice-Chairman-

⁵³[(1) The Chairman shall be chosen by direct election by the persons qualified to vote for the election of representatives of the agriculturists and traders in the prescribed manner:

Provided that no person shall be eligible for election as Chairman unless he is qualified to be elected under sub-sections (2) and (3) of Section 11-B.

(2) The offices of the Chairman shall be reserved for the Scheduled Castes and Scheduled Tribes and the number of offices so reserved shall bear, as nearly as may be, the same proportion to the total number of such offices in the State as the population of the Scheduled Castes and Scheduled Tribes in the States bears to the total population of the State and these offices shall be allotted, by the Managing Director to the Market Committees in the prescribed manner.

(3) Twenty-five per cent of the total number of offices of Chairman shall be reserved for Other Backward Classes and such seats shall be allotted in the prescribed manner by the Managing Director, to such Market Committees, which are not reserved for Scheduled Castes or Scheduled Tribes.

(4) Not less than one-third of the total number of offices of Chairman reserved under sub-sections (2) and (3) shall be reserved for women belonging to Scheduled Castes or Scheduled Tribes or Other Backward Classes, as the case may be.

(5) Not less than one-third (including the number of offices) reserved for women belonging to the Scheduled Castes and Scheduled Tribes and Other Backward Classes of the total number of offices of Chairman in the State shall be reserved for women and such offices shall be allotted by the Managing Director to different Market Committees in the prescribed manner.

(6) No person shall be eligible to contest election simultaneously for office of the Chairman and Member.

(7) If any market area fails to elect a Chairman fresh election proceedings shall be initiated to fill the office within six months:

Provided that further proceedings for constituting the Market Committee shall not be stayed pending the election of Chairman:

Provided further that pending the election of Chairman under this subsection the Vice-Chairman shall discharge all the functions of the Chairman.

⁵² Inserted by MP. Act No. 21 of 2000.

⁵³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

(8) There shall be a Vice-Chairman of the Market Committee who shall be elected by and from amongst the elected members thereof in the first meeting of the Market Committee convened under sub-section (1) of Section 13 in the prescribed manner:

Provided that if the Chairman of the Market Committee does not belong to Scheduled Castes, Scheduled Tribes or other Backward Classes, the Vice-Chairman shall be elected from amongst the elected members belonging to such castes, tribes or classes :

Provided further that no person shall be eligible for election as Vice-Chairman unless he is an agriculturist.

(9) Every election of Chairman and Vice-Chairman shall be notified in the official gazette by the Collector.]

Section 12A - Taking possession of record and property-

⁵⁴[(1) Where the Collector is satisfied that the books and records of a Market Committee are likely to be suppressed, tempered with or destroyed, or the funds and property of a Market Committee are likely to be misappropriated or misapplied, the Collector or the person authorised by him may apply to the Executive Magistrate within whose jurisdiction the Market Committee is functioning for seizing and taking possession of the record and property of the Market Committee.

(2) On receipt of the application under sub-section (1), the Magistrate may authorise any police officer not below the rank of Sub-Inspector to enter and search any place where the records and property are kept or are likely to be kept and to seize them and hand over possession thereof to the Collector or the person authorised by him, as the case may be.]

Section 13 - First meeting, terms of office, resignation by Chairman, Vice-Chairman or member and vacancy in their office-

⁵⁵[(1) The first meeting of the Market Committee shall be convened by the Collector within one month from the date of publication of result of election of Chairman and members in the official gazette.

(2) The Chairman, Vice-Chairman and Members of the Market Committee shall hold office for a period of five years from the date of first meeting of the Market Committee:

⁵⁶[Provided that if on the expiry of the term of the Market Committee, a new Market Committee is not constituted, the State Government may, by notification, extend the term of the Market Committee for a period of six months from the date of expiry, with reasons such extension being placed on record, and if the new Market Committee is not constituted within this extended term, it shall be deemed to have been dissolved and in such an event the provisions of Section 57 shall apply]

Previous position of proviso to sub-section (2)

⁵⁴ Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

⁵⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁵⁶ Substituted by M.P. Act No. 4 of 2005 (w.e.f. 14-3-2005). Prior to substitution it read as under :

"Provided that if on the expiry of the term of the Market Committee, a new Market Committee is not constituted the Market Committee shall be deemed to have been dissolved and in such an event the provisions of Section 57 shall apply."

(a) From 14-3-2005 to 18-1-2011, proviso to sub-section (2) was as under:-

Provided that if on the expiry of the term of Marketing Committee, a new Market Committee if not constituted, the State Government may, by notification, extend the term of the Market Committee for a period of six months from the date of expiry, with reasons for such extension being placed on record, and if new Market Committee is not con constituted within this extended term, it shall be deemed to have been dissolved and in such an event the provisions of section 57 shall apply.”

(b) Before substitution by M.P. Act 4 of 2005, upto dt. 13-3-2005, provisio to sub-section (2) was as under:-

“provided that if on the expiry of the temr of the Market Committee, a new Market Committee is not constituted the Market Committee shall be deemed to have been dissolved and in such an event the provisions of Section 57 shall apply”.

(3) The Chairman, Vice-Chairman or a member may resign his office at any time in writing addressed to the Collector and such resignation shall be effective from the date of its acceptance by the Collector.

(4) Any person who is elected as a Chairperson or Vice- Chairperson of a Municipal Corporation/Municipal Council, Nagar Panchayat, Panchayat or Co-operative Society is elected as a Chairperson or Vice-Chairperson of the Market Committee or vice versa may, by notice in writing signed by him and delivered to the ⁵⁷[Collector] within thirty days from the date, or the later of the dates, on which he is elected, intimate in which of the office he wishes to serve, and thereupon, his seat in the body in which he does not wish to serve shall become vacant and in default of such intimation within the aforesaid period, his seat in the Market Committee shall, at the expiration of that period, become vacant.

(5) In the event of death, resignation, or removal of the Chairman, Vice-Chairman or a Member before the expiry of his term or on the occurrence of a vacancy under sub-section (4), or otherwise, a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled within six months by election in accordance with the provisions of the Act and the rules and a person so elected or nominated shall hold office for the unexpired portion of the term of his predecessor:

Provided that if the remaining term of the office is less than six months, such vacancy shall not be filled in.

(6) In the event of occurrence of any vacancy in the office of the Chairman by reason of his death, resignation or removal or otherwise the Vice-Chairman and if the office of the Vice-Chairman is also vacant then notwithstanding anything contained in this Act, such member of the Market Committee who is elected under clause (b) of sub-section (1) of Section 11, as the Collector may appoint shall exercise powers and perform the functions of the Chairman till the Chairman is duly elected.]

Section 14 -

⁵⁸[Deleted]

⁵⁷ Substituted by M.P. Act No. 28 of 2001, w.e.f 27-12-2001 for the word "prescribed authority".

⁵⁸ Omitted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

CHAPTER IV
Conduct of Business and Powers and Duties of Market Committee

Section 15 - Procedure and quorum of meeting of Market Committee-

⁵⁹[The procedure of meeting of Market Committee and quorum thereof shall be such as may be prescribed.]

Section 16 - Chairman to preside over meetings of Market Committee-

The Chairman and if he is absent, the Vice-Chairman shall preside over every meeting of the Market Committee and if at any meeting both the Chairman and the Vice-Chairman are absent, such one of the members present in the meeting as may be chosen by the meeting may act as Chairman.

Section 17 - Powers and duties of Market Committee-

(1) Subject to the provisions of this Act, it shall be the duty of a Market Committee,-

- (a) to implement the provisions of this Act, the rules and the bye-laws made thereunder in the market area;
- (b) to provide such facilities for marketing of notified agricultural produce therein as the ¹[Managing Director] may, from time to time, direct;
- (c) to do such other acts as may be necessary in relation to the superintendence, direction and control of market or for regulating marketing of notified agricultural produce in any place in the market area, and for purposes connected with the matters aforesaid, and for that purpose may exercise such powers and discharge such functions as may be provided by or under this Act.

(2) Without prejudice to the generality of the foregoing provisions a Market Committee shall,-

-

- ⁶⁰[(i) construct, maintain and manage the market yards and sub-market yards and promote development of Haat Bazars in the market area;]
- (ii) provide the necessary facilities for the marketing of agricultural produce in the market yard;
- (iii) grant or refuse licenses to the market functionaries and renew, suspend or cancel such licenses;
- (iv) supervise the conduct of the market functionaries;
- (v) regulate the opening, closing and suspending of trading in the market yards;
- (vi) enforce the conditions of the licenses;
- (vii) regulate the making, carrying out and enforcement or cancellation of agreement of sales, the weighment, delivery, payment and all other matters relating to the marketing of notified agricultural produce;
- (viii) provide for the settlement of all disputes between the seller and the buyer arising out of any kind of transaction connected with the marketing of notified agricultural produce and all matters ancillary thereto;

⁵⁹ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

⁶⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

- (ix) collect and maintain information in respect of production, sale, storage, processing, prices and movement of notified agricultural produce and disseminate such information as directed by the ⁶¹[Managing Director].
- (x) take all possible steps to prevent adulteration of goods and promote grading and standardization of the notified agricultural produce;
- (xi) with a view to maintain stability in the market (a) take suitable measure to ensure that traders do not buy agricultural produce beyond their capacity and avoid risk to the sellers in disposing of the produce; and (b) grant licenses only after obtaining necessary security in cash as bank guarantee according to the capacity of the buyers;
- (xii) levy and recover all moneys related to fees and other charges due, which the Market Committee is authorised to receive;
- (xiii) (a) ensure payment in respect of transactions which take place in the market yard or market proper to be made on the same day to the seller, and in default to seize the agricultural produce in question along with other property of the person concerned and to arrange for re-sale thereof and in the event of loss, to recover the same from the original buyer together with charges for recovery of the loss, if any, from the original buyer and effect payment of the price of the agricultural produce to the seller;
- (b) recover the charges in respect of weighment and hammali and to distribute the same to weighmen and hammals;
- (xiv) employ the necessary number of officers and servants for the efficient implementation of the provisions of this Act, and the rules and the bye-laws made thereunder;
- (xv) regulate the entry of persons and vehicular traffic into the market yard;
- (xvi) prosecute persons for violating the provisions of this Act, and the rules and the bye-laws made there under and to compound such offences if necessary;
- (xvii) acquire, hold and dispose of any movable or immovable property for the purpose of efficiently carrying out its duties;
- (xviii) institute or defend any suit, action, proceeding, application or arbitration and compromise such suit, action, proceeding, application or arbitration;
- (xix) make arrangements for employing by rotation, weighmen and hammals for weighing and transporting of goods in respect of transactions held in the market yard :

Provided that nothing in this clause shall apply for employing hammals by traders for transporting their goods from the market yard to their godowns.

(3) With the prior sanction of the ⁶²[Managing Director] the Market Committee may, at its discretion, undertake the following duties:

- ⁶³[(i) to give grant or advance funds to ¹[the Board, the Public Works Department or any other department or undertaking of the State Government] or any other agency authorised by the ⁶⁴[Managing Director] for the construction of roads or godowns in

⁶¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁶² Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁶³ Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

⁶⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

the market area to facilitate transportation and storage of agricultural produce or for the purpose of development of the market yard;]

⁶⁵[(ii) maintain stocks of fertilizer, pesticides, insecticides, improved seeds, agricultural equipments and inputs for sale;]

(iii) to provide on rent ⁶⁶[storage facilities] for stocking of agricultural produce to agriculturists;

⁶⁷[(iv) to give grant for maintenance of the Goshala, or institutions which have been registered under the Madhya Pradesh Goseva Ayog Adhiniyam, 1995 (No. 18 of 1995).]

(4) In addition to the duties aforementioned the Market Committee shall also be responsible for,--

(i) the maintenance of proper checks on all receipts and payments by its officers;

(ii) the proper execution of all works chargeable to the Market Committee fund;

(iii) keeping a copy of this Act and of the rules and notifications issued thereunder and of its bye-laws, open to inspection free of charge at its office; and

(iv) arranging for preventive measures against spread of contagious cattle disease.

(5) The Market Committee shall carry out any direction which the State Government may issue from time to time for providing reasonable facilities in the market yard.

(6) If a Market Committee fails to comply within a reasonable time with any direction issued under sub-section (5), the State Government shall have all the powers necessary for the enforcement of such direction at the cost of Market Committee.

(7) If a Market Committee makes default in payment of any sum the amount whereof is fixed or has become payable by virtue of any directions under sub-section (5), the State Government may make an order directing the person having the custody of the balance of the Market Committee Fund to make such payment either in whole or in such part as is possible from such fund.

(8) The Market Committee shall furnish all information which the Collector or the Director or the officers duly authorised by either of them may require.

Section 18 - Appointment of sub-committees and delegation of powers-

Subject to such conditions and restrictions as may be prescribed, the Market Committee may appoint sub-committees consisting of one or more of its members for the performance of any of its duties or functions for reporting or giving opinion on any matter and may delegate to any such sub-committee such of its powers as may be necessary.

Section 19 - Power to levy market fee-

⁶⁸[(1) Every Market Committee shall levy market fee,--

⁶⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁶⁶ Substituted by MP. Act No. 24 of 1986 (w.e.f. 21-7-1986)

⁶⁷ Substituted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003)

⁶⁸ Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

(i) on the sale of notified agricultural produce whether brought from within the State or from outside the State into the market area; and

(ii) on the notified agricultural produce whether brought from within the State or from outside the State into the market areas and used for processing; at such rates as may be fixed by the State Government from time to time subject to a minimum rate of fifty paise and a maximum of two rupees for every one hundred rupees of the price in the manner prescribed:

Provided that no Market Committee other than the one in whose market area the notified agricultural produce is brought for sale or processing by an agriculturist or trader, as the case may be, for the first time shall levy such market fee.]

(2) The market fees shall be payable by the buyer of the notified agricultural produce and shall not be deducted from the price payable to the seller:

⁶⁹[Provided that where the buyer of a notified agricultural produce cannot be identified, all the fees shall be payable by the person who may have sold or brought the produce for sale in the market area:

Provided further that in case of commercial transaction between traders in the market area, the market fees shall be collected and paid by the seller]:

⁷⁰[Provided also that no fees shall be levied upto 31st March, 1990 on such agricultural produce as may be specified by the State Government by notification in this behalf if such produce has been sold outside the market yard or sub-market yard by an agriculturist to a co-operative society of which he is a member:]

⁷¹[Provided also that for the agricultural produce brought in the market area for commercial transaction or for processing the market fee shall be deposited by the buyer or processor as the case may be, in the Market Committee office within ⁷²[fourteen days] if the buyer or processor has not submitted the permit issued under sub-section (6) of Section 19.]

⁷³[(3) The market fees referred to in sub-section (1) shall not be levied on any notified agricultural produce,--

(i) in more than one market area, in the State; or

(ii) more than once in the same market area;

if it is resold,-

(a) in the case of (i) in the market other than the one in which it was brought for sale or bought or sold by an agriculturist or trader, as the case may be, for the first time and has suffered fee therein; or

(b) in the case of (ii), in the same market area;

⁶⁹ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-2-1979).

⁷⁰ Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁷¹ Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁷² Substituted by M.P. Act No. 11 of 1998 (w.e.f. 9-6-1998).

⁷³ Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

in the course of commercial transactions between the traders or to consumers⁷⁴[subject to furnishing of information in such form as may be prescribed in the bye-laws by the person concerned to the effect] that the notified agricultural produce being so re-sold has already suffered fee in the other market area of the State.]

⁷⁵[(4) If any notified agricultural produce is found to have been processed, re-sold or sold out of yard without payment of market fee payable on such produce the market fee shall be levied and recovered on five times the market value of the processed produce or value of the agricultural produce as the case may be.]

(5) The market functionaries, as the Market Committee may by bye-laws specify, shall maintain account relating to sale and purchase³[or processing] in such forms and submit to the Market Committee such periodical returns as may be prescribed.

⁷⁶[(6) No notified agricultural produce shall be removed out of the market yard, market proper or the market area as the case may be, except in accordance with a permit issued by the Market Committee, in such form and in such manner as may be prescribed by the bye-laws: Provided that if any person removes or transports the processed product of notified agricultural produce from the market yard, market proper or the market area, as the case may be, such person shall carry with him the bill or cash memorandum issued under Section 43 of the Madhya Pradesh Vanijyik Kar Adhiniyam, 1994 (No. 5 of 1995).]

(7) The Market Committee may levy and collect entrance fee on vehicles, plying on hire, which may enter into market yard at such rate as may be specified in the bye-laws.

Section 19A - [Omitted]

⁷⁷[x x x]

Section 19B - Default in payment of market fee-

⁷⁸[(1) Any person liable to pay market fee under this Act shall pay the same to the Market Committee within fourteen days of the purchase of the notified agricultural produce or its import into the market area for processing and in default he shall be liable to pay the market fee together with the interest at the rate of twenty four percent per annum.

(2) If the person liable to pay the market fee and the interest under sub-section (1) fails to pay the same within one month, such person shall not be allowed to enter into further transactions in that market area or any other market area and the market fee with interest shall be recovered as arrears of land revenue and the licence of such person shall be liable to be cancelled.]

⁷⁴ Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for the words "subject to furnishing of declaration in such form as may be prescribed by the person concerned to the effect."

⁷⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁷⁶ Substituted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003).

⁷⁷ Omitted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

⁷⁸ Substituted by M.P. Act No. 11 of 1998 (w.e.f. 9-6-1998).

Section 20 - Power to order production of accounts and powers of entry, inspection and seizure-

(1) ⁷⁹[The Secretary of the Market Committee or any officer or servant of the State Government or the Board] empowered by the State Government in this behalf, may, for purposes of this Act, require any person carrying on business in any kind of notified agricultural produce to produce before him the accounts and other documents and to furnish any information relating to the stocks of such agricultural produce, or purchase, sale and delivery of such agricultural produce by such person and also to furnish any other information relating to payment of the market fees by such person.

(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 stocks of such agricultural produce or purchases, sales and deliveries of such agricultural produce in his possession and the offices, establishments, godowns, vessels or vehicles of such person shall be open to inspection at all reasonable times by such officers and servants of the Board or the Market Committee as may be authorised by the State Government in this behalf.

(3) If any such officer or servant has reason to suspect that any person is attempting to evade the payment of any market fee due from him under Section 19 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 bye-laws in force in the market areas, 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 a prosecution.

(4) For purposes 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 or for the time being kept accounts, registers or documents of his business, or stock of notified agricultural produce relating to his business.

(5) The provisions of Sections 102 and 103 of the Code of Criminal Procedure, 1973 (Act No. II of 1974), shall, so far as may be, apply to a search under sub-section (4).

(6) Where any books of account 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 account 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 matters, transactions and accounts purported to be therein recorded.

Section 21 - Best judgment assessment of fee-

⁸⁰[(1) Every Trader, ⁸¹[Processor, Manufacturer] or Commission Agent carrying on business of notified agricultural produce shall before the 30th April, every year submit to the Secretary a statement of purchase or sale of notified agricultural produce by or through him, in the prescribed manner, during the previous financial year ending on the 31st March.

⁷⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁸⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁸¹ Subs. For the word "Processor" by M.P. Act 7 of 2012 [27-1-2012]

- (2) Any person aggrieved by the proceeding of the Secretary, may within 30 days from the date of communication of notice to him, appeal to the Market Committee.
- (3) The State Government or any officer authorised by the State Government or the Board may, on its or his own motion or on an application made to the State Government ⁸²[re-verify, the statement verified by the Secretary, within two years from the date of verification] and for this purpose such officer shall exercise the powers under Section 20.
- (4) If any person required to produce accounts or furnish information under sub-section (1) of Section 20 fails to produce such accounts or to furnish information or knowingly furnishes incomplete or incorrect accounts or information or has not maintained proper accounts of the purchases, sales and delivery of the notified agricultural produce, the Secretary shall in the prescribed manner assess such person for fees levied under Section 19.
- (5) The re-verification of re-assessment made by the officers of the State Government or the Board empowered shall be final.]

Section 22 -Power to remove encroachment in market yard-

⁸³[Subject to such directions as the Market Committee may give in this behalf, the Secretary] shall have power to remove any encroachment in any open space in the market yard and the expenses of such removal shall be paid by the person who has caused the said encroachment and shall be recovered in the same manner as a sum due to Market Committee recoverable under Section 61.]

Section 23 - Power to stop vehicles-

⁸⁴[(1) At any time when so required,--

- ⁸⁵[(i) by any officer or servant of the Board or any Government Officer or servant so empowered by the Board or the Collector in this behalf in any market area, or;]
- (ii) by any member of the ⁸⁶[State Mandi Board Service] in the market area concerned;
- or
- (iii) by any officer or servant of the Market Committee empowered by the Market Committee in this behalf in the market area concerned, the driver or any other person incharge of any vehicle, vessel or other conveyance shall stop the vehicle, vessel or other conveyance, as the case may be, and keep it stationery as long as may reasonably be necessary and allow such persons 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, address and name and address of the owner of the notified agricultural produce carried in such vehicle, vessel or other conveyance.

⁸² Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for the words "revivify the statement verified by the Secretary."

⁸³ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁸⁴ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁸⁵ Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to substitution it read as under: "(i) by any officer or servant of the Board so empowered by the Board in this behalf in any market area, or"

⁸⁶ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

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

(3) If any person empowered under sub-section (1) has reason to suspect that any person is attempting to evade the payment of any market fee due from him under Section 19 or that any person has purchased or stored any notified agricultural produce in contravention of any of the provisions of this Act or the rules or the bye-laws in force in the market areas, he may enter or search any place of business, warehouse, office, establishment or godown where the person empowered under sub-section (1) has reason to believe that such person keeps or has for the time being kept stock of notified agricultural produce ⁸⁷[and may seize the stored agricultural produce and the agricultural produce so seized may be confiscated in favour of Market Committee, in such manner as may be prescribed for the purpose.]

⁸⁸[Provided that before confiscation of the agricultural produce the person concerned shall be given a reasonable opportunity of being heard.]

(4) The provisions of Sections 100, 457, 458 and 459 of the Code of Criminal Procedure, 1973 (No. 2 of 1974) shall, apply to entry, search and seizure under sub-sections (1), (2) and (3) as they apply in relation to the entry, search and seizure of property by police officer. Such seizure shall forthwith be reported by the person aforesaid to a Magistrate having jurisdiction to try the offence under this Act.

Section 24 - Power to borrow-

A Market Committee may, with the previous sanction of the ⁸⁹[Managing Director], borrow money from the Board or Bank or any other public financial institution, required for carrying out the purposes of this Act and nothing contained in sub-section (2) of Section 38 shall apply to the money so borrowed.]

Section 25 - Mode of making contracts-

(1) Subject to the provisions of this Act, no contract or agreement on behalf of the Market Committee for the purchase, sale, lease, mortgage or other transfer of, or acquisition of, interest in immovable property shall be executed on behalf of the Market Committee except with the sanction of the Market Committee.

(2) Save as provided in sub-section (1),--

(a) the Secretary of the Market Committee may execute contract or agreement on behalf of the Market Committee where the amount or value of such contract or agreement does not exceed rupees ⁹⁰[one thousand] regarding matters in respect of

⁸⁷ Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for the words "and may seize the stored agricultural produce".

⁸⁸ Inserted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001).

⁸⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁹⁰ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

- which he is generally or specially authorised to do so by a resolution of the Market Committee;
- (b) The Chairman and the Secretary of the Market Committee may jointly execute contract or agreement on behalf of the Market Committee where the amount or value of such contract or agreement does not exceed rupees ¹[five thousand];
- (c) in any case other than those referred to in clauses (a) and (b), a contract or agreement on behalf of the Market Committee shall be executed by the Chairman, the Secretary, and one other member of the Market Committee, who shall have been generally or specially authorised by a resolution of the Market Committee to do so.
- (3) Every contract entered into by the Market Committee shall be in writing and shall be signed on behalf of the Market Committee by the person or persons authorised to do so under sub-section (2).
- (4) No contract other than a contract executed as provided in sub-section (1), (2) or (3) shall be valid or binding on the Market Committee.
- (5) (a) Notwithstanding anything contained in the Registration Act, 1908 (No. 16 of 1908), it shall not be necessary for the Chairman or any Member or Officer or Secretary of a Market Committee to appear in person or by agent at any registration office in any proceeding connected with the registration of any instrument executed by him in his official capacity or to sign as provided in Section 58 of that Act.
- (b) Where any instrument is so executed, the Registration Officer to whom such instrument is presented for registration may, if he thinks fit, refer to such Chairman, Member, Officer or Secretary for furnishing information respecting the same and shall, on being satisfied of the execution thereof, register the instrument.
- (6) Where a contract or agreement is entered into on behalf of a Market Committee, the Secretary of the Market Committee shall report the fact to the Market Committee at its meeting convened and held immediately following the date of entering into of such contract or agreement.

[CHAPTER IVA – Budget]

Section 25A - Preparation and sanction of budget-

⁹¹[(1) The Managing Director shall classify the Market Committees in either A, B, C or D categories on the standard as may be prescribed. All the Market Committees shall prepare and pass their budget of income and expenditure for the ensuing year before first April every year in accordance with the guidelines prescribed by the Board:

Provided that budgets of Market Committees classified as A and B categories shall be passed by the Managing Director.]

⁹¹ Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to substitution it read as under: "(1) Every Market Committee shall prepare and pass the budget of its income and expenditure for the ensuing year before 1st April every year in the prescribed form and on the basis of the guidelines given by the Board : Provided that the budget of "A" and "B" Grade Market Committee shall be passed by the Managing Director."

(2) No expenditure shall be incurred by a Market Committee on any item, if there is no provision in the sanctioned budget there for, unless it can be met by re-appropriation from saving under any other head.

(3) A Market Committee may 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 were an original budget.

⁹²[(4) The Market Committee may sanction and cause to undertake execution of construction works out of its fund other than the permanent fund referred to in sub-section (6) on the basis of the plans and designs approved by the Market Committee, in such manner as may be prescribed by the Board.

(5) The construction works may be entrusted for execution to the Board or any Department or undertaking of the State Government authorised by the State Government for this purpose.]

⁹³[(6) The Market Committee shall make provision in its budget for crediting the amount into the permanent fund at the rate of twenty percent of its gross receipt comprising of license fee and market fee. No expenditure from the permanent fund shall be incurred except with the prior approval or as per direction given by the Director. No expenditure from this fund or from surplus amount as provided under sub-section (1) of Section 38 shall be proposed in the budget referred to in sub-section (1).]

CHAPTER V

⁹⁴[The State Mandi Board Service]

Section 26 - Constitution of State Mandi Board Service-

⁹⁵[(1) For the purpose of providing officers and employees to the Board and the Market Committees there shall be constituted, a service by the Board to be called the State Mandi Board Service.

(2) The Board shall make regulations in respect of recruitment, qualifications, appointment, promotion, scale of pay, leave, leave salary, acting allowance, loan, pension, gratuity, annuity, compassionate fund, provident fund, dismissal, removal, conduct, departmental enquiry, punishment, appeal and other service conditions of the members of the State Mandi Board Service.

(3) The salary, allowances, gratuity and other payments required to be made to the members of the State Mandi Board Service who are working under the control of the Market Committee shall be a charge on the Market Committee Fund.

(4) The officers and employees appointed or absorbed under any rules or regulations and belonging to the State Marketing Service, Board Service and the Nakedars (Assistant Sub-Inspector) of Market Committee Service immediately before the constitution of the State Mandi Board Service under sub-section (1) shall be treated as members of the State Mandi Board Service.

⁹² Substituted by M.P. Act No. 11 of 1998 (w.e.f. 9-6-1998).

⁹³ Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁹⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997)

⁹⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

Section 27 - Secretary and other officers

⁹⁶[(1) There shall be a Secretary and other officers for every Market Committee ⁹⁷[who shall be members of State Mandi Board Service or who are members of the services of the State Government or Government aided co-operative institutions or public sector undertakings whose services are obtained on deputation by the Board]:

Provided that an officer may be appointed for more than one Market Committee.

(2) The Secretary shall be the Principal Executive Officer of the Market Committee and all officers and employees posted in the Market Committees shall be subordinate to him.

(3) The Secretary shall be accountable to the Market Committee and shall be under the control of the Market Committee.]

Section 28 -

⁹⁸[X X X]

Section 29 -

⁹⁹[X X X]

Section 30 - Appointment of staff-

(1) Every Market Committee may appoint such other officers and servants as may be necessary and proper for the efficient discharge of its duties:

Provided that no post shall be created save with the prior sanction of the Director.

(2) The Market Committee may make bye-laws for regulating the appointment, pay, leave, leave allowances, pensions, gratuities, contribution to provident fund and other conditions of service of officers and servants appointed under sub-section (1) and for providing for the delegation of powers, duties and functions to them.

¹⁰⁰[(3) Notwithstanding anything contained in this Act or any rules or bye-laws made thereunder, the Director may, subject to the conditions specified in sub-section (4), transfer on deputation any officer or servant of any Market Committee carrying a maximum scale of pay exceeding rupees six hundred to any other Market Committee of the Revenue Division and it shall not be necessary for the ¹[Managing Director] to consult either the Market Committee or the officer or servant concerned before passing an order of transfer on deputation under this sub-section.

⁹⁶ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

⁹⁷ Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001), for the words "who shall be members of the State Mandi Board Service".

⁹⁸ Omitted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

⁹⁹ Omitted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁰⁰ Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

- (4) The officer or servant concerned transferred under sub-section (3) shall,--
- (a) have his lien on the post held in the parent Market Committee;
 - (b) not be put to disadvantageous position in respect of pay and allowances which he would have been entitled to, had he continued in the parent Market Committee;
 - (c) be entitled to deputation allowance at such rate as the Director may by general or special order, specify; and
 - (d) be governed by such other terms and conditions including disciplinary control as the Director may, by general or special orders, specify.]

CHAPTER VI

Regulation of Trading

Section 31 -Regulation of persons operating in market area-

No person shall, in respect of any notified agricultural produce, operate in the market area as commission agent, trader, broker, weighman, hammad, surveyor, warehouseman, owner or occupier of processing or ¹⁰¹[manufacturing] factories or such other market functionary except in accordance with the provisions of this Act and the rules and bye-laws made there under.

Section 32 - Power to grant licences-

(1) Every person specified in Section 31 who desires to operate in the market area shall apply to the Market Committee for grant of a licence or renewal thereof in such manner and within such period as may be prescribed by bye-laws.

(2) Every such application shall be accompanied by such fee as the ¹⁰²[Managing Director] may, subject to the limits prescribed, specify in this behalf.

(3) The Market Committee may grant or renew the license or for reasons to be recorded in writing refuse to grant or review the license:

¹⁰³[Provided that if the Market Committee fails to grant or renew a license within a period of six weeks from the date of receipt of application therefor the license shall be deemed to have been granted or renewed, as the case may be :

¹⁰⁴[Provided further that the license shall not be renewed, if any Mandi Committee dues including dues under the Madhya Pradesh Nirashriton Avam Nirdhan Vyaktion Ki Sahayata Adhinyam, 1970 are outstanding against the applicant :

Provided also that no license shall be granted to a minor.]

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

¹⁰⁵[(5) No commission agent or a broker or both shall act in any transaction between the agriculturist-seller or trader-purchaser, on behalf of an agriculturist-seller nor shall he deduct

¹⁰¹ Subs. for the word "pressing" by M.P. Act No.7 of 2012 (27-1-2012]

¹⁰² Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁰³ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁰⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁰⁵ Inserted by M.P. Act No. 26 of 1987 (w.e.f. 1-6-1987).

any amount towards commission or dalali from the sale proceeds payable to the agriculturist-seller.]

Section 32A - Licence for more than one market area-

¹⁰⁶[(1) Every person specified in Section 31 who desires to operate in more than one market areas, shall apply to such authority/officer notified by the State Government for grant of a licence or renewal thereof in such manner and within such period and on such condition as may be prescribed in the rules.

(2) The authority/officer notified by the State Government may grant or renew the licence or for reasons to be recorded in writing, refuse to grant or renew the licence.

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

Section 33 - Power to cancel or suspend licences-

(1) Subject to the provisions of sub-section (4) a Market Committee may, for reasons to be recorded in writing, suspend or cancel a licence--

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

(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 licence holders commits any act or abstains from carrying on his normal business in the market area with the intention of wilfully obstructing, suspending or stopping the marketing of notified agricultural produce in the market yard/yards and in consequence whereof the marketing of any produce has been obstructed, suspended or stopped;

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

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

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

(2) Subject to the provisions of sub-section (4), the Chairman may, for reasons to be recorded in writing, suspend a licence for a period not exceeding one month for any reason for which a Market Committee may suspend a licence under sub-section (1) :

Provided that such order shall cease to have effect on expiry of a period of ¹⁰⁷[ten days] from the date on which it is made, unless confirmed by the Market Committee before such expiration.

(3) Notwithstanding anything contained in sub-section (1) but subject to the provision of sub-section (4), the ¹⁰⁸[Managing Director] 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 notice to the Market Committee.

¹⁰⁶ Inserted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003).

¹⁰⁷ Substituted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003), for "seven days."

¹⁰⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

(4) No licence shall be suspended or cancelled under this section without giving an opportunity to show cause against such suspension or cancellation.

Section 34 – Appeal-

(1) Any person aggrieved by an order of the Chairman, Market Committee or the ¹⁰⁹[Managing Director] passed under ²[Section 32 or Section 33 as the case may be] prefer an appeal,--

- (a) to the Market Committee, where such order is passed by the Chairman;
 - (b) to the ¹¹⁰[Managing Director] where such order is passed by the Market Committee; and
 - (c) to the ¹¹¹[Commissioner] where such order is passed by the ¹¹²[Managing Director].
- (2) An appeal under sub-section (1) shall be made,--
- (i) within seven days from the date of receipt of the order, where such appeal is against the order of the Chairman; and
 - (ii) within thirty days from the date of receipt of the order where such appeal is against the order of the Market Committee or the ¹¹³[Managing Director]; in such manner as may be prescribed ¹¹⁴[x x x].
- (3) The Appellate Authority may if it considers it necessary so to do, grant a stay of the order appealed against for such period as it may deem fit.
- (4) The order passed by the Chairman, the Market Committee and the Director shall, subject to the order in appeal under this section, be final and shall not be called in question in any court of law.

Section 35 - Prohibition of trade allowances other than those prescribed under this Act-

- (1) No trade allowance, other than an 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 proceeding arising out of any such transaction, have regard to any trade allowance not so prescribed.
- (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.

Section 36 -Sale of notified agricultural produce in markets-

¹¹⁵[(1) All notified agricultural produce brought into the market proper for sale shall, subject to the provisions of sub-section (2), be sold in the market yard /yards specified for such produce or at such other place as provided in the bye-laws :]

¹⁰⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹¹⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹¹¹ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹¹² Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹¹³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹¹⁴ Omitted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹¹⁶[Provided that it shall not be necessary to bring agricultural produce under contract farming, in the market yard and it shall be sold at any other place to the person agreed to purchase the same under agreement.]

(2) Such notified agricultural produce as may be purchased by the licensed traders from outside the market area in the course of commercial transaction may be brought and sold any where in marker area in accordance with the provisions of the bye-laws.

(3) The price of the notified agricultural produce brought into the market yard for sale shall be settled by tender bid or open auction system and no deduction shall be made from the agreed price on any account whatsoever:

¹¹⁷[Provided that in the market yard the price of such notified agricultural produce of which support price has been declared by the State Government, shall not be settled below the price so declared and no bid shall be permitted to start, in the market yard, below the rate so fixed.]

¹¹⁸[(4) ¹¹⁹[Weighment or measurement of all the notified agricultural produce so purchased shall be done by such person and by such procedure as may be provided in the bye-laws] or any other place specified by the Market Committee for the purpose:

Provided that the weighment, measurement or counting as the case may be, of Plantain, Papaya or any other perishable agricultural produce as may be specified by the State Government, by notification, shall be done by a licensed weighman in the place where such produce has been grown.]

Section 37 - Conditions of buying and selling-

(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. One copy of the agreement shall be kept by the buyer, one copy shall be supplied to the seller and the remaining copy shall be kept in the record of the Market Committee.

¹²⁰[(2) (a) The price of the agricultural produce bought in the market yard shall be paid on the same day to the seller at the market yard;

(b) In the case purchaser does not make payment under clause (a), he shall be liable to make additional payment at the rate of one percent per day of the total price of the agricultural produce payable to the seller within five days;

¹¹⁵ Substituted by MP. Act No. 9 of 2002 (w.e.f. 20-6-2002). Prior to substitution it read as under : "(1) All notified agricultural produce brought into the market proper for sale shall be brought into the market yard/yards specified for such produce and shall not, subject to the provisions of sub-section (2), be sold at any other place outside such yard."

¹¹⁶ Inserted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003).

¹¹⁷ Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

¹¹⁸ Substituted by MP. Act No. 9 of 2002 (w.e.f. 20-6-2002). Prior to substitution it read as under : "(1) All notified agricultural produce brought into the market proper for sale shall be brought into the market yard/yards specified for such produce and shall not, subject to the provisions of sub-section (2), be sold at any other place outside such yard."

¹¹⁹ Substituted by M.P. Act No. 31 of 2000 (w.e.f. 5-2-2001), for the words "Weighment or measurement of all the notified agricultural produce so purchased shall be done by a weighman in the market yard"

¹²⁰ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

(c) In case the purchaser does not make payment with additional payment to the seller under clauses (a) and (b) above within five days from the day of such purchase, his licence shall be deemed to have been cancelled on the sixth day and he or his relative shall not be granted any licence under this Act for a period of one year from the date of such cancellation.

Explanation.--For the purpose of this clause "relative" means the relative as specified in the explanation in clause (a) of sub-section (1) of Section 11.]

(3) No wholesale transaction of notified agricultural produce shall be entered into directly by licensed traders with producers of such produce ¹²¹[except in the market yards or such other place as provided in the bye-laws.]

(4) The Commission Agent shall recover his commission only from his principal ¹²²[trader] at such rates as may be specified in the bye-laws including all such expenses as may be incurred by him in storage of the produce and other services rendered by him.

(5) Every Commission Agent shall be liable,--

(a) to keep the goods of his principal in safe custody without any charge other than the commission payable to him; and

(b) to pay the principal, as soon as the goods are sold, the price thereof, irrespective of whether he has or has not received the price from the buyer of such goods.

Section 37A - Regulation of marketing of notified agricultural produce under contract farming-

¹²³[(1) The contract farming shall be performed only under a written agreement between producer and buyer of produce of contract farming in such manner and in accordance with such procedure as may be prescribed in the bye-laws. The agreement to be executed for contract farming shall be in such form containing such particulars, terms and conditions as may be prescribed by bye-laws.

Explanation.--For the purpose of this section "producer and buyer" means the person who respectively produce and buy agricultural produce under a written agreement of contract farming.

(2) The buyer shall submit an application for registration of the written agreement of contract farming to the Market Committee. The Market Committee shall register it in such manner and on such terms and conditions as may be prescribed by the bye-laws.

(3) If any dispute arises between the parties in respect of provisions of the agreement, the either party may submit an application to the Chairman of Market Committee to arbitrate upon the disputes. The Chairman of the Market Committee shall resolve the dispute after giving the parties a reasonable opportunity of being heard.

(4) The party aggrieved by the decision of the Chairman of the Market Committee under sub-section (3) may prefer an appeal to the Managing Director or the Officer authorised by him in this behalf within thirty days from the date of decision. The Managing Director or the Officer authorised by him shall dispose of the appeal after giving the parties a reasonable opportunity

¹²¹ Substituted by M.P. Act No. 9 of 2002, for the words "except in the market yards" (w.e.f. 20-6-2002).

¹²² Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

¹²³ Inserted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003).

of being heard and the decision of the Managing Director or the Officer authorised by him shall be final.

(5) The agricultural produce produced under contract farming shall be sold to the buyer out of the market yard as may be prescribed by the bye-laws. The market fees shall be payable by the buyer of agricultural produce at the rates prescribed under Section 19, in such manner as may be prescribed by the bye-laws.]

CHAPTER VII

Market Committee Fund

Section 38 - Market Committee Fund-

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

Provided that all such sums of money received by the Market Committee as security deposit, contributions to Provident Fund or for payment in respect of any notified agricultural produce, or charges payable to weighman, hammad and other functionaries shall not form part of Market Committee Fund but shall be accounted for separately.

(2) All moneys in the Market Committee Fund and other sums specified in sub-section (1) shall be deposited in a Co-operative Bank or if such Bank does not exist at the headquarters of the Market Committee, in Post Office Savings Bank or any Bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (No. 5 of 1970), as a corresponding new bank.

Section 39 - Application of Market Committee Fund-

Subject to the provisions of Section 38, the Market Committee Fund may be expended for the following purposes only, namely,--

- (i) the acquisition of a site or sites for the market yards;
- (ii) the maintenance and improvement of the market yards;
- (iii) the construction and repairs of buildings necessary for the purposes of the market and for convenience or safety of the persons using the market yard;
- (iv) the maintenance of standard weights and measures;
- (v) the meeting of establishment charges including payments and contributions towards provident fund, pension and gratuity of the officers and servants employed by a Market Committee;
- (vi) 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;
- (vii) the collection and dissemination of information relating to crops statistics and marketing of agricultural produce;
- (viii) (a) the expenses incurred in auditing the accounts of the Market Committee;
- (b) payment of honorarium to Chairman, travelling allowance of Chairman, Vice-Chairman and other members of the Market Committee and sitting fees payable to member for attending the meeting;

- (c) contribution to State Marketing Development Fund;
- (d) meeting any expenditure for carrying out order of the State Government and any other work entrusted to Market Committee under any other Act;
- (e) contribution to any scheme for increasing agricultural production and scientific storage;
- ¹²⁴[(f) for development of market area in the manner prescribed;]
- ¹²⁵[(g) to educate or promote and undertake sale of agricultural inputs, for increasing production, with the prior sanction of the Managing Director;
- (gg) to undertake development of Haat Bazars for marketing of agricultural produce;]
- ¹²⁶[(h) payment of expenses on elections under this Act;]
- (ix) any other purpose whereon the expenditure of the Market Committee Fund is in the public interest, subject to the prior sanction of the State Government.

CHAPTER VIII

Madhya Pradesh State Agricultural Marketing Board

Section 40 - Madhya Pradesh State Agricultural Marketing Board-

- (1) With effect from such date as the State Government may, by notification, appoint in this behalf, there shall be established for the State of Madhya Pradesh a Board called the Madhya Pradesh State 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, lease, sell or otherwise transfer any property and to contract and to do all other things necessary for the purposes of this Act.

Section 40A - Power of State Government to give direction-

- ¹²⁷[(1) The State Government may give directions to the Board and Mandi Committees.
- (2) The Board and the Mandi Committees shall be bound to comply with directions issued by the State Government under sub-section (1).]

Section 41 - Constitution of Board-

- ¹²⁸[(1) The State Government shall constitute the Board which shall consist of the President and the following members, namely:--

A. Ex-officio Members

- (a) Minister having the charge of Agriculture, Madhya Pradesh;
- (b) Secretary/Special Secretary to the Government of Madhya Pradesh, Agriculture Department;

¹²⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹²⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹²⁶ Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹²⁷ Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹²⁸ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

- (c) Registrar, Co-operative Societies, Madhya Pradesh;
- (d) Managing Director of Agriculture, Madhya Pradesh;
- (e) Managing Director appointed under clause (f) of sub-section (1) of Section 2.

B.--Members Nominated by the State Government

- (f) Two members of the Madhya Pradesh Legislative Assembly nominated in consultation with the Speaker of the Legislative Assembly;
- (g) Ten Chairmen of Market Committees of which not more than one shall be from each Revenue Commissioner's Division;
- (h) Two representatives of traders holding licence in any Market Committee within the State;
- (i) Chairman or Managing Director of the Madhya Pradesh State Co-operative Marketing Federation of the Madhya Pradesh State Commodities Trading Corporation;
- ¹²⁹[(j) Two experts in the field of marketing of agricultural produce.]
- ¹³⁰[(k) One representative of weighmen and hammals holding license as a wighman or hammal in any maeket committee within the State for a period of two successive years:

Provided that in case of market committee established for the first time under section 10, the qualifying period of holding license from such market committee shall be six months.]

(2) The Minister having the charge of Agriculture, Madhya Pradesh shall be the President of the Board and Vice-President thereof shall be nominated by the State Government from the members other than ex-officio members referred to in sub-section (1).

¹³¹[(3) If any casual vacancy occurs in the office of the President the State Government shall make interim arrangement.]

Section 42 -Term of Office of Vice-President and Members-

¹³²[(1) Save as otherwise provided by or under this Act, the Vice-President or a member of Board other than ex-officio member, shall hold office for a term of three years from the date of his nomination :

Provided that the Vice-President or a member shall, notwithstanding the expiration of his term, continue to hold office until his successor enter upon his office.

(2) The term of office of a member of the Board shall come to an end as soon as he ceases to hold the office by virtue of which he was nominated.

(3) The State Government may if it thinks fit remove any member of the Board before the expiry of his term of office, after giving him a reasonable opportunity of showing cause against the same.

Section 42A - Resignation of Vice-President or Member-

¹²⁹ Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹³⁰ Cl. (k) Added by M.P. Act No. 25 of 2010 [w.e.f. 16-9-2010]

¹³¹ Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹³² Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

(1) A person holding office of the Vice-President or Member may resign his office at any time in writing addressed to the Secretary to the Government of Madhya Pradesh, Agriculture Department, and his office shall become vacant on the expiry of fifteen clear days from the date of such resignation, unless within the said period of fifteen days he withdraws his resignation in writing.

(2) In the event of death or resignation or disqualification or removal of Vice-President or any Member of the Board before the expiry of his term of office a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled, as soon as may be, by nomination by the State Government. The person so nominated shall hold such office for the un-expired term of his predecessor.

Section 42B - Allowances to members of the Board

The members of the Board other than ex-officio member shall be paid from the Madhya Pradesh State Marketing Development Fund such sitting fees and allowances for attending its meetings and for attending to any other work as may be fixed by the State Government from time to time.

Section 42C - Disqualification of member of the Board-

No person shall be a member of the Board who,--

- (a) is, or at any time has been, adjudged insolvent; or
- (b) is, or has been convicted of an offence which, in the opinion of the State Government involves moral turpitude; or
- (c) is of unsound mind and stands so declared by the competent Court; or
- (d) is a ¹³³[Managing Director] or a Secretary, Manager or other salaried officer or employee of any company or firm having any contract with the Board or a Market Committee; or
- (e) is, or at any time been, found guilty under Section 58; or
- (f) has so abused, in the opinion of the State Government, his position as a member, as to render his continuance on the Board detrimental to the interest of the general public.

Section 42D - Appointment of Managing Director and other officers and employees of the Board-

¹³⁴[(1) The Board shall have a Managing Director who shall be appointed by the State Government.

(2) The Managing Director appointed under sub-section (1) shall also function as the ex-officio Secretary of the Board.

(3) The Board may appoint other officers and employees as may be necessary for the efficient discharge of its duties and functions under the Act.

(4) The superintendence and control over all the officers and employees of the Board shall vest in the Managing Director.]

Section 42E - Appointment of sub-committees-

¹³³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹³⁴ Substituted by *ibid*.

The Board may appoint subcommittees consisting of three or more of its members which shall include President or Vice-President and the ¹³⁵[Managing Director], for the performance of any of its duties or functions or for giving advice on any matter incidental thereto and may delegate to such sub-committee any of its duties or functions as may be deemed necessary]

Section 43 - State Marketing Development Fund-

¹³⁶[(1) Every Market Committee shall pay on the 10th day of every month to the Board at such percentage of its gross receipts comprising of licence fees and market fees as the State Government may, by notification, declare from time to time. The amount so paid and collected shall be called "Madhya Pradesh State Marketing Development Fund".]

(2) All expenditures incurred by the Board, according to the budget sanctioned by it, shall be defrayed out of the said fund.

¹³⁷[(3) The annual accounts and balance sheet of the Board shall be prepared by ³[the Managing Director] and all moneys accruing to or received by the Board from whatever source and all amounts disbursed or paid shall be entered in the accounts.

(4) The accounts of the Board shall be audited by the ¹³⁸[Managing Director,] Local Fund Audit, Madhya Pradesh.

(5) At the time of audit ¹³⁹[the Managing Director] shall cause to be produced all accounts, registers, documents and other relevant papers which may be called for by the audit officer for the purposes of the audit. Any explanation called for by such officer for the removal of any discrepancy shall be immediately furnished to him.

(6) The accounts when audited shall be printed. The copies of accounts and audit report with comments thereon shall be placed before the Board. The audit report with comments of the Board shall be submitted to the State Government.

(7) All moneys received into the Madhya Pradesh State Marketing Development Fund shall be deposited in a Co-operative Bank or if such bank does not exist at the headquarter of the Board in Post Office Savings Bank or any Bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (No. 5 of 1970), as a corresponding new Bank.]

Section 44 - Purposes for which Madhya Pradesh State Marketing Development Fund shall be expended-

The Madhya Pradesh State Marketing Development Fund shall be utilised by the Board for the following purposes, namely,--

¹³⁵ Substituted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹³⁶ Substituted by MP. Act No. 21 of 2000 (w.e.f. 5-2-2000). Prior to substitution it read as under : "(1) Every Market Committee shall pay every three months to the Board such percentage, not exceeding fifty percent, of its gross receipts comprising of licence fees and market fees as the State Government may, by notification, declare, from time to time. The amount so paid and collected shall be called "Madhya Pradesh State Marketing Development Fund"."

¹³⁷ Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹³⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹³⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

- (i) market survey and research, grading and standardization of agricultural produce and other allied subjects;
- (ii) propaganda and publicity and extension services on the matters relating to general improvement of conditions of buying and selling of agricultural produces;
- ¹⁴⁰[(iii) ¹⁴¹[(a) construction of minimum infrastructure as prescribed by the Board in the market yard or sub-market yard established for the first time and for giving grant to the extent of two lakh rupees to defray the establishment expenses;]
- (b) giving aid to financially weak Market Committees ¹⁴²[x x x] the State in the form of loans and or grants;
- (c) loans to any Market Committee for development of market yard and/or sub-market yard, construction of cold storage, godown or warehouses, distribution of plant protection equipments and other purpose as may be considered desirable;]
- ¹⁴³[(iv) acquisition or constructions or hiring by lease or otherwise of buildings or land for performing the duties of the Board;
- (v) payment of salary, leave allowance, gratuity, other allowances, loans and advances and provident fund to the officers and servants employed by the Board and pension and other contribution to the Government servants on deputation.]
- (vi) travelling and other allowances to the members of the Board;
- (vii) better control of Market Committee;
- (viii) meeting any legal expenses incurred by the Board;
- (ix) imparting education in regulated marketing of agricultural produce;
- ¹⁴⁴[(x) training the agriculturists, officers and staff of the Market Committees;]
- ¹⁴⁵[(x-a) provision of technical assistance to the Market Committees in the preparation of site plans and estimates of construction and in the preparation of project reports or master plans for development of market yard;
- (x-b) internal audit of the Board and the Market Committees;]
- ¹⁴⁶[(x-c) marketing the sale of agricultural inputs for increasing agricultural production in the market areas;
- (x-d) development of Haat Bazars for marketing of agricultural produce and construction of infrastructure for facilitating the flow of notified agricultural produce in the market area;
- (x-e) payment of expenses of election of financially weak Market Committees under this Act;]
- ¹⁴⁷[(x-f) investment of surplus funds in the share capital of companies in the co-operative sector which are engaged in agricultural processing industries and use

¹⁴⁰ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

¹⁴¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁴² Omitted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁴³ Substituted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁴⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁴⁵ Inserted by MP. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁴⁶ Inserted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁴⁷ Inserted by MP. Act No. 11 of 1998 (w.e.f. 9-6-1998).

proven technology and whose projects are shown to be bankable and economically viable, with the prior sanction of the State Government;]

¹⁴⁸[(x-g) development of testing and communication infrastructure relevant to agriculture and allied sectors.]

(xi) any other purposes of general interest to regulate marketing of agricultural produce.

Section 45 - Power of Board to borrow-

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

(i) from any other agency; or

(ii) issue debentures on the authority of any property vested in it or on the security of a part of its future income accruing to it under this Act, or the rules made thereunder.

Section 46 - Duties and functions of Board-

The Board shall,--

(a) as far as possible carry out the functions specified in Section 45 on which the fund of the Board may be expended;

(b) advise on all matters referred to it by the State Government;

(c) exercise such powers of the State Government under this Act and rules made thereunder as may be delegated to the Board;

(d) advise the State Government from time to time of its own accord on the following matters :

(i) principles to be followed in fixation of price of agricultural produce;

(ii) steps to be taken for managing the markets efficiently;

(iii) manner in which the data relating to arrivals and dispatches of agricultural produce should be compiled and maintained and disseminated;

(iv) amendment in this Act, and the rules made thereunder;

(v) in any matter necessary for implementing the provisions of this Act.

¹⁴⁹[(e) cause to be implemented the provisions of this Act and the rules and bye-laws framed thereunder; and

(f) exercise supervision and control over the agriculture Market Committee.]

Section 47 - Powers of President and Vice-President of the Board-

The President and Vice-President of the Board shall exercise such powers as may be prescribed.

CHAPTER IX

Penalty

Section 48 - Penalty for contravention of Section 6 or Section 30-

¹⁴⁸ Inserted by MP. Act No. 21 of 2000 (w.e.f. 5-2-2001).

¹⁴⁹ Inserted by MP. Act No. 27 of 1997 (w.e.f. 15-6-1997).

Whoever contravenes the provisions of clause (b) of Section 6¹⁵⁰[or Section 31, sub-section (2) of Section 37] shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees, or with both; and in the case of a continuing contravention, with a further fine which may in case of contravention of clause (b) of Section 6 extend to one hundred rupees and in the case of¹⁵¹[contravention of Section 31 or sub-section (2) of Section 37] to fifty rupees per day during which the contravention is continued after the first conviction :

Provided that in absence of special and adequate reasons to the contrary mentioned in the judgment 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.

Section 49 - Penalty for contravention of other sections-

(1) Whoever in contravention of the provisions of Section 35 makes or recovers any unauthorised trade allowance shall on conviction, be punished with imprisonment which may extend to three months, or with fine which may extend to two hundred rupees or with both and in case of subsequent contravention with imprisonment which may extend to six months or with fine which may extend to five hundred rupees or with both.

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

(3) Whoever obstructs any officer in carrying out the inspection of accounts or holding an enquiry into affairs of a Market Committee or fails to obey any order issued under clause (d) of sub-section (1) of Section 54 shall, on conviction, be punished with fine which may extend to two hundred rupees for every day during which the offence continues.

(4) If any officer, servant or member of a Market Committee, when required to furnish information in regard to the affairs or proceedings of a Market Committee under clause (a) of sub-section (1) of Section 54,--

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

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

(5) Whoever in contravention of the provisions of sub-section (3) of Section 54 obstructs any authorised persons in seizing or taking possession of any books, records, funds or property of the Market Committee or fails to give delivery thereof to such person, shall, on conviction, be punished with fine which may extend to two hundred rupees.

(6) 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 towards remuneration to any weighman or hammal, 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 case of continuing offence with a further fine which may extend to one

¹⁵⁰ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁵¹ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

hundred rupees for every day during which such offence is continued after conviction therefor.

(7) Whoever contravenes any provision of this Act or any rules or bye-laws made thereunder shall, if no other penalty is provided for the offence, be punished with fine which may extend to two hundred rupees.

Section 50 - Powers of Market Committee and Chairman to impose penalties-

(1) A Market Committee and the Chairman thereof may impose the penalties of censure or of fine on any licensed market functionary or seller for contravention of any bye-law:

Provided that the Market Committee shall not be competent to impose fine exceeding two thousand] rupees and the Chairman shall not be competent to impose fine exceeding ¹⁵²[Five hundred] rupees:

Provided further that no penalty shall be imposed under this section without giving the person concerned a reasonable opportunity of being heard.¹⁵³

(2) Any person aggrieved by an order made under sub-section (1) may prefer an appeal against such order to the ¹⁵⁴[Managing Director] within fifteen days from the date of receipt of order by such person and the decision of the ¹⁵⁵[Managing Director] thereon shall be final.

Section 51 - Recovery of market dues-

¹⁵⁶[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 and pay over to the Market Committee the amount of fees or any other amount due from him under this Act or rules or bye-laws made thereunder and may, in his discretion, also recover and pay over to the Market Committee costs of the prosecution.]

Section 52 - Cognizance of offences-

(1) No Court inferior to that of a Magistrate of the second class shall try any offence under this Act or any Rules or Bye-laws made thereunder.

¹⁵⁷[(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 complaint made by the Collector or the Chairman, Vice-Chairman or Secretary of the Market Committee or of any person duly authorised by the Market Committee in this behalf.]

Section 53 - Composition of offences-

¹⁵⁸[(1) A Market Committee or its subcommittee may accept from any person who is alleged to have committed an offence punishable under this Act or Rules or Bye-laws made

¹⁵² Substituted by MP. Act No. 28 of 2001 (w.e.f. 27-12-2001), for "one hundred".

¹⁵³ Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for "twenty".

¹⁵⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁵⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁵⁶ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁵⁷ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁵⁸ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

thereunder in addition to the fees or other amount so recoverable, a sum of money not exceeding rupees ¹⁵⁹[Five thousand] by way of composition for such offence.

(2) On composition of any offence under sub-section (1), no proceedings shall be taken or continued against the person concerned in respect of such offence and if any proceedings in respect of the offence have already been instituted against him in any Court the composition shall have the effect of his acquittal.]

CHAPTER X Control

Section 54 - Inspection of markets and inquiry into affairs of Market Committee-

(1) The ¹⁶⁰[Managing Director] may,--

- (a) inspect or cause to be inspected the accounts and offices of the Market Committee;
- (b) hold inquiry into the affairs of a Market Committee;
- (c) call for from a Market Committee return, statement, accounts or reports which he may think fit to require such committee to furnish;
- (d) require a Market Committee to take into consideration--
 - (i) any objection on the ground of illegality, inexpediency or impropriety which appears to him to exist to the doing of anything which is about to be done or is being done by or on behalf of such committee; or
 - (ii) any information he is able to furnish and which appears to him to necessitate the doing of a certain thing by such committee.
- (e) direct that anything which is about to be done or is being done should not be done, pending consideration of the reply, and anything which should be done but is not being done should be done within such time as he may direct.

(2) When the affairs of a Market Committee are investigated under this section or the proceeding of any Market Committee are examined by the State Government under Section 59, the Chairman, Vice-Chairman, Secretary and all other officers, and servants and members of such committee shall furnish such information in their possession in regard to the affairs or proceeding of the Market Committee as the State Government, the ¹⁶¹[Managing Director], or the Officer authorised, as the case may be, may require.

(3) An officer investigating the affairs of a Market Committee under sub-section (1) or the State Government examining the proceeding of any Market Committee under Section 59 shall have the power to summon and enforce the attendance of officers or members of the Market Committee and to compel them to give evidence and to produce documents by the same means and as far as possible in the same manner as is provided in the case of a Civil Court by the Code of Civil Procedure, 1908 (No. 5 of 1908).

(4) Where the ¹⁶²[Managing Director] has reason to believe that the books and records of a Market Committee are likely to be tampered with or destroyed or the funds or property of a

¹⁵⁹ Substituted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001), for "five hundred".

¹⁶⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁶¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁶² Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

Market Committee are likely to be misappropriated or misapplied, the ¹⁶³[Managing Director] may issue orders directing a person duly authorised by him in writing to seize and take possession of such books and records, funds and property of the Market Committee and the officer or officers of the Market Committee responsible for the custody of such books, records, funds and property, shall give delivery thereof to the person so authorised.

Section 55 - Removal of Member, Chairman and Vice-Chairman of Market Committee-

¹⁶⁴[(1) The ¹⁶⁵[Managing Director] may on his own motion or on a resolution passed by a majority of two-third of the members constituting the Market Committee for the time being remove any member of the Market Committee for misconduct or neglect of or incapacity to perform his duty and on such removal he shall not be re-elected or re-nominated as a member of the Market Committee for a period of six years from the date of such removal:

Provided that no order of such removal shall be passed unless such member has been given a reasonable opportunity of showing cause why such order should not be passed.]

(2) The ¹⁶⁶[Managing Director] may remove any Chairman or Vice-Chairman of a Market Committee from his office, for misconduct, or neglect of or incapacity to perform his duty or for being persistently remiss in the discharge of his duties and on such removal the Chairman or Vice-Chairman, as the case may be, shall not be eligible for re-election as Chairman or Vice-Chairman during the remainder of his term of office as member of Market Committee:

Provided that no order of removal shall be passed unless the Chairman or Vice-Chairman, as the case may be, has been given a reasonable opportunity of showing cause why such order should not be passed.

¹⁶⁷[(3) The State Government may suspend, any member or Chairman or Vice-Chairman of a Market Committee, who has been served with the notice under sub-section (1) or sub-section (2) as the case may be, and against whom any complaints have been received or who commits irregularities after the service of such notice, for period from the date of receipt of complaint or the date of noticing of irregularities by the ¹⁶⁸[Managing Director] till the final decision is taken in his case.]

Section 56 - Supersession of Market Committee-

¹⁶⁹[(1) If in the opinion of the ¹⁷⁰[Managing Director], a Market Committee is not competent to perform or persistently makes default in performing the duties imposed on it by or under this Act or abuses its power the ¹⁷¹[Managing Director] may, by an order in writing supersede

¹⁶³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁶⁴ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁶⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁶⁶ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁶⁷ Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

¹⁶⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁶⁹ Substituted by M.P. Act No. 11 of 1985 (w.e.f. 12-6-1985).

¹⁷⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁷¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

such Committee for a period not exceeding one year and on expiry of first six months of the period of supersession, action to hold the elections for the constitution of Market Committee shall be started and the period of supersession shall be deemed to expire on the date of first general meeting of the Market Committee so constituted :

Provided that before passing an order of supersession under this subsection the ¹⁷²[Managing Director] shall give a reasonable opportunity to the Market Committee for showing cause against the proposal and shall consider the explanations and objections, if any, of the Market Committee:

Provided further that where the new Market Committee could not be constituted within one year of its supersession, the State Government may, in special circumstances, extend the period of supersession which shall not, in any case, exceed beyond the term of the Market Committee specified in ¹⁷³[sub-section (2) of Section 13]

¹⁷⁴[(2) Upon the passing of an order under sub-section (1) superseding a Market Committee, the following consequences shall ensue, namely,--

(a) All the members as well as the Chairman and Vice-Chairman of the Market Committee shall, as from the date of such order, be deemed to have vacated their offices;

(b) All the assets vested in the Market Committee shall, subject to all the liabilities, vest in the State Government.]

¹⁷⁵[(3) When a Market Committee has been superseded the ¹⁷⁶[Managing Director] may, by an order, appoint a person to be called the Officer-in-Charge, to carry out the functions and exercise the powers of the Market Committee and transfer to such Officer-in-Charge the assets and liabilities of the superseded Market Committee as on the date of such transfer :

Provided that in the event of death or resignation or leave or suspension of the Officer-in-Charge, a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled in, as soon as may be, by appointment of a person thereto by the ¹⁷⁷[Managing Director] and until such appointment is made a person nominated by the Collector shall act as Officer-in-Charge.

(4) Any Officer-in-Charge appointed under sub-section (3) may at any time be removed by the ¹⁷⁸[Managing Director], who shall have power to appoint another person in his place.

(5) Any person appointed Officer-in-Charge under sub-section (3) shall receive from the Market Committee Fund for his services such pay and allowances as may be fixed by the ¹⁷⁹[Managing Director].

¹⁷² Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁷³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁷⁴ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁷⁵ Substituted by M.P. Act No. 8 of 1994 (w.e.f. 16-1-1994).

¹⁷⁶ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁷⁷ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁷⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁷⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

(6) At any time before the expiry of the period of supersession, the State Government may constitute a new committee under Section 11 and transfer thereto the assets and liabilities of the superseded committee as on the date of such transfer.

¹⁸⁰[(7) The Officer-in-Charge shall cease to hold office on the date appointed for the first meeting of the Market Committee as reconstituted.]

Section 57 - Consequences of dissolution under Section ¹⁸¹[13]-

¹⁸²[(1) Where a Market Committee stands dissolved under ¹⁸³[proviso to sub-section (2) of Section 13], the following consequences shall ensue, namely,--

(a) all the members as well as the Chairman and Vice-Chairman of the Market Committee shall, as from the date of dissolution of such Market Committee under the said sub-section, be deemed to have vacated their offices;

(b) all powers and duties of the Market Committee under this Act, shall, subject to the control of the ¹⁸⁴[Managing Director], be exercised and performed by a person to be called the Officer-in-Charge as the ¹⁸⁵[Managing Director] may, by order appoint in that behalf :

Provided that in the event of death, resignation, leave or suspension of the Officer-in-Charge a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled in as soon as may be, by appointment of a person thereto by the ¹⁸⁶[Managing Director] and until such appointment is made a person nominated by the Collector shall act as officer-in-Charge;

(c) all property vested in the Market Committee shall vest in the Officer-in-Charge in trust for the purposes of this Act.

(2) Any Officer-in-Charge appointed under sub-section (1) may at any time be removed by the ¹⁸⁷[Managing Director] who shall have power to appoint another person.

(3) Any person appointed Officer-in-Charge under sub-section (1) shall receive from the Market Committee Fund for his services such pay and allowances as may be fixed by the ¹⁸⁸[Managing Director].

(4) The Officer-in-Charge shall cease to hold office on the date appointed for the first general meeting of the Market Committee as reconstituted.]

Section 57A - Power of State Government to postpone elections-

¹⁸⁹[(1) If the State Government is of the opinion that circumstances exist which render it necessary, so to do, the State Government may, notwithstanding anything contained in this

¹⁸⁰ Substituted by M.P. Act No. 8 of 1994 (w.e.f. 16-1-1994).

¹⁸¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁸² Substituted by M.P. Act No. 8 of 1994 (w.e.f. 16-1-1994).

¹⁸³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁸⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁸⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁸⁶ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁸⁷ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁸⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

Act or the rules made thereunder, by notification, for reasons to be specified therein, postpone from time to time, the election of members of a Market Committee under sub-section (1) of Section 11, for such period not exceeding one year at a time as may be specified in such notification provided that the total period shall not exceed ¹⁹¹[three years and six months] in the aggregate.

(2) On issue of the notification under sub-section (1), following consequences shall ensue, namely,--

- (a) no election shall be held during the period specified in the notification;
- (b) the election proceedings at whatever stage they may be shall stand abrogated; and
- (c) the deposits made by the candidates for the election as member shall be refunded to them.]

¹⁹²[Explanation.--For the purposes of this sub-section "election proceedings" means the process commencing from the date calling upon the constituencies to elect and ending with the declaration of the result of the election]

Section 58 - Liability of Chairman, Vice-Chairman, Members and employees for loss, waste or mis-application etc.-

(1) If, in the course of inquiry or inspection under Section 54 or in the course of audit under this Act it is found that any person who is or was entrusted with the management of a Market Committee or ¹⁹³[any deceased, past or present Chairman, Vice-Chairman, Member, Officer-in-Charge of Market Committee, Secretary or any other officer or employee, of Market Committee or an officer of the State Government] has made or directed by assenting or concurring or participating in any affirmative vote or proceeding related thereto, any payment or application of any money or other property belonging to or under the control of, such committee to any purpose contrary to the provisions of this Act or rule or bye-laws made thereunder or has caused any deficiency or loss by gross negligence or misconduct or has misappropriated or fraudulently retained any money or other property belonging to the Market Committee, the ¹⁹⁴[Managing Director] may, on his own motion or on the application of the Market Committee, enquire himself or direct any officer subordinate to him duly authorised by him by an order in writing in this behalf to enquire into the conduct of such person ¹⁹⁵[within two years of the date of report of audit, enquiry or inspection, as the case may be.]

(2) If on enquiry made under sub-section (1) the ¹⁹⁶[Managing Director] is satisfied that there are good grounds for an order under this sub-section, he may make an order requiring such person, or, in the case of a deceased person, his legal representative inherits his estate, to

¹⁸⁹ Inserted by M.P. Act No. 39 of 1974 (w.e.f. 12-5-1974).

¹⁹⁰ Substituted by M.P. Act No. 43 of 1976 (w.e.f. 12-5-1974).

¹⁹¹ Substituted by M.P. Act No. 43 of 1976 (w.e.f. 12-5-1974).

¹⁹² Inserted by M.P. Act No. 26 of 1975 (w.e.f. 12-5-1974).

¹⁹³ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁹⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁹⁵ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁹⁶ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

repay or restore the money or property and any part thereof, with interest at such rate, or to pay contribution to such extent as the ¹⁹⁷[Managing Director] may consider just and equitable:

Provided that no order under this sub-section shall be made unless the person concerned has been given a reasonable opportunity of being heard in the matter:

Provided further that the liability of a legal representative of the deceased shall be to the extent of the property of the deceased which inherited by such legal representative.

(3) Any person aggrieved by an order made under sub-section (2) may, ¹⁹⁸[within thirty days from the date of communication of the order to him] appeal to the State Government and subject to the order of the State Government the order of the ¹⁹⁹[Managing Director] shall be final and conclusive:

²⁰⁰[Provided that in computing the period of limitation, the time required for obtaining a copy of the order appealed against shall be excluded.]

(4) No order passed under sub-section (2) or sub-section (3) shall be called in question in any Court of law.

(5) Any order made under sub-section (2) or sub-section (3) shall, on the application of the ²⁰¹[Managing Director], be enforced by any Civil Court having local jurisdiction in the same manner as if it were a decree of such Court, or any sum directed to be paid by such order may be recovered as an arrear of land revenue.

²⁰²[(6) If the ²⁰³[Managing Director] is satisfied on an affidavit, enquiry or otherwise that any person with intent to delay or obstruct the enforcement of any order that may be passed against him under this section,--

(a) is about to dispose of the whole or any part of his property; or

(b) is about to remove the whole or any part of his property from the State, he may, unless adequate security is furnished, direct the conditional attachment of the said property or such part thereof as he thinks necessary and such attachment shall have the same effect as is made by a competent Civil Court.]

Section 59 - Power to call for proceedings of Market Committee-

²⁰⁴[(1) The ²⁰⁵[Managing Director] may, on his own motion, or on an application made to him, call for and examine the proceeding of any Market Committee and the State Government may on its own motion or on an application made to it, call for and examine the proceedings of the ²⁰⁶[Managing Director], for the purpose of satisfying himself or itself, as the case may be,

¹⁹⁷ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

¹⁹⁸ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

¹⁹⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²⁰⁰ Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979)

²⁰¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²⁰² Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979)

²⁰³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997)

²⁰⁴ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁰⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²⁰⁶ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

as to the legality or propriety of any decision taken or order passed and as to the regularity of the proceedings of the committee or the ²⁰⁷[Managing Director], as the case may be. If in any case, it appears to the ²⁰⁸[Managing Director] or the State Government that any such decision or order or proceeding so called for should be modified, annulled, reversed, or remitted for reconsideration he or it may pass such order thereon as he or it may deem fit :

Provided that every application to the ²⁰⁹[Managing Director] or the State Government for the exercise of the powers under this section shall be preferred with sixty days from the date on which the decision or order to which the application relates was communicated to the applicant:

Provided further that no such order shall be passed under sub-section (1) without giving a reasonable opportunity of being heard to the parties affected thereby.

(2) The ²¹⁰[Managing Director] or the State Government, as the case may be, may suspend the execution] of the decision taken or order passed by the Market Committee, pending the exercise of his or its powers under sub-section (1).]

CHAPTER XI Miscellaneous

Section 60 -Power of State Government to amend Schedule-

The State Government may, by notification add to amend or delete any of the items of agricultural produce specified in the Schedule and thereupon the Schedule shall be deemed to be amended accordingly:

Provided that no notification shall be issued under this section without giving in the Gazette previous notice of not less than six weeks as the State Government may consider reasonable of its intention to issue such notification.

Section 61 - Recovery of sums as an arrear of land revenue-

²¹¹[(1) Any sum due to a Market Committee or the Board ²¹²[or to a seller of agricultural produce] on account of any charge, costs, expenses, fees, rent or any other account under the provisions of this Act or any rule or bye-law made, thereunder shall be recoverable in the same manner as an arrear of land revenue.

(2) Any sums due from a Market Committee to the Board or to the State Government, as the case may be, shall be recoverable in the same manner as an arrear of land revenue:

²¹³[Provided that from the sum so recovered an incentive may be allowed to be paid to the person making such recovery, in accordance with the rules as may be made in this behalf.]

²⁰⁷ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²⁰⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²⁰⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²¹⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²¹¹ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²¹² Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²¹³ Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

(3) Any person aggrieved by the proceedings made under sub-sections (1) and (2) may, within thirty days from the date of communication of notice to him appeal to the ²¹⁴[Managing Director] whose order thereon shall be final and shall not be called in question in any Court of law.

(4) The ²¹⁵[Managing Director] may if he considers it necessary so to do, grant a stay of the proceedings appealed against, for such period as he may deem fit.]

Section 62 - Duties of Police Officers-

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

Section 63 - Power to write-off loss, shortage and irrecoverable fees-

Whenever it is found that any amount due to a Market Committee is irrecoverable or should be remitted or whenever any loss of a committee's money or stores or other property occurs through the fraud or negligence of any person or for any other cause and the property or money is found to be irrecoverable, ²¹⁶[the Chairman shall in the case of sum not exceeding one hundred rupees and in the case of sum more than this] the Market Committee may order to write-off as lost, irrecoverable or remitted, as the case may be :

Provided that if in any case the amount is in excess of ²¹⁷[five] hundred rupees such order shall not take effect without the prior approval of the ²¹⁸[Managing Director].

Section 64 - Chairman, Vice-Chairman, Members, Officers and servants of Market Committee or President, Vice-President etc. of Board to be public servants-

The Chairman, the Vice-Chairman, Members, Secretary, other officers and servants of a Market Committee and the President, the Vice-President, the members, the officers and other servants of 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).

Section 65 - Delegation of powers-

²¹⁹[(1) The State Government may, delegate to any officer of the State Government not below the rank of ²²⁰[Managing Director] any of the powers conferred on it by or under this Act other than powers to make rules under Section 79.]

²¹⁴ Inserted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001).

²¹⁵ Inserted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²¹⁶ Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²¹⁷ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²¹⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²¹⁹ Substituted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²²⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²²¹[(2) The Managing Director may delegate to any officer of the State Mandi Board Service any of the powers conferred on him by or under this Act.]

²²²[(3) The ²²³[Managing Director] or the officer empowered under this section, while exercising powers under this Act or the rules made thereunder to enquire into or to decide any question arising for determination between the Market Committee and any person or between parties to any proceedings, shall be deemed to be a Court.]

Section 66 - Bar to civil suit-

No suit in respect of anything in good faith done or intended to be done under this Act or rules or bye-laws made thereunder, shall lie against the ²²⁴[Managing Director] or any officer of the State Government or against the Board or any Market Committee, or against any officer or servant of the Board or any Market Committee or against any person acting under and in accordance with the directions of the ²²⁵[Managing Director], such officer, or such committee.

Section 66A - Election petition-

²²⁶[(1) An election under this Act shall be called in question only by a petition presented in the prescribed manner to the Commissioner of the Division.

(2) No such petition shall be admitted unless it is presented within thirty days from the date on which the election in question was notified.

(3) Such petition shall be enquired into or disposed of according to such procedures as may be prescribed.]

Section 67 - Bar of suit in absence of notice-

No suit shall be instituted against the Board or any Market Committee, until the expiration of two months next after notice in writing stating the cause of action, name and place of abode of the intending plaintiff, and the relief which he claims has been delivered or left at its office. Every such suit shall be dismissed unless it is instituted within six months from the date of the accrual of the alleged cause of action.

Section 68 - Vacancy not to invalidate proceedings-

No act of the Board or a Market Committee or any of its sub-committees shall be invalid merely by reason of--

- (a) any vacancy in, or defect in the constitution thereof; or
- (b) any defect in the election, nomination or appointment of a person acting as a member thereof; or
- (c) any irregularity in its procedure not affecting the merits of the case.

²²¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²²² Inserted by M.P. Act No. 24 of 1986 (w.e.f. 21-7-1986).

²²³ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²²⁴ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²²⁵ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²²⁶ Inserted by M.P. Act No. 14 of 1999 (w.e.f. 6-5-1999).

CHAPTER XII
Alteration of Limits of Market

Section 69 - Power to grant exemption from market fee

²²⁷[(1) The State Government may, by notification and subject to such conditions and restrictions, if any, as may be specified therein exempt in whole or in part any agricultural produce brought for sale or brought or sold in the market area specified in such notification from the payment of market fees for such period as may be specified therein.

(2) Any notification issued under this section may be rescinded before the expiry of the period for which it was to have remained in force and on such rescission such notification shall cease to be in force.]

Section 70 - Notification of intention to alter limits of or to amalgamate or to split up market areas-

(1) The State Government may, by notification, signify its intention,--

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

(ii) to amalgamate two or more market areas and constitute one Market Committee there for; or

(iii) to split up a market area and to constitute two or more Market Committees there for; or

(iv) to disestablish a market.

(2) Every notification issued under sub-section (1) shall define the limits of the area which is 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 or of the area of the market intended to be disestablished, as the case may be, and shall also specify the period which shall not be less than six weeks within which objections, if any, shall be received by the State Government.

Section 71 - Procedure subsequent to notification under Section 61-

(1) Any inhabitant of the market area or of the areas affected by the notification issued under sub-section (1) of Section 70 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 objection 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 in therefrom; or

(b) constitute a new Market Committee for the market area amalgamated; or

(c) split up an existing market area and constitute two or more Market Committees for such areas, as the case may be; or

(d) disestablish the market.

²²⁷ Substituted by M.P. Act No. 6 of 1987 (w.e.f. 17-10-1986).

Section 72 - Powers of State Government to issue consequential order with respect to constitution, etc. of Market Committees on alteration of limits, amalgamation or splitting up-

(1) Where a notification under Section 71 has been issued the State Government may issue such consequential orders as it may deem fit in respect of--

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

²²⁸[(2) Consequent to the orders passed in accordance with the provisions of clauses (b) and (c) of sub-section (1), the State Government shall, by notification, constitute a committee-in-charge for newly established market during the period of pendency of the constitution of the Market Committee.

(3) In the event of amalgamation of dissolved Market Committees, the committee-in-charge shall consist of the following members, namely:--

- (a) a Chairman to be nominated by the State Government from amongst the elected Chairman of dissolved Market Committees;
- (b) ten representatives of agriculturists to be nominated by the State Government from amongst the elected representatives of agriculturists of dissolved Market Committees;
- (c) one representative of traders to be nominated by the State Government from amongst the elected representatives of traders of dissolved Market Committees;
- (d) a Member of the State Legislative Assembly elected from the district, to be nominated by the State Government who may nominate his representative for the purpose of attending the meeting of the Market Committee;
- (e) one representative of the Co-operative Marketing Society functioning in the market area who shall be elected by the Managing Committee of such society;
- (f) an officer of Agriculture Department working in the district to be nominated on the recommendation of the Collector;
- (g) one member of the Weighmen and Hammals operating in the market area holding licence from the Market Committee to be nominated on the recommendation of the Chairman;
- (h) Chairman of the District Central Co-operative Bank;
- (i) Chairman of the District Land Development Bank;
- (j) one member of Gram Panchayat or Janpad Panchayat or Zila Panchayat to be nominated on the recommendation of the Chairperson of the Zila Panchayat.

²²⁸ Sub-section (2) Substituted and sub-sections (3), (4) and (5) Inserted by MP. Act No. 15 of 2003 (w.e.f. 15-6-2003). Prior to substitution sub-section (2) read as under:

"(2) The provisions of Section 10 shall apply to the Constitution of a Market Committee under sub-section (1) as they apply to Constitution of a Market Committee for a market established for the first time."

(4) (a) Where in case of split up of a Market Committee, each committee in-charge consisting of a Chairman, ten representatives of agriculturists and a representative of traders shall be constituted :

Provided that,--

(i) Chairman of the dissolved Market Committee shall be nominated Chairman of the newly established Market Committee of which he is a voter and for the other Market Committee, the State Government shall nominate a Chairman who possesses the qualifications prescribed in sub-sections (2) and (3) of Section 11-B;

(ii) Representatives of agriculturists of dissolved Market Committee shall also be nominated as member of newly established Market Committee of which he is a voter and remaining representatives of the agriculturists shall be nominated by the State Government who possesses the qualifications prescribed in sub-sections (1), (2) and (3) of Section 11-B;

(iii) Representative of traders of the dissolved Market Committee shall be nominated as a member of the newly established Market Committee of which he is a voter and for the other Market Committee, the State Government shall nominate such licensee trader as representative of traders who possesses the qualifications prescribed in clause (c) of sub-section (1) of Section 11;

(b) A Member of the State Legislative Assembly elected from the district, nominated by the State Government who may nominate his representative for the purpose of attending the meeting of the Market Committee;

(c) One representative of the Co-operative Marketing Society functioning in the market area who shall be elected by the Managing Committee of such society;

(d) An officer of the Agriculture Department working in the District to be nominated on the recommendation of the Collector;

(e) One member of the Weighmen and Hammals operating in the market area holding licence from the Market Committee to be nominated by the Chairman;

(f) Chairman of the District Central Co-operative Bank;

(g) Chairman of the District Land Development Bank;

(h) One member of Gram Panchayat or Janpad Panchayat or Zila Panchayat to be nominated on the recommendation of the Chairperson of the Zila Panchayat.

(5) The committee-in-charge constituted under sub-section (2) shall subject to the control of the Managing Director, exercise all the powers and perform all the duties of the Market Committee under this Act.]

Section 73 - Effect of alteration of limits-

Where a notification under Section 71 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 consulting the Market Committee, frame a scheme to determine what portion of the assets and other properties vested in one Market Committee shall vest in the other Market Committee and in what manner the liabilities of the Market Committees shall be apportioned between the two Market Committees and such scheme shall come into force on the date of publication in the Gazette.

Section 74 - Effect of amalgamation-

On the issue of a notification under Section 71 constituting a new Market Committee for the market areas amalgamated the following consequences shall ensue, namely:

- (a) all the property under the control of a Market Committee immediately before the date of amalgamation under Section 71 including funds shall be property and fund of the new Market Committee;
- (b) the staff of the Market Committees of the amalgamated market areas shall until otherwise ordered by the Collector in accordance with the provisions of this Act, be continued and deemed to be the staff appointed by the new Market Committee;
- (c) all rules, bye-laws, order and notifications in force in the area of the Market Committees amalgamated immediately before the date of amalgamation under Section 71 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, order and notification in respect of matters specified therein shall operate throughout the area of new Market Committee until altered, amended or cancelled in accordance with the provisions of this Act :

Provided that such repeal shall be governed by the provisions of Section 10 of the Madhya Pradesh General Clauses Act, 1957 (No. 3 of 1958), in respect of all actions taken and things done; and

- (d) any right, privilege, obligation or liability acquired, accrued or incurred by the Market Committees amalgamated under Section 71 shall be deemed to be the right, privilege, obligation or liability acquired, accrued or incurred by the new Market Committee.

Section 75 - Effect of splitting up-

(1) On the issue of a notification under Section 71 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 Market Committee immediately before the market area of such Market Committee is splitted up under Section 71 shall continue until altered, amended or cancelled in accordance with the provisions of this Act;
- (b) all powers and duties which are under this Act to be exercised or performed by the several authorities shall, until a Market Committee constituted for each of the new market areas be exercised and performed by the Collector or such other officer as the State Government may, by notification direct;
- (c) all property vested in the original Market Committee shall subject to any orders of the State Government be held and expended by the Collector or such other officer for the purposes of the areas of the newly constituted Market Committee; and
- (d) until the Market Committees are constituted the Collector or such other officer shall be deemed to be the representative of the original Market Committee for the purposes of suing or being used by or for continuing pending suit or proceedings by or against the original Market Committee.

(2) On the day on which the Market Committees are constituted in the new market areas, Collector shall hand over the administration to the Market Committee or each such market area in respect of area under its jurisdiction.

Section 76 - Apportionment of assets and liabilities of Market Committee split up-

- (1) The assets and liabilities of a Market Committee of the original market area shall in accordance with the provisions of this Act, be apportioned to the several Market Committees of the new market areas newly constituted.
- (2) Such officer not below the rank of a Deputy Collector as the State Government may by order appoint in this behalf shall report to the Collector on the following matters, namely,--
 - (a) the assets and liabilities of the Market Committee of the original market area;
 - (b) the apportionment of the assets and liabilities between the Market Committees of the new market areas;
 - (c) the manner in which the existing officer, servants and other permanent employees of the Market Committee of the original market area should be absorbed by the Market Committees of the new market areas;
 - (d) generally on all matters incidental, supplemental and consequential to the constitution of the Market Committees of the new market areas.
- (3) The report referred to in sub-section (2) shall be submitted to the State Government which shall publish it in such manner as may be prescribed.
- (4) Any person interested may make a representation to the State Government in writing against the proposals made in the report within one month from the date of its publication.
- (5) On the expiration of the period specified in sub-section (4) the State Government may take into consideration the report of the officer appointed under sub-section (2) and the representations received, if any, and pass such orders in respect thereof as it deems fit.
- (6) The orders of the State Government on all such points shall be final and shall not be questioned in any Court of law.

Section 77 - Suits by or against new Market Committees-

- (1) On matters covered by the decision of the State Government under Section 76, the Market Committees of the new market areas shall severally be deemed to be the representatives of the original Market Committees for the purposes of suing and being sued or for continuing pending suits or proceedings by or against the Market Committee of the original market area.
- (2) In respect of matters not covered by the decision of the State Government under the provisions of Section 76, the Market Committees of new market areas shall jointly be deemed to be the representative of the Market Committees of the original market area for the purposes of suing or being sued or for continuing pending suits or proceedings by or against the Market Committee of the original market area.
- (3) If any dispute arises between the Market Committees of the new market areas 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.

Section 78 - Savings as to existing employer of Market Committee or committees amalgamated or split up-

When under Section 71, a new Market Committee is constituted by amalgamation of two or more Market Committees or where two or more new Market Committees are constituted by splitting up of an existing Market Committee, the pay and allowances, pension and retirement

benefits, if any, of all permanent officers and servants or other employees of the Market Committee or committees amalgamated or splitted 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.

Section 79 - Power to make rules-

(1) The State Government may, after previous publication, make rules for carrying out the purposes of this Act.

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

(i) ²²⁹[x x x]

²³⁰[(i-a) other manners of publication of notification under Section 3 (1);

(ii) (a) qualifications which the representatives of agriculturists shall possess under Section 11 (1) 1(b);

(b) qualifications which the representatives of traders shall possess under Section 11 (1) ²³¹(c);

(c) authority which shall conduct elections, determination of constituencies, preparation and maintenance of list of voters, disqualifications for being chosen as, or for being, a member, the right to vote, the payment of deposit and its forfeiture, the election affiances, the determination of election disputes and all matters ancillary thereto under Section 11 (3);

(iii) the powers to be exercised and the duties to be performed by the Market Committee and its Chairman and Vice-Chairman;

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

²³²[(iv-a) the procedure and quorum at a meeting of Market Committee under Section 15;]

(iv-b) ²³³[x x x]

(v) the management of market, the procedure for recovery of market fees, fine for evasion of market fees and manner for assessment of market fees in default of furnishing returns.

(vi) classification of market functionaries for grant of licences, regulation of licences under this Act, the persons required to take out licence, the forms in which and terms and conditions subject to which such licences shall be issued or renewed;

(vii) the provisions for the persons by whom and the forms in which copies of documents and entries in the books of the Market Committee may be certified and the charges to be levied for the supply of such copies;

²²⁹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²³⁰ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²³¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²³² Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²³³ Omitted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to omission it read as under : "(iv-b) the form in which declaration shall be furnished under sub-section (3) of Section 19".

- (viii) the kind and description of weights and measures and the weighing and measuring instruments which shall be used in the transactions in the notified agricultural produce in a market yard;
- (ix) the periodical inspection of all weights and measures and the weighing and measuring instruments in use in a market yard; (x) the trade allowance which may be made or received by any person in any transaction in the notified agricultural produce in a market yard;
- (xi) facilities for the settlement of any dispute between a buyer and seller of notified agricultural produce or their agents including disputes regarding the quality or weight of the articles, payment in respect of the price of goods sold and the allowances for wrappings, containers, dirt or impurities or deductions for any cause by mediation, arbitration or otherwise;
- (xii) the provisions of accommodation for storing any agricultural produce brought into the market;
- (xiii) 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;
- (xiv) the form in which the accounts of a Market Committee shall be kept, the audit and publication of such audit and the inspection of audit, memoranda of the account and supply of such memoranda;
- (xv) the preparation and submission for sanction of the annual budget and the report and returns to be furnished by a Market Committee;
- ³[(xv-a) the form in which the Market Committee shall prepare budget of its income and expenditure under sub-section (1) of Section 25-A;]
- (xvi) the time during which and the manner in which a trader or broker or commission agent shall furnish such returns to a Market Committee as may be required by it;
- (xvii) the regulation of advances, if any, given to agriculturists by brokers of commission agents or traders;
- (xviii) the grading and standardization of the agricultural produce;
- (xix) the keeping of a record of arrivals and average prices of agricultural produce;
- (xx) the manner in which auctions of agricultural produce shall be conducted and bids made and accepted in a market;
- (xxi) the recovery and disposal of fees leviable by or under this Act;
- (xxii) compounding of offences and fixing compensation therefor under this Act or rules or bye-laws made thereunder;
- (xxiii) ²³⁴[x x x]
- (xxiv) ²³⁵[x x x]

²³⁴ Omitted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to omission it read as under : "(xxiii) manner of Constitution of State Marketing Service."

²³⁵ Omitted by M.P. Act No. 28 of 2001 (w.e.f. 27-12-2001). Prior to omission it read as under : "(xxiv) recruitment, qualification, appointment, promotion, scale of pay, leave, allowance, acting allowance, loans, pension, gratuity, annuity, compassionate fund, provident fund, dismissal, removal, conduct, departmental punishment appeals and other service conditions of the members of the State Marketing Service."

- (xxv) limits of expenditure which may be incurred in reception of distinguished guests;
 - (xxvi) limits of honorarium to Chairman, travelling allowance to members and sitting fees payable to members for attending the meetings;
 - (xxvii) manner of investment of the surplus in ²³⁶[the Market Committee Fund and the Madhya Pradesh State Marketing Development Fund];
 - (xxviii) procedure for framing of bye-laws, their amendments or cancellation and for their previous and final publication;
 - (xxix) classification of Market Committees on the basis of annual income for all or any of the purposes of this Act;
 - (xxx) term of office of the President, Vice-President and member of the Board;
 - (xxxi) the powers to be exercised by the President and Vice-President of the Board;
 - (xxxii) all matters required to be prescribed by rules under this Act;
 - ²³⁷[(xxxii- a) mode of service of notice under this Act;]
 - (xxxiii) generally for the guidance of Market Committees;
 - ²³⁸[(xxxiii-a) the manner in which immovable property of Market Committee or Board shall be transferred.]
- (3) In making any rule the State Government may direct that breach thereof shall be punishable with fine which may extend to two hundred rupees.
- (4) Every rule made under this Act shall be laid on the table of the Legislative Assembly.

Section 80 - Power to make bye-laws-

- (1) Subject to the provisions of this Act and the rules made thereunder, a Market Committee may, in respect of a market area under its management, make bye-laws for--
- (i) the regulation of its business;
 - (ii) the conditions of trading in a market;
 - (iii) delegation of powers, duties and functions to the officers and servants, appointment, pay, punishment, pensions, gratuities, leave, leave allowances, contributions by them to any provident fund which may be established for the benefit of such officers and servants and other conditions of service;
 - (iv) the delegation of powers, duties and functions, to a sub-committee, if any;
 - (v) market functionaries who shall be required to take licence;
 - (vi) any other matter for which bye-laws are to be made under this Act or it may be necessary to frame bye-laws for effectively implementing the provisions of this Act and the rules made thereunder in the market area.
- (2) No bye-law made under sub-section (1) shall take effect until it has been confirmed by the ²³⁹[Managing Director].
- (3) In making any bye-law the Market Committee may direct that a breach thereof shall be punishable with fine which may extend to ²⁴⁰[one hundred rupees] and where the breach is a

²³⁶ Sub. by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997)

²³⁷ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²³⁸ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²³⁹ Inserted by M.P. Act No. 15 of 2003 (w.e.f. 15-6-2003).

continuing one with further fine which may extend to five rupees for every day after first during which the breach is proved to have been persisted in.

Section 81 - Power of ²⁴¹ Director to direct making or amendment of bye-laws-

(1) If it appears to the Managing Director that it is necessary or desirable in the interests of a Market Committee to make any bye-law or to amend any bye-law, he may, by order, require the Market Committee concerned to make the bye-laws or the amendment of the bye-law within such time as he may specify in such order.

(2) If the Market Committee fails to make such bye-laws or such amendment of the bye-laws within the time specified, the opportunity of being heard by an order make such bye-law or such amendment of the bye-law and thereupon subject to any order under sub-section (3), such bye-law or such amendment of the bye-law shall be deemed to have been made or amended by the Market Committee in accordance with the provision of this Act or the rules made thereunder and thereupon such bye-law or amendment shall be binding on the Market Committee.

(3) An appeal shall lie to the State Government from any order of the ¹[Managing Director] under sub-section (2) within thirty days from the date of such order and the order of the State Government on such appeal shall be final.

Section 81A - Power of the Board to make regulations-

²⁴²[Subject to the provisions of this Act and the rules made thereunder, the Board may make regulations for—

- (i) the transaction of its business;
- (ii) delegation of powers, duties and functions to the officers and servants, and matters relating to their service;
- (iii) any other matter, for discharging the duties and responsibilities of the Board under this Act and the rules made thereunder.]

CHAPTER- XIV
Repeal and Savings

Section 82 - Repeal and Savings-

(1) The Madhya Pradesh Agricultural Produce Markets Act, 1960 (No. 19 of 1960), the Madhya Pradesh Agricultural Produce Markets (Validation) Act, 1962 (No. 12 of 1962), the Madhya Pradesh Krishi Upaj Mandi Samiti (Nirvachan Sthagan) Nirasan Adhinyam, 1967 (No. 24 of 1967), the Madhya Pradesh Agricultural Produce Markets (Amendment) Act, 1968 (No. 17 of 1968), the Madhya Pradesh Agricultural Produce Markets (Amendment and Validation) Act, 1970 (No. 2 of 1970), the Madhya Pradesh Agricultural Produce Markets (Amendment and Validation) Act, 1970 (No. 23 of 1970), the Madhya Pradesh Agricultural Produce Markets (Amendment and Validation) Act, 1971 (No. 22 of 1971), and the Madhya

²⁴⁰ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁴¹ Substituted by M.P. Act No. 27 of 1997 (w.e.f. 15-6-1997).

²⁴² Inserted by M.P. Act No. 7 of 1979 (w.e.f. 7-6-1979).

Pradesh Agricultural Produce Markets (Amendment) Act, 1972 (No. 30 of 1972) are hereby repealed.

(2) Notwithstanding such repeal,--

(i) all Market Committees constituted or appointed, officer in charge or committee in charge appointed, markets established, market areas declared, agricultural produce notified, rules or bye-laws made, notification issued, fees levied, contracts entered into, licences granted, suits instituted and proceedings undertaken or any other things done or actions taken under the said Acts or any enactment thereby repealed shall in so far as they are not inconsistent with the provisions of this Act, shall be deemed to have been respectively constituted, appointed, established, declared, notified, made, issued, levied, entered into, granted, instituted, undertaken, done or taken under this Act, until superseded anything done or any action taken under this Act.

(ii) unless the State Government otherwise directs, the Market Committees referred to in clause (i) and the Chairman, Vice-Chairman and members thereof shall continue until the expiry of their term under the repealed Act or till a Market Committee is constituted in accordance with the provisions of this Act, whichever is earlier.

(3) On issue of a direction under clause (ii) of sub-section (2), the provisions of Section 57 shall apply as from the date specified in the direction as if the Market Committee stood dissolved on that date.

SCHEDULE

[See Section 2(1) (a)]

I-Fibres

²⁴³[1. Cotton (unginned)], 2. Sun Hemp, ²⁴⁴[3. Ambadi/Mesta].

II-Cereals

²⁴⁵[1. Paddy], 2. Wheat, 3. Barley, 4. Jowar, 5. Maize, Bhutta, 6. Bajra, 7. Codon, 8. Sanwa/Sama, 9. Kutki, 10. Rala, 11. Ragi, 12. Rajgira, 13. ²⁴⁶[x x x].

²⁴⁷**III-Pulses**

1. Tur, 2. Gram, 3. Peas, 4. Masoor or Lentil, 5. Lakh/Teora, 6. Mung, 7. Urid/Urad, 8. Kulthi, 9. Kidney Bean or Moth, 10. Cow Pea or Barbati, 11. Val or Papat.]

IV-²⁴⁸[Oilseeds]

²⁴³ Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

²⁴⁴ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁴⁵ Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

²⁴⁶ Omitted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁴⁷ Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

²⁴⁸ Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

1. Sesamum or til-seed, 2. Linseed, ²⁴⁹[3. Ground nut (husked and unhusked)], 4. Mustard, 5. Soyabean, 6. Rape seed or sarson, 7. Castor seed, 8. Safflower, 9. Niger seed, 10. ²⁵⁰[x x x], 11. Mohua, 12. Soha, 13. Laha, 14. ²⁵¹[x x x], 15. Sunflower.

V-Narcotics

1. Tobacco, 2. Betel, ²⁵²[3. Poppy capsule.]

²⁵³**[VI-Sugarcane**

1. Sugarcane]

VII-Fruits

1. Orange, 2. Lime sour, 3. Sweet lime, 4. Grape fruit/Chakotra, 5. Mango, 6. Plantain, 7. Guava, 8. Grapes, 9. Custard-apple, 10. Ramphal, 11. Papaya, 12. Seva, 13. Jamun, 14. Ber, 15. Chikoo, 16. Khirni, 17. Megranate/Anar, 18. Water melon/ Tarbuj, 19. Kharbuja, 20. Pear/Naspati, 21. Musambi, 22. Cucumber/Kakadi.

VIII-Vegetable

1. Common bear or broad bean,- 2. Kidney bean, 3. Indian Bean, 4. Sem Barbato, 5. Cluster bean/Gawrfalli, 6. Brinjal, 7. Cabbage, 8. Cauliflower, 9. Chowli pag or bagi/Chowlai sag, 10. Chowli (Red), 11. Chukta/khatta palak, 12. Sponge gourd/Turai, 13. Bitter gourd/Karela, 14. Bottle gourd/Laoki, 15. Pumpkin/Kumda, 16. Kundroo, 17. Padval, 18. Knol-Khol, 19. Methi, 20. Spinach/Palak bhaji, 21. Purslane or ghole leaves/Bhol bhaji, 22. Lady finger/Bhindi, 23. Tomato, 24. Garden peas/Matar, 25. Jack fruit/Kathal, 26. Ghuiane/Arv, 27. Beet Root/Chukandar, 28. Carrot/Gajar, 29. Onion, 30. Potatoes, 31. Sweet potato, 32. Raddish, 33. Turnip/ Salgum, 34. Tinda, 35. Suran, 36. Other green and fresh vegetables.

²⁵⁴**[IX- Cattle and animal husbandry products]**

X-Condiments, spices and others

1. Chillies (Wet and dry), 2. Corriander seed, 3. Turmaric, Curcuma, 4. Garlic (Wet and dry), 5. Ginger (Wet and dry), 6. Methi dana, 7. Aniseed, 8. Tamarind, 9. Sonf, 10. Cumi seed/Jira, 11. Rai, 12. Asgandh, 13. Poppy seed and Poppy husk.

²⁵⁵**[XI-Grass and fodder]**

XII-Forest Produce

²⁴⁹ Substituted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁵⁰ Item "cotton seed" omitted by M.P. Notfn., dated 20-4-2001.

²⁵¹ Kern "Kodon" omitted by M.P. Notfn., dated 20-6-1989.

²⁵² Inserted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁵³ Substituted by M.P. Act No. 5 of 1990 (w.e.f. 8-2-1990).

²⁵⁴ Omitted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

²⁵⁵ Omitted by M.P. Act No. 18 of 1979 (w.e.f. 7-6-1979).

1. Lac, 2. Harra, 3. Aola, 4. Beheda, 5. Chironji, 6. Gum all sorts, 7. Honey, 8. Wax, 9. Kareli, 10. Mahua flower, 11. Bamboo.

XIII-Other Articles

1. Hemp seed, 2. Gowar, 3. Water nut.

²⁵⁶[XIV-Flowers

1. Gaillardia, 2. Annual Chryanthemum, 3. Aster, 4. Marigold, 5. Rose (different varieties), 6. Gladiolai, 7. Jerbera, 8. Tuberose, 9. Carnation, 10. Jasmine Spp., 11. Jasmine, 12. Anthurium, 13. Liliun, 14. Tulipa, 15. Chrysanthemum, 16. Iris, 17. Sweet Sultan, 18. Cineraria, 19. Salvia, 20. Anitirrihinum, 21. Gypsophila, 22. Limonia (Status), 23. Gomphrena, 24. Crossandra, 25. Hydrangia, 26. Heliconia Spp., 27. Golden Rod, 28. Dianthus, 29. Sweet William, 30. Clarkia, 31. Lupin, 32. Lotus, 33. Calendula, 34. Kewda, 35. Balsam, 36. Chandni, 37. Orchids

Note.--All varieties & species of above flowers shall be included in the Schedule.]

²⁵⁷XV-Agriculture Medicinal Produce

S. No. (1)	Common Name (2)	Botanical Name (3)
1.	Ashoka	Saraca asoca (Roxb.) de Wilde
2.	Atis	Aconitum heterophyllum wallam ex Royle
3.	Bel	Aegle marmelos (Linn). Corr.
4.	Bhuai Awanla	Phyllanthus, amarus, Sehum & Thonn
5.	Brahmi	Bacopa monnieri (L.) Pennell
6.		Chandan Santalum album Linn
7.	Chlrayta	Swertia chirata Buch.-Ham.
8.	Gilo^a	Tinospora codifilia Miers.
9.	Gudmar	Gymnema sylvestre R. Br.
10.	Guggal	Commiphora wightii (Am.) Bhabhari
11.	Isabgol	Plantago ovata Forsk
12.	Jatamansi	Nardostachys jatamansi DC
13.	Kalihari	Gloriosa Superba Lin
14.	Kalmegh	Andrographis paniculata Wall, ex Nees
15.	Kokum	Garcinia indica Chois
16.	Kuth	Saussurea costus C.B. Clarke (S. lappa)
17.	Kutki	Picrorhiza Rurroa Benth ex Royle
18.	Makoya	Solanum nigrum Linn
19.	Mulethi	Glycyrrhiza glabra Linn
20.	Safed Musli	Chlorophytum borivillianum Sant.
21.	Pathar Choor	Coleus barbatus Benth/C. vettiveroides
22.	Pippall	Piper longum Linn.
23.	Daruhaldi	Berberis aristata DC.
24.	Kesar	Crocus Sativus Linn
25.	Sarp Gandha	Rauwolfia serpentina Benth. ex Kurz
26.	Sanay	Cassia angustifolia Vahl.
27.	Shatavari	Asparagus racemosus Willd
28.	Tulsi	Ocimum Sanctum Linn.
29.	Balbiddang	Embelia ribes Burm. f.

²⁵⁶ Inserted by Notfn. No. D-15-4-XIV-3, dated 31-1-2005 M.P. Gazette (Extra.) 1-2-05 at pp. 79-80(1).

²⁵⁷ Inserted by Notfn. Dated 7-1-2006

30.	Vatsanabh	Aconitum ferox Wall
31.	Chandrashur	Lepidium sativum
32.	Ratanjot beez	Jatropha curcas
33.	Neem beez	Azadirachta indica
34.	Karanj beez	Pongamia pinnata
35.	Steavla	Steavla rebaudiana
36.	Palash ke phool	Butea monosperma
37.	Dhavai ke phool	Woodfordia fruticosa
38.	Ashwangandha	Withania somnifera (Linn) Dunal.

Note.-All Varieties & Species of above "Agriculture Medicinal Produce" shall be included, in the Schedule.

**2. M.P. Krishi Upaj Mandi (Adhisuchana
Prakashan Riti, Bharsadhak Samiti Tatha
Mandi Samiti Gathan) Niyam, 1974 (Repealed)**

**3. M.P. Krishi Upaj Mandi (Vidhan Sabha
Sadasyo Ki Mandi Samiti Ke Gathan Me
Sadasyata) Niyam, 1975**

M.P. Krishi Upaj Mandi (Vidhan Sabha Sadasyo Ki Mandi Samiti Ke Gathan Me Sadasyata) Niyam, 1975

[Notification No. 42-6718-XIV-III dated 6th January, 1976, published in M.P. Rajapatra, Part-IV (GA), dated 13-2-1976 pages 237-239]

In exercise of the powers conferred by Section 79 read with clause (i) of the second proviso to clause (c) of sub-section (1) of Section 11 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following rules, the same having been previously published as required by sub-section (1) of Section 79, namely:--

1. Short title.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Vidhan Sabha Sadasyo Ki Mandi Samiti Ke Gathan Me Sadasyata) Niyam, 1975¹.

2. Definition.--

In these rules, unless the context otherwise requires, "Form" means a form appended to these rules.

3. Option.--

As soon as the result of the election of the members of Market Committee is declared under Rule 38 of the Madhya Pradesh Krishi Upaj Mandi (Adhisuchana Prakashan Riti, Bharsadhak Samiti Tatha Mandi Samiti Gathan) Niyam, 1974, if it is found that more than one market yard falls within one assembly constituency, the Collector shall request, by a letter in Form I, the member of the Legislative Assembly returned from such constituency, to exercise his option in Form II to be enclosed with the letter, within ten days of the receipt of the letter by him, to choose the Market Committee of which he shall be a member. If no option is exercised by the Member of the Legislative Assembly, within the time specified in the letter, the Collector shall send information on the following points, to the State Government, namely,--

- (i) the name of the market;
- (ii) the location of the market yard/market yards with reference to its/ their position(s) in the Legislative Assembly Constituency(ies);
- (iii) the name/names of the Member(s) of the Legislative Assembly returned from the constituency(ies);
- (iv) if more than one market yard falls within one assembly constituency the option of the concerned member of the Legislative Assembly and if no option is exercised by

¹ Vide Notification No. 42-6718-XIV-III, dated 6-1-1976, published in the M.P. Rajapatra, Part IV (Ga), dated 13-2-1976 at pp. 237-239.

such member within the period specified by the Collector in the letter, the position thereof;

for issue of notification under clause (ii) of the second proviso to clause (c) of subsection (1) of Section 11 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973).

4. Repeal and Savings.--

On and from the date on which these rules come into force so much of the provision of the Madhya Pradesh Agricultural Produce Market Rules, 1962, as relate to the matters covered by these rules stand repealed:

Provided that anything done or any action taken under any of the provisions so repealed shall, unless such thing or action is inconsistent with the provisions of these rules, be deemed to have been done or taken under the corresponding provisions of these rules.

**4. The Madhya Pradesh Krishi Upaj Mandi
(Nidhi Vinidhan Riti) Niyam, 1975**

The Madhya Pradesh Krishi Upaj Mandi (Nidhi Vinidhan Riti) Niyam, 1975

[Notification No. 919-5383-XIV-III, dated 20-3-1975, published in the Madhya Pradesh Rajpatra, Part IV (Ga), dated 6-6-1975 at pp. 294-295.]

In exercise of the powers conferred by sub-section (1) and clause (xxvii) of sub-section (2) of Section 79 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following rules, the same having been previously published, as required by sub-section (1) of the said section, namely :--

1. Short title.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Nidhi Vinidhan Riti) Niyam, 1975².

2. Definitions.--

In these rules "Market year" or "year" means the year commencing on the first day of October.

3. Manner of investment of the surplus in the Market Committee Fund.--

(1) The surplus amount of the Market Committee Fund remaining at the close of each market year shall be credited to the permanent fund of the Market Committee within three months of the close of the year and it shall be used only towards incurring the expenditure of a permanent nature, such as construction of buildings or acquisition or purchase of sites for the market yards. Such expenses shall be incurred only with the sanction of the Director. The Director may authorise expenditure from the permanent fund with the previous approval of the State Government for other purposes in exceptional cases.

(2) Subject to sub-rule (1), the Market Committee may invest its permanent fund :--

(a) in any of the securities specified in Section 20 of the Indian Trusts Act, 1982 :

Provided that no investment shall be made on the mortgage on immovable property;

(b) in loans floated by the Government;

(c) in National Savings Certificates;

(d) in fixed deposits in any Bank specified in the first Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (No. 5 of 1970) as a corresponding new bank and approved for this purpose by the Director;

(e) in loans or deposits to the Government on such terms and conditions as may be decided by the Government;

(f) in loans to other Market Committees :

² Vide Notification No. 919-5383-XIV-III, dated 20-3-1975, published in the Madhya Pradesh Rajpatra, Part IV (Ga), dated 6-6-1975 at pp. 294-295.

Provided that the terms and conditions of advancement and repayments of loans under items (f) shall be such as may be specified by the Market Committee in its bye-laws.

(3) Any amount invested under items (a), (b), (c) and (d) of sub-rule (2) including the interest thereon, shall be withdrawn only after the approval of the Director.

(4) An amount of all investments and disposal of surplus funds of the Market Committee shall be maintained in a register of investments in such form as may be specified in the bye-laws of the market.

4. Repeal and Savings.--

On and from the date on which these rules come into force so much of the provisions of the Madhya Pradesh Agricultural Produce Markets Rules, 1962, as relate to the matter covered by these rules stand repealed:

Provided that anything done or any action taken under any of the provisions so repealed, unless such thing or action is inconsistent with the provisions of these rules, be deemed to have been done or taken under the corresponding provisions of these rules.

**4.1 Madhya Pradesh State Agricultural
Marketing Board (Term of office and Powers of
President, Vice- President and Members) Rules,
1976**

Madhya Pradesh State Agricultural Marketing Board (Term of office and Powers of President, Vice- President and Members) Rules, 1976

[Notification No. 1585-2663-XIV-III, dated 18-6-1976, published in M.P. Rajpatra Part IV(Ga), dated 23-7-1976 at pp. 551-553.]

In exercise of the powers conferred by clauses (xxx), (xxxi) and (xxxii) of sub-section (2) of Section 19 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following rules, the same having been previously published as required by sub-section (1) of Section 79, namely :--

1. Short title.--

These rules may be called the Madhya Pradesh State Agricultural Marketing Board (Term of Office and Powers of President, Vice-President and Members) Rules, 1976¹.

2. Definitions.--

In these rules, unless the context otherwise, requires,--

- (a) "Act" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (24 of 1973);
- (b) "President" means the President of the Board;
- (c) "Section" means a section of the Act;
- (d) "Vice-President" means the Vice-President of the Board.

3. Term of Office of the President, Vice-President and members of the Board.--

(1) The term of office of the President, Vice-President and members of the Board shall be five years from the date of their appointment under sub-section (1) of Section 41:

Provided that the President, Vice-President or a member appointed under sub-section (1) of Section 41 by virtue of holding certain position, he shall cease to be the member as also the President, Vice-President of the Board from the date he ceases to hold the said position and a casual vacancy shall be deemed to have accrued in such office.

4. Powers of the President and the Vice-President.--

(1) Powers of the President :--

(i) The President shall be the Chief Controlling and Supervising Officer of the Board. All Officers and servants of the Board shall, subject to the provisions of the Act and the rules made thereunder, be subject to his control.

(ii) The President shall:--

- (a) preside over the meeting of the Board and sub-committee and conduct business at such meetings;

¹ Vide Notification No. 1585-2663-XIV-III, dated 18-6-1976, published in M.P. Rajpatra Part IV(Ga), dated 23-7-1976 at pp. 551-553.

- (b) watch over the finances and administration of the Board and perform such executive functions as are assigned to him by or under the Act;
- (c) exercise supervision and control over acts and proceedings of all officers and servants of the Board in matters of executive administration and in matters concerning the accounts and records and disposal of all questions relating to the service matters of employees of the Board;
- (d) in case of emergency, direct the execution or stoppage of any work or the doing of any act which requires the sanction of the Board;

(iii) The President may :-

- (a) by an order in writing delegate to the Vice-President any powers conferred upon him by these rules;
- (b) invite any officer of the Public Works Department, Town and Country Planning Department, Agriculture Department, Revenue Department, Economic and Statistics Department, Food Department and Local Authority, Corporation or institution to any meeting the Board for tendering advice in matters within the purview of such officer;
- (c) issue or authorise any officer of the Board to issue directions to Market Committee in respect of :-
 - (i) general improvement of conditions of buying and selling of agricultural produce;
 - (ii) efficient management of the market;
 - (iii) the manner in which date relating to arrivals and despatches of agricultural produce should be compiled and maintained;
 - (iv) any matter for implementing the provisions of the Act and the rules made thereunder;
- (d) call for or authorise any officer of the Board to call for any information or return relating to agricultural produce from a Market Committee or a trader or a dealer or a godown keeper or other market functionary;
- (e) inspect or may authorise any officer of the Board to inspect the records and accounts of the Market Committee and accounts of any dealer, godown keeper or other functionary;
- (f) appoint one or more sub-committees consisting of one or more members of the Board for giving opinion on any matter.

(2) Powers of the Vice-President:-

(1) The Vice-President of the Board shall:-

- (a) in the absence of the President, preside over the meeting of the Board;
- (b) exercise such of the powers and perform such of the duties of the Presidents as the President may from time to time, delegate to him.

4.2 M.P. Krishi Upaj Mandi (Exemption from Market Fees) Rules, 1979

M.P. Krishi Upaj Mandi (Exemption from Market Fees) Rules, 1979

[Notification No. D-6-45-79-XIV-3, dated 10-8-1979, published in the M.P. Rajpatra (Asadharan), dated 20-8-1979 at pp. 2590-2592.]

In exercise of the powers conferred by clause (iv-c) of sub-section (2) of Section 79 read with sub-section (2) of Section 19-A of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following rules, the same having been previously published as required by sub-section (1) of Section 79 of the said Act, namely--

1. Short title.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Exemption from Market Fees) Rules, 1979¹.

2. Definitions.--

In these rules, unless the context otherwise requires,--

- (a) "Act" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);
- (b) "Form" means a form appended to these rules;
- (c) "Section" means a section of the Act.

3. Every processor shall, as required by clause (i) of sub-section (2) of Section 19-A, maintain in Form I an account of purchases and processing of Agricultural Produce.

4. Every processor shall, as required by clause (ii) of sub-section (2) of Section 19-A, make a declaration in Form II of the fact of payment of market fees on the Agricultural Produce within seven days of bringing the same for processing in the market area of another Market Committee.

5. Every processor shall, as required by clause (ii) of sub-section (2) of Section 19-A, furnish a certificate in Form III of the fact of payment of market fees on the Agricultural Produce within seven days of bringing the same for processing in the market area of another Market Committee.

¹ Vide Notification No. D-6-45-79-XIV-3, dated 10-8-1979, published in the M.P. Rajpatra (Asadharan), dated 20-8-1979 at pp. 2590-2592.

**5. M.P. Krishi Upaj Mandi (Mandi Nidhi
Lekha Tatha Rajya Vipnan Sewa Ki Gathan Ki
Riti Tatha Anya Vishaya) Niyam, 1980**

M.P. Krishi Upaj Mandi (Mandi Nidhi Lekha Tatha Rajya Vipnan Sewa Ki Gathan Ki Riti Tatha Anya Vishaya) Niyam, 1980

[Notification No. D-6-33-78-XIV-III, dated the 18th August, 1980 as amended subsequently by Notfn. No. D-15-112-95-XIV-3, dated 12-2-2001, pub. in M.P. Rajapatra Ext., dated 12-2-2001, p.182-3]

In exercise of the powers conferred by sub-section (1) and sub-section (2) of Section 79 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following rules, the same having been previously published as required by sub-section (1) of the said section, namely :

CHAPTER I PRELIMINARY

1. Short title.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Mandi Nidhi Lekha Tatha Rajya Vipnan Sewa Ki Gathan Ki Riti Tatha Anya Vishaya) Niyam, 1980¹.

2. Definitions.--

In these rules, unless the context otherwise requires:

- (a) "Act" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);
- (b) "Appointed to the service", a person is said to be "appointed to the service" when, in accordance with these rules he discharges for the first time the duties of a post borne on the cadre of the service or commences the probation or training specified for the members thereon;
- (c) "Approved candidate" means a candidate whose name appears in a list of candidates approved for appointment to any category of the service;
- (d) "Approved probationer" in the service or category means a member of service or category who has satisfactorily completed his probation and waits appointment as a full member of the service of category;
- (e) "Cadre" means the sanctioned strength of the service;
- (f) "Category" means a separate and distinctive unit with the service;
- (g) "Discharge of probationer" means, in case the probationer is a full member or an approved probationer of another service or category, reverting him to such service or category and in any other case, dispensing with his service;

¹ Vide Notification No. D-6-33-78-XIV-III, dated 18-8-1980

- (h) "Duty", a person is said to be "on duty" as a member of the service,--
- (i) when he is performing the duties of a post borne on the cadre of the service or is undergoing the probation or training specified for any such post; or
 - (ii) when he is absent from duty on authorised holidays or on the casual leave taken in accordance with the instructions regulating such leave, having been on duty immediately before and after such absence;
- (i) "Emoluments" means pay, leave salary, subsistence grant or allowances classed as pay in the rules or regulations applicable to the members of the service or to the officers and servants of the Market Committee;
- (j) "Family" means,--
- (i) in the case of a male subscriber, the wife and children of the subscriber and the widow and children of a deceased son of the subscriber :

Provided that if a subscriber proves that his wife has been judicially separated from him or has ceased under the customary law of the community to which he belongs to be entitled to maintenance, he shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relates unless the subscriber subsequently indicates by express notice in writing to the Accounts Officer or Competent Authority that he shall continue to be so regarded; and

- (ii) in the case of a female subscriber the husband and children of the subscriber and the widow and children of a deceased son of the subscriber :

Provided that if a subscriber by notice in writing to the Accounts Officer or Competent Authority expresses or desires to exclude her husband from her family, the husband shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently cancels formally in writing her notice excluding him;

- (iii) for the purpose of this clause,--
 - (a) "Children" means legitimate children;
 - (b) an adopted child shall be considered to be a child when the Accounts Officer or Competent Authority, or if any doubt arises in the mind of the Accounts Officer or the Competent Authority the Government Pleader is satisfied that under the personal law of the subscriber adoption is legally recognised as concerning the status of a natural child;

- (c) a child of one person given in adoption to another shall not be considered to be the child of the former, if the Accounts Officer or the Competent Authority, or if any doubt arises in the mind of the Accounts Officer or the Competent Authority the Government Pleader is satisfied that under the personal law of the persons concerned such adoption is legally recognised;
- (k) "Financial year" or "Market year" or "Year" means the year commencing on the first October and ending on 30th September;
- (l) "Full member of the service" means a member of the service who has been appointed substantively to a permanent post borne on the cadre thereof;
- (m) "Fund" means the Provident Fund established by a Market Committee;
- (n) "Grade" means one of the grades into which the service is divided under these rules;
- (o) "Leave" means any kind of leave recognised by rules or regulations applicable to the members of the service;
- (p) "Market Committee Servant" means any officer or servant employed by a Market Committee but shall not include any member of the service or any servant of Government appointed or deputed as Secretary or Assistant Secretary or Marketing Inspector;
- (q) "Family members" includes the wife, child or step- child whether residing with the members of the service or not, any other relative of his or his wife, residing with and dependent on him, but does not include a wife legally separated from him or a child or step-child who is not depending on him or of whose custody he has been deprived by law;
- (r) "Member of the service" includes a probationer or an approved probationer as well as full member of the service;
- (s) "Probationer in the service" means a member of the service who has commenced his probation but has not been declared to have satisfactorily completed the probation;
- (t) "Promotion" means the appointment of a member of any category of the service to a higher category of the service and includes the appointment to a higher category by transfer of a member from the service of one Market Committee to that of another.
- (u) "Recognised school" means a school maintained by or opened with the sanction of the Government or to which recognition has been accorded by the Director of Public Instructions, Madhya Pradesh under the existing Education Rules;
- (v) "Recruited direct", a candidate is said to be "recruited direct" to the service, category or post when at the time of first appointment thereto he is not a member of the service:

Provided that for the purpose of this definition, a person shall be deemed to be not a member of the service unless he has been declared so under these rules;

- (w) "Section" means a section of the Act;
 - (x) "Selection category" means a category of the service specified in these rules;
 - (y) "Seniority" means the ranking within each category of the cadre;
 - (z) "Service" means the Madhya Pradesh State Marketing Service;
- (1) "Forms" means a form appended to these rules.

CHAPTER II

Accounting Procedure

3. Procedure for maintenance of accounts.--

The Market Committee shall keep and maintain accounts, registers and forms in accordance with these rules and as directed by the Director of Marketing and/or the Director, Local Fund Accounts from time-to-time.

4. Account Books and Registers.--

Every Market Committee shall maintain the following account books and registers in the Forms appended to these rules--

- (1) Cash Book--Form I
- (2) General Ledger--Form II
- (3) Individual Ledger--Form III
- (4) Market Fee Register--Form IV
- (5) Licence Fee Register--Form V
- (6) Register for Licence Holders--Form VI
- (7) Form and Account Books Register--Form VII
- (8) Stationery Register--Form VIII
- (9) Dead Stock Register--Form IX
- (10) Pay Register--Form X
- (11) Loan Register--Form XI
- (12) Property Register--Form XII.

5. Submission of Accounts.--

The Secretary of the Market Committee shall submit all accounts to the Director, Local Fund Accounts and/or to the Director of Marketing.

6. Market Committee Fund.--

All cash in the Market Committee Fund shall be kept in accordance with sub-section (2) of Section 38 and it shall not be drawn upon except in accordance with these rules. Except where the Director on application by a Market Committee or otherwise directs to the contrary all money to be credited in the Market Committee Fund shall be credited at least twice a week in full into any specified bank.

7. Reserve Fund out of Market Committee Fund.--

(1) Every Market Committee shall keep five per cent of its gross receipts (licence fees and market fees) as Reserve Fund:

Provided that the Director shall have the power to increase the limit of percentage subject to maximum of ten per cent.

(2) The amount of Reserve Fund shall be expended only towards meeting the expenses towards gratuity, pension contribution and the like of employees who have attained the age of superannuation as directed by the Director in writing.

8. Receipts to be given for all payments.--

For every sum received by the Market Committee, a receipt shall be tendered by the person authorised to do, for receiving the payment stating the sum and the details on account of which it has been paid. The person giving the receipts shall be duly authorised by the Market Committee to issue such receipts. The receipts shall be in the form prescribed by the Director.

9. Payment into Treasury.--

Every sum certified to be given by any person under these rules shall be paid by such person into the Treasury or the Bank in which the funds of the Market Committee are lodged, within fifteen days after the intimation to him of the decision of the Market Committee, unless within the time specified such person has appealed to the State Government or the Director against the decision and obtaining stay order.

10. Mode of proof of Market Committee records.--

A copy of any receipt, application, plan, notice, order, entry in a register or other documents in the possession of a Market Committee shall if duly certified by a legal keeper thereof or other person authorised by any bye-laws in this behalf or order of the Market Committee in this behalf, or prima facie evidence of the matters and transactions therein recorded in every case, where and to the same extent as, the original entry or document would if produced, have been admissible to prove such matter.

²[11. Cash balance.—

² Substituted by Notfn. No. D-15-112-95-XIV-3, dated 12-2-2001. Prior to substitution it read as under :

"11. Limits of cash balance which shall be maintained by the Market Committee.--

(1) A Market Committee shall maintain cash balance (permanent advance) in the office for meeting the current charges and may recoup the same as and when such cash balance is depleted on account of expenditure therefrom. The recoupment shall be made from the Market Committee Fund.

(2) The limit of the cash balance shall be decided by the Market Committee by a resolution duly passed in this behalf subject to maximum as shown below :--

(a) in respect of Class I Market Committee Rs. 500

(b) in respect of Class II Market Committee Rs. 350

(c) in respect of Class III Market Committee Rs. 300

(d) in respect of Class IV Market Committee Rs. 250

(3) The Secretary shall operate this cash balance."

For meeting the current expenditure from the Market Committee Fund, a cash balance (Permanent Advance) not exceeding the limit as fixed by the Managing Director shall be kept in the custody of the Secretary of the Market Committee. A separate cash book of permanent advance shall be maintained and the recoupment up to the limit fixed by the Managing Director shall be made from the Market Committee Fund :
 Provided that before such recoupment, the account together with the bills in respect of the permanent advance given previously shall be given to the Accountant of the Market Committee.]

12. Remittance to Treasury or Bank.--

All remittance to the Treasury or Bank shall be accompanied by challans or deposit slips in duplicate alongwith remittance register in Form XIII. The monthly or periodical statements of accounts furnished by the treasury or bank, as the case may be, shall regularly be filled and made available for audit and inspection.

13. Pass Book.--

(1) The pass book is not an account book of the Market Committee, but is simply a copy of the account kept in the treasury or the bank of the money paid in and withdrawn on behalf of the Market Committee and must, therefore, always be maintained up-to-date.

(2) At the close of each month, the pass book shall be presented to the treasury or the bank as the case may be for up-to-date entries and signature.

(3) The Secretary shall see that the pass book is maintained properly and the procedure above is followed.

14. Expenditure.--

³[(1) The concerned Market Committee shall be the Controlling Authority in respect of the Market Committee Fund. However, the Secretary of the Market Committee shall be competent to sanction expenditure from the permanent advance up to such limit as may be fixed by the Market Committee.

(2) All payments, except the payment from the permanent advance, shall be made through cheque drawn on behalf of the Market Committee. Crossed cheque shall be issued for amounts exceeding five thousand rupees.]

³ Substituted by Notfn. No. D-15-112-95-XIV-3, dated 12-2-2001. Prior to substitution sub-rules (1) and (2) read as under :

"(1) Chairman of the Mandi Committee shall be the Controlling Authority in respect of the Market Committee Fund. The committee, may, however, authorise the Secretary to sanction expenditure from cash balance (permanent advance), up to such limits as may be determined by the Market Committee.

(2) All payments except from permanent advance or on account of salary and allowances of members of the service and of the employees of the Market Committee and the allowances of members of the committee shall be made through cheque drawn on behalf of the Market Committee."

(3) No cheque on behalf of the Market Committee shall be drawn except on a bill which has been examined and passed by the Chairman, or on the issue or recouplement of permanent advance, if any, and the Chairman shall not pass any bill for payment without the previous sanction of the Market Committee, except--

- (i) bill for payment of salary and allowances of members of the service and of officers and servants of the Market Committee;
- (ii) bill for payment of works and repairs which have been duly sanctioned by the Market Committee;
- (iii) bill for meeting urgent expenditure for which there is budget provisions or which does not exceed Rupees Five Hundred:

Provided that in the absence of the Chairman, the bills for payment may be passed and signed by the Vice-Chairman:

Provided further that the Secretary of the Market Committee may pass and sign bills for payment up to the extent authorised by the Committee under sub-rule (1).

(4) Every payment charged to the Market Committee Fund shall be supported by bill and an order to pay the amount which shall be expressed both in figures and words and every such order to pay shall be signed by the Secretary only after it has been approved by the Market Committee, except--

- (i) for payment of salary and allowances of members of the service and of officers and servants of the Market Committee;
- (ii) for payment of works and repairs which have been duly sanctioned by the Director;
- (iii) for meeting urgent expenditure not exceeding two hundred rupees for which there is a budget provision.

(5) No expenditure shall be incurred for which there is no budget provision, unless it can be met by re-appropriation from savings under other heads or by a supplementary grant from the available reserve which has been duly sanctioned by the Market Committee and for which the previous approval of the Director has been obtained.

(6) Every expenditure shall be supported by a voucher duly signed by the Payee.

(7) The general cash book shall be maintained under the supervision of the Secretary of the Market Committee.

⁴[15. Authorities to sanction expenditure.--

⁴ Substituted by Notfn. No. D-15-112-95-XIV-3, dated 12-2-2001. Prior to substitution it read as under :

"15. Authorities to sanction expenditure.--

The Market Committee shall, with the previous sanction of Government, incur during the year an expenditure for any of the purposes contemplated in sub-section (3) of Section 17. However, under special exigencies, for expenditure under Section 17 (3) the Market Committee with the previous sanction of the Director, may incur an expenditure up to a limit of Rupees Five Hundred during any

The Market Committee may, with the previous sanction of the Managing Director, sanction grant, advance or incur expenditure during the year for any purpose contemplated in sub-section (3) of Section 17.]

16. Limits of expenditure on items of special nature.--

(1) The Market Committee, with the sanction of the Government may,--

(a) contribute towards the opening ceremony of the Market Committee constituted for the first time or of an institution under the control of the Market Committee;

(b) defray any other extraordinary charges.

(2) A Market Committee may incur expenditure towards preparation of address to the Governor, or a Minister of an amount not exceeding rupees one hundred:

Provided that no charges shall be incurred on entertaining any Minister or any other V.I.P. or on the purchase of any casket for the presentation of address to him.

17. Vouchers.--

Vouchers for payment shall be in such forms as may be prescribed by the Director and care shall always be taken to keep a sufficient stock of these forms in hand. In the case of miscellaneous purchases, the payment shall be made on the supplier's bills. When such payments are made from the cash balance (permanent advance), the supplier's bills shall be attached to the recoupment bill as sub-vouchers. If they are in an Indian language an English abstract of them shall always be inserted in them under the initial of the Secretary or the Drawing Officer of the Market Committee. When petty payments are made from the cash balance (permanent advance) and no separate receipts can be obtained, a memorandum shall be drawn showing the nature, an amount of expenditure and this shall be passed by the Secretary or the Drawing Officer. After payment is made this shall be treated as sub-vouchers for the payment. Vouchers passed for payment by an officer subordinate to the Secretary shall, as soon as possible and not later than the end of the month in which payment is made, be submitted to the Secretary who shall scrutinise them and countersign them if they are in order in all particulars.

18. Presentation of bills.--

(1) Every person having any claim against the fund of the Market Committee shall present a bill at the office of the Market Committee. Wherever possible, such bill shall be in the form, if any, provided for the purpose and claimant shall duly date and sign the same and stamp it, where necessary.

(2) Wherever possible, printed forms shall be used in preparing bills.

(3) Where a claimant presents a bill in a form different from that, if any, provided for the purpose, a separate bill in the proper form shall be prepared by the office incurring the expenditure and the claimant's bill shall be attached thereto as a sub-voucher.

year and get it ratified by Government. Such an expenditure shall be out of the lump sum provision made in the budget for the year in question and approved by Competent Authority."

19. Authority to sanction the bill.--

Whenever any item of expenditure requires the sanction of any authority higher than the officer or servant drawing the bill, such sanction shall be obtained and the terms thereof shall be quoted on the bill. A copy of the order conveying such sanction shall be communicated to the auditing officer authorised by the Director in this behalf (in case of internal audit), and to the Director of the Local Fund Accounts.

20. Sanction of bill.--

(1) No item of expenditure shall be sanctioned by the Market Committee unless a certificate in the following form has been furnished in respect thereof :

FORM OF CERTIFICATE

Rs.

The amount may be met from the budget allotment of :

The amount spent under this head up-to-date is :

The amount sanctioned up-to-date but not spent is :

The amount to be sanctioned now is :

.....

Total

.....

The balance remaining will be

(2) If there is no budget provision under the head concerned and the Market Committee decides to find the amount by re-appropriation from another head, the word "by re-appropriation" shall be added after the word "met".

(3) The certificate shall be entered in the agenda, circulated before the meeting and if accepted by the Market Committee, it need not to be written again as part of the resolution in the minutes book. If, however, the committee makes any alteration either in the amount of expenditure or in the head from which the expenditure is to be met, the certificate as amended shall form part of the resolution of the Market Committee and be entered as such in the minutes book.

21. Period of Bill for payment.--

No claim against the Market Committee shall be paid when the bill in respect thereof is presented more than six months after from the date on which the claim became due without the specific sanction of the Market Committee in that behalf.

22. Payment of bills other than monthly pay bills.--

Every bill other than monthly pay bills shall be presented to the Secretary who shall make it over to the accountant or to the authorised dealing assistant. The accountant or the dealing assistant, as the case may be, shall enter it in a register of bills and then check and examine the bill as regards to its admissibility with reference to sanction or other documents, the propriety of the claim and the arithmetical accuracy. If on such check and examination the bill is found to be correct and in order it shall be placed

before the Competent Authority for signing the payment orders in the bill which shall be in the following form:

FORM

Passed for Rs. (in words and figures only)
 Passed by cheque (in words and figures) by debit
 to Major, Minor and detailed
 heads).
 Adjusted Rs. (in words and figures) by debit
 to (Major, Minor and detailed
 heads) and credit to (Major, Minor and detailed
 heads).

23. Acknowledgement and receipt of bills.--

(1) Separate acknowledgements (stamped where necessary) shall be taken when disbursements are made in the office of the Market Committee in the last column of the bill and in other cases in the acquittance register from each officer or servant to whom any salary or allowance is paid except the drawer of the bill is the sole payee and has already furnished a receipt (stamped where necessary) in the bill itself.

(2) Where any authorised officer or servant of the Market Committee makes any payment from any sum drawn by him he shall, unless a receipt (stamped where necessary) has been furnished on the bill itself, obtain and attach to the bill a separate receipt (stamped where necessary).

24. Overpayment of the Bill.--

The responsibility for an overpayment shall rest primarily with the drawer of the bill who shall be required to make good the overpayment and failing recovery from him the overpayment shall be recovered from the countersigning or passing officer only in the event of culpable negligence by either of them.

25. Preparation and drawal of establishment bills and T.A. Bills.--

Pay bill and T.A. bill shall be prepared in such forms as may be prescribed for the purpose by the Director. Cheques in payment of establishment bills and T.A. bills shall be drawn in favour of the Secretary or the other supervisory staff, as the case may require.

26. Monthly pay bills.--

The monthly pay bills of the members of the service or the establishment of the Market Committee shall be supported either by an absentee statement in such form as may be prescribed by the Director or by a certificate in the bill that no leave has been granted to any member of the service or the members of the establishment of the Market Committee.

27. Increment and the pay bills.--

To the first pay bill in which a periodical increment is drawn, an increment certificate, in such form as may be prescribed by the Director shall be attached.

28. Pay of officer or servant deputed by Government or other Market Committee.--

The pay of an officer or servant deputed by the Government to the Market Committee or transferred to it from any other Market Committee shall be drawn only after the receipt of a last pay certificate (which shall be in such form as may be prescribed by the Director from time-to-time) granted by the head of his former office. Such certificate shall be attached to the first pay bill drawn after such deputation or transfer.

29. Arrear pay.--

Arrear of pay shall be drawn not in the monthly but in separate bill, which shall quote the bill from which the charge was omitted or withheld or on which it was refunded by deduction.

30. Last payment of an employee's pay and allowances.--

The last payment of an employee's pay and allowances or, in case he is finally quitting service or the service of the Market Committee at the end of any leave granted to him, the last payment of his leave salary shall not be made until it has been ascertained that there are no demands outstanding against him. A certificate to this effect signed by the Chairman in case of members of the service and by the Secretary in case of officers and servants of Market Committee shall be attached to the bill in which such pay and allowances or leave salary is claimed.

31. Pay, leave salary and allowance to a deceased member of the service or the officer and servant of the Market Committee.--

Pay, leave salary and allowances may be drawn for the day of man's death; the hour at which death takes place does not affect the claim.

32. Payments due to a deceased officer or servant--

The payment due to a deceased member of the service or officer or servant of the Market Committee shall not be made except on the production of an authority of the nature specified in clause (i), (ii), (iii), (iv) or (v) of sub-section (1) of Section 214 of the Indian Succession Act, 1925:

Provided that payment may be made without the production of such authority:

- (i) to the extent of three hundred rupees under the orders of the Chairman (in case of members of the service) or under the orders of the Secretary (in case of officers and servants of Market Committee) if he is satisfied, after such enquiry as he may consider sufficient, about the right and title of the claimant; and
- (ii) above three hundred rupees under the orders of the Market Committee on the execution of an indemnity bond with such surety or

sureties as it may require, if it is satisfied, after such enquiry as it may consider sufficient, about the right and title of the claimant and considers that undue delay and hardship would be caused by insisting on the production of such authority.

33. Signing of pay bills, T.A. bills and other allowance bills.-

(1) The pay bills shall be signed and passed by the Secretary who shall be the pay drawing officer for himself, other members of the service and all other officers and servants of the Market Committee.

(2) T.A. Bills and other allowance bills in case of the members of the service, shall be signed and passed by the Chairman and in case of the officers and servants of the Market Committee, these shall be signed and passed by the Secretary.

34. Cheques in respect of payment of salary and fixed allowance.--

The cheques in respect of payment of salary and fixed allowance shall not be issued before the first working day of the month of following that to which the payment relates:

Provided that in the event of an officer or servant finally quitting the service of the Market Committee or being transferred to the service of another Market Committee or the Government, cheques may be issued on the date of such event:

Provided further that when the first day of a month is public holiday on which payment are not made at the Treasury or Bank concerned, cheques may be issued on the last working day before the holiday.

35. Responsibility of the drawer of the bill.--

The drawer of the bill for salary and allowances shall be personally responsible for the amount so drawn until it has been disbursed to the proper person or persons and their acquittances (stamped where necessary) have been obtained. If the payee does not present himself within thirty days from the date of the drawal of money, the amount drawn for him shall be refunded by a short drawal in the next bill. The amount of salary and allowance drawn shall not in any circumstances be placed under deposit.

36. Checking of monthly bills.--

In order to facilitate the check of the monthly bills for recurring charges, such as pay of establishment, house rent and fixed travelling and conveyance allowances, an audit register shall be maintained in the office of the Market Committee.

37. Custodian of cheque books.--

The cheque books shall be kept in the personal custody of the Drawing Officer or the Office Superintendent or the Accountant and when transfer of charge takes place a note shall be recorded in the cash book over the signature of both the relieved and the relieving officer or officers showing the number of unused cheques and cheque books made over and received by them, respectively.

38. Precautions to be observed in the maintenance of cheque books.--

The cheque book in use may be made over to the Accountant whenever required but it shall be returned before the office is closed for the day. The officer in whose custody it is to remain shall satisfy himself then and there that all unused pages are in the book and that none has been surreptitiously extracted.

39. Writing up of cheques.--

The amount of every cheque drawn shall be written in words as well as in figures both on the cheque itself and on the counterfoil and the counterfoil shall be initialled by the person who signs the cheques.

⁵[40. Authority to sign cheques.--

Cheques on behalf of the Market Committee shall be signed by the Accountant of the Market Committee and countersigned by the Secretary. No payment shall be made from any Government Treasury or Bank on any cheques purporting to be drawn on behalf of the Market Committee unless it is signed and countersigned as above. Whenever a person who is empowered to sign or countersign hand-over charge of his office, whether temporarily or permanently, he shall send a specimen of the signature of the relieving officer together with a certificate in the form given below to the Treasury or the Bank, as the case may be :--

FORM OF CERTIFICATE

.....

Signature and designation of the relieving officer,

I certify that the signature put above, is the signature of the officer to whom I have made over charge of my office with effect from the fore-noon/afternoon of..... (date) day of..... (month)..... (year).

⁵ Substituted by Notfn. No. D-15-112-95-XIV-3, dated 12-2-2001. Prior to substitution it read as under :

"40. Authority to sign cheques.--Cheques of the value of rupees one hundred and below drawn on behalf of the Market Committee shall be signed by the Secretary. All other cheques drawn on behalf of the Market Committee shall be signed by the Secretary and countersigned by the Chairman or by the Vice-Chairman in the absence of the Chairman. No payment shall be made from any Government treasury or bank or any cheques purporting to be drawn on behalf of the Market Committee, unless it is signed and countersigned as the case may be, as aforesaid. Whenever a person who is empowered to sign or countersign hands over charges of his office, whether temporarily or permanently, he shall send a specimen of the signature of the relieving officer together with a certificate in the form given below to the treasury or the bank, as the case may be:--

Form of Certificate

Signature and designation of the relieving officer

I certify that above is the signature of the Officer to whom I have made over charge of my office with effect from the forenoon/afternoon of (date).....day of..... (month) 19....

Signature and designation of the officer making Over charge with date...."

Signature and designation of the officer making over charge with date]

41. Signing of cheques.--

No cheque shall ordinarily be signed unless required for immediate delivery to the person to whom the money is to be paid.

42. Cancellation of cheques.--

When a signed cheque is cancelled, it shall be effaced or stamped "cancelled" by the Secretary and shall be destroyed by the auditor at the time of audit. The fact of cancellation shall be noted in red ink under the initial of the drawer of the cheque upon the counterfoil and also across the pass order on the voucher.

43. Cancellation of cheque and the cash book.--

If the cheque is cancelled before the cash transactions of the month in which it was issued have been totalled, the entry in cash book shall be struck out in red ink under the initials of the Secretary with a note that the cheque has been cancelled.

44. Issue of cheque and the cash book.--

If, however, the cash book has been totalled, and the correction is required to be made in a year subsequent to that in which the cheque was issued, the amount of cheque shall be credited in the cash book in the Treasury or Bank under the head "refunds of the expenditure of the previous year". If, however, the correction is made in the year in which the cheque was issued, it should be posted on the payment side of the cash in the Treasury or Bank column as a minus entry under the head of expenditure to which it was originally charged.

45. Deposits.--

- (1) The deposits of a Market Committee shall be of the following kinds, namely :
 - (a) Market functionaries deposits;
 - (b) Contractor's deposits for the due fulfilment of contract;
 - (c) Security deposits of the members of the service and Market Committee officers and servants;
 - (d) Unclaimed due;
 - (e) Election deposits;
 - (f) Other miscellaneous items.
- (2) The deposits shall be in cash or bank guarantee or as may be prescribed by the Director in this regard.

46. Items not to be credited to deposit head of account.--

- (1) The following items shall not be credited to any deposit head of account :
 - (a) sums that can be clearly brought to account under any revenue head;
 - (b) pay, pension, leave salary or other allowances; and
 - (c) fines.

(2) No item shall be credited to any deposit head of account except under the written order of the Secretary.

47. Register of deposits.--

(1) (i) A register of deposit should be maintained in such form as may be prescribed by the Director and separate pages should be allotted for each class of deposits.

(ii) A certificate to the effect that the entries in the register are maintained up-to-date shall be recorded therein at the end of each quarter by the Secretary.

(2) A register of security deposits shall be maintained in such form as may be prescribed by the Director to show the amount of security required for each member of the service or servant or officer and the amount furnished by each.

48. Credit of deposit to a revenue head of account.--

At the end of each year, any deposit or balance thereof shall be credited to a revenue head account if, it has remained unclaimed for a period of three years from the date on which it became payable or, in case the deposit has been received in cash and the deposit or balance thereof does not exceed one rupee, if it has remained unclaimed for a period of one year from the date on which it became payable.

49. Refund of deposit.--

No deposit shall be refunded except under the written orders of the Director in case of Security deposit of members of the service or of the Secretary in other cases. The orders for refund shall be made on a deposit refund voucher in the prescribed form after the Secretary has satisfied himself by a reference to the appropriate register of deposit is actually outstanding and that the accountant or the dealing assistant has certified to that effect.

50. Refund of election deposits.--

The election deposits received under sub-rule (4) of Rule 15 of the Madhya Pradesh Krishi Upaj Mandi (Adhisuchana Prakashan Riti, Bharsadhak Samiti Tatha Mandi Samiti Gathan) Niyam, 1974, shall be returned, subject to the provisions of Rule 39 of the said Niyam, only under the orders of the election authority.

51. Authority to sanction refund of deposit.--

No deposit credited to a revenue account head under Rule 49 shall be refunded except with the sanction of the Director in case of members of the service and for others by the Market Committee, obtained on an application made by the person entitled to the refund.

52. Register of investments.--

The Market Committee shall maintain a register of investments in such forms as may be prescribed by the Director showing the Government and other securities as well as any other investments held by it as its property.

53. Stamp account.--

A register of stamp account shall be maintained in such forms as may be prescribed by the Director. When any charges are incurred in a contingent bill on account of purchase of stamp for postage, the Secretary or the Officer-in-charge in the case of subordinate officers shall before signing the contingent bills satisfy himself that the stamps have been actually brought to account in the register maintained under this rule and should initial the entries in question. Care shall also be taken to see that the issue entries on account of postage are fully supported by the corresponding entries in the despatch register. The balance shall be struck off in the register and verified at the end of each month by the Secretary or by an Officer-in-charge in the case of subordinate officers, who shall certify to the verification in the register.

54. Stationery account.--

The Market Committee shall maintain the stationery account in such forms as may be prescribed by the Director. The purchases shall be made annually on indents duly sanctioned by the Market Committee and showing the stock in hand at the time, the actual consumption of the previous year and the quantity required. The issue should be acknowledged in the register by the recipients concerned. The balance should be struck at the end of each quarter and verified with the actual stock by the Secretary who shall certify to the verification in the register.

55. Suits for recovery of dues.--

The Market Committee shall maintain a register in such forms as may be prescribed by the Director wherein the suits instituted, cause incurred, suits disposed of in favour of or against the Market Committee and cause awarded by the Courts shall be recorded. The undisposed cases at the close of the year or suits, the cost of which have not been or have been only partially recovered shall be transferred to the register for the ensuing year. The register shall be written up as soon as suits are instituted and charges paid with reference to payment vouchers. It shall be periodically reviewed by the Secretary to see that necessary action for recovering any dues is taken in time.

56. Refund of revenue.--

Whenever any refund of revenue already collected are made with the sanction of the Market Committee, the fact of the refund shall be noted in the register concerned against the entry for the receipt of the item concerned.

57. Refund of amount in certain cases.--

The Market Committee shall refund the amount paid to it in the following cases:

- (i) Where any sum has been deposited for the issue of license which has not been issued;
- (ii) Where person has wrongly applied and paid for and has been issued two or more licenses of the same nature in his name for the same market area or market yard as the case may be;
- (iii) Where any market fee has been received in excess of the amount actually due;
- (iv) Where any market fee has been recovered on a transaction which is exempted under the Act or the Rules framed there under;
- (v) Where any money has been paid to the Market Committee against a receipt by mistake:

Provided that no such refund shall be made without a written application for refund and without prior sanction by Chairman :

Provided further that a refund bill shall be prepared and duly passed for payment by the Chairman.

58. Checks on receipt and expenditure.--

The Market Committee shall take all possible steps to secure an adequate check on the due crediting of receipts and on payments made by its officers and servants and shall furnish to the auditing officer/official, all information required regarding the action taken in this respect.

59. Verification of security and other investments.--

The amount of every security and other investment shall be verified annually:

- (a) by the Secretary as soon as practicable after the close of year and a certificate of verification recorded in the register of investments; and
- (b) by the auditing officers and officials at the time of audit.

60. Writing-off of security or other investments.--

No security or other investments entered in the register shall be written-off unless and until it has been disposed-off by sale or otherwise.

61. Defalcation or loss of moneys or stamps.--

(1) Any defalcation or loss of moneys or stamps belonging to the Market Committee shall be reported immediately after discovery to the Director and also to the officer looking after marketing work in whose jurisdiction the Market Committee is situated. A further and complete report shall also be submitted to them as soon as may be after the matter has been fully enquired into, setting forth the nature and extent of defalcation or loss, the errors or neglect of rules by which such defalcation or loss was rendered possible, and the prospect of effecting a recovery.

(2) Loss by theft or otherwise of other property belonging to the Market Committee shall be reported to the auditing officer/officials, if the value of the property loss exceeds one hundred rupees.

(3) The submission of the report under sub-rules (1) and (2) shall not be deemed to debar the Market Committee concerned or its Secretary from taking such further action as may be considered necessary.

62. Liability of members of the service or the employees of Market Committee for misappropriation of funds.--

Members of the service or the employees of the Market Committee shall be personally liable for the loss, waste, misapplication or misappropriation of any money or other property held for the administration of the Market Committee if such loss or waste or misapplication or misappropriation is a direct consequence of his neglect or misconduct in his capacity as members of the service or as servants of the Market Committee, and a suit for compensation for the same may be instituted against him, as if the money or the property had belonged to the State Government.

CHAPTER III

Loans and Advances

63. Loans and advances to the Market Committee.--

(1) The Market Committee may, through a resolution duly passed by it in this behalf through the Director for obtaining loans, subsidies and grant-in-aids from the Government or State Agricultural Marketing Board or other Agency or other Market Committee as may be necessary for the management, improvement and development of the market yards, acquisition of lands or buildings or repairs to buildings or any type of constructions, setting up of grading units and in general for the development of marketing facilities in the market area :

Provided that in case of State Marketing Board and other Market Committees, the application shall be in Form XIV.

(2) The Director shall, after such enquiries as may be considered necessary forward the proposals received under sub-rule (1) to the State Government or the State Agricultural Marketing Board or other Agency or other Market Committees as the case may be with his recommendations.

(3) The State Government or the State Marketing Board or other Agency or other Market Committees as the case may be, where it is satisfied sanction such loans, subsidies and grant-in-aids as may be deemed necessary:

Provided that in getting the sanction of the loan from the State Agricultural Marketing Board, or other Agency or other Market Committee previous approval of State Government shall be obtained in accordance with Section 24:

Provided further that the loans shall be advanced against the property of the Market Committee except where specifically exempted by the State Government in case of loans for meeting the cost of management of the Market Committee in the initial stages.

- (4) Each loan under sub-rule (3) shall form first charge on the income of the Market Committee and shall be repayable in such instalment and shall carry interest at such rate or rates as may be fixed by the Government or the State Agricultural Marketing Board or other Agency or other Market Committee in each case.
- (5) Deferred payments and unpaid balances, if any, shall be realised from the Market Committee in such manner and shall bear such enhanced rates of interest as the State Government or the State Agricultural Marketing Board or other Agency or other Market Committee may lay down at the time of sanctioning the loan.
- (6) The Director shall require the Market Committee to deposit in the Government Treasury each instalment of the loan advanced under sub-rule (3) along with interest, as and when it falls due under the terms and conditions of the Government loan.
- (7) In case of giving the loan by the Board or other Agency or other Market Committee the instalments shall be deposited at such institutions as pointed out by the Board or other Agency or other Market Committee.
- (8) Where the Director feels that any part of the loan advanced under sub-rule (3) is not easily recoverable from the Market Committee, State Government will be moved for recovery of the said loan.
- (9) The State Government may, on receipt of a report from the Director under sub-rule (8), order the recovery of the entire amount due from the Market Committee as arrears of land revenue under the Act.
- (10) The Market Committee shall maintain a register showing the receipt of the loan, the repayment thereof and payments of interest paid, etc.

CHAPTER IV

Budget

64. Annual estimates of income and expenditure.--

- (1) The Secretary shall, on or before the Seventh of July, each year, cause in Form XV to be prepared and laid before the Finance Committee and if there is no Finance Committee before the sub-committee (constituted for the purpose), estimate of income and expenditure of the Market Committee for the next financial year.
- (2) The Finance Committee or the sub-committee, as the case may be, shall, as soon as may be, consider, the budget estimates prepared by the Secretary and make such modifications and additions thereto as it shall think fit and submit the same to the Market Committee not later than the fifteenth day of July.

65. Preparation and submission of budget.--

- (1) The budget shall be for the market year commencing from the first October and ending on thirtieth September.

- (2) The Market Committee shall hold a meeting each year during the third week of July to consider the budget estimates of income and expenditure and finalise the same for the ensuing year. After consideration in a budget estimate the committee may approve them without any change or subject to such alterations as it may deem expedient, approve them.
- (3) The budget as approved and finalised by the Market Committee shall be submitted to the Director not later than Thirty-first of July every year, for sanction and abstract accounts of the receipts and expenditure of the previous market year shall also be submitted to the Director not later than the first December.
- (4) No provision for works and repair shall be included in the budget without the previous approval of the Director or any officer authorised by him in this behalf, if the estimated cost of it exceeds five thousand rupees.
- (5) The budget shall be accompanied by the following statements :
- (a) A statement in Form XVI showing the details of the scales and salary of the establishment of the committee provided for in the budget;
 - (b) A statement in Form XVII showing the details of the estimated expenditure on works proposed to be undertaken during the year. No work for which plans and estimates have not been previously prepared and sanctioned by Competent Authority shall be included in the budget;
 - (c) A statement in Form XVIII showing the loan obtained, the balance outstanding under each loan and the amount to be discharged during the market year on account of repayment of principal and payment of interest;
 - (d) A statement in Form XIX showing the fixed contributions (to the funds like State Marketing Developing Fund, etc.) payable by the Market Committee.
- (6) If the committee fails to adopt the budget estimates and forward to the Director on or before the time prescribed under sub-rule (3), the Secretary shall prepare and forward the budget with the statements specified in sub-rule (5) to the Director and it shall be deemed to have been duly adopted by the Market Committee.
- (7) No expenditure shall be incurred by the Market Committee unless the same is covered by budget grant or it can be met by re-appropriation from the savings under other heads or by supplementary grant from the available reserves approved by the Director or any officer authorised by him,
- (8) It shall be open to the Director to modify, annul or rescind the budget estimates for reasons to be recorded and communicated in writing to the Market Committee.
- (9) The Director or any other officer authorised by him shall return the budget with his sanction in accordance with sub-rule (8) before the commencement of the new market year:

Provided that in case the budget is not received by the Market Committee duly sanctioned the Market Committee may incur expenditure as provided for in the budget in respect of salary and other allowances of the staff of the Market Committee and other routine expenditure and if it is not approved within sixty

days from the date of receipt, it shall be deemed to have been duly approved by the Director or any other officer authorised by him.

66. Manner of preparing the budget estimates.--

- (1) The estimates shall be accompanied by a brief explanatory memorandum.
- (2) The estimates shall be so prepared as to provide for a closing balance which a Market Committee shall maintain at its credit at the end of the year and the amount of which shall not be less than five per cent of its recurring annual income.
- (3) (a) The estimate of income shall be based on a comparison of the last three years' receipts. The estimate from market fees and other sources for which there is a fixed demand shall, however, be limited to the average of three years' actuals or to the year's demand plus a reasonable percentage of the recoverable arrears whichever is less.
- (b) The estimates of total expenditure shall not exceed the average of actual receipts of the previous three years or the estimated receipts of the market year whichever is less. The total provision of expenditure for recurring items shall not exceed the average of past three years' receipts on account of fixed demand or the estimated receipts for fixed demand of the year, if the fixed demand has been increased for that year.
- (4) The estimate of expenditure on fixed establishments as well as fixed monthly recurring charges on account of rent, allowances, etc. shall be made according to actual sanctioned scale, irrespective of savings, and shall provide for the gross sanctioned pay without deductions of income tax.
- (5) For contingent expenditure the estimates shall be based upon the average actual expenditure of the past three years, exclusive of any special items as if expenditure that may have been incurred during those years.
- (6) The amount of any grant from the State Government un-expanded at the beginning and end, respectively of the market year shall be shown separately in the estimated opening and closing balances. Such amounts, shall not be taken into consideration in determining whether closing balance exceeds the minimum balance prescribed.
- (7) The revised estimate for the current year shall also be shown in the budget and it shall be based on the actual receipts and expenditure ascertained at the time when the budget estimates for the ensuing year is prepared and the probable receipts and expenditure during the remaining portion of the year. The revised estimate thus arrived at shall then be compared with (i) the adopted or sanctioned budget estimate for the current year, and (ii) the budget estimate proposed for the ensuing year and all important variations between the adopted or sanctioned budget estimate for the current year and the budget estimate proposed for the ensuing year shall be explained in the explanatory note.

⁶[67. Sanction and supervision of construction works.--

⁶ Substituted by Notfn. No. D-15-112-95-XIV-3, dated 12-2-2001. Prior to substitution it read as under :

"67. Preparation and submission of plans and estimates for works.—

- (1) The Market Committee may sanction from its fund, except the permanent fund specified in sub-section (6) of Section 25-A of the Act, for construction works, and execution of such works shall be carried out on the basis of the plan and design approved by the Market Committee in such manner as may be prescribed by the Madhya Pradesh State Agriculture Marketing Board, provided that for repairing and maintenance the Market Committee may prescribe its own manner and may spend.
- (2) The Madhya Pradesh State Agriculture Marketing Board shall be competent for the execution of construction works provided that the Market Committee may, with the previous sanction of the Managing Director, authorise any department or undertaking of the State Government, authorised by the State Government for this purpose, for the execution of work. The execution of such construction works shall also be carried out in the manner prescribed by the Board.
- (3) The supervision of the construction work shall be done by the Chairman, Secretary or such Member who is authorised by the Market Committee. In addition to this, such officer of the Board, who is empowered by the Board or in the case of authorised agency such agency may also supervise the construction work.]

68. Power of Market Committee to alter budget grants.--

The Market Committee may, from time to time during the market year, transfer the amount or a portion of the amount of one budget grant from one major head to another in the budget estimate or increase the amount of any budget grant or make an additional budget grant for the purpose of any special or unforeseen requirement arising during the said year, but not in such way as to bring the estimated cash balance at the close of the year below the limit prescribed under Rule 66 (2).

69. Re-appropriation of saving from one item to another item of expenditure and supplementary grants.--

The Market Committee shall regulate its expenditure in accordance with the provisions of its budget and in accordance with the instructions issued, from time to time, by the Director. No expenditure shall be incurred for which there is no budget provision unless it can be met by re-appropriation from savings under other heads or by a supplementary grant from available reserves subject to such demand from the Market Committee and sanction thereto by the Director.

70. Diversion of earmarked funds.--

Where for a specific purpose, any loans has been released, any contribution has been received or any fund has been earmarked, such loan, contribution or fund shall not be

The preparation of plans and estimates for works proposed to be undertaken and for the repairs to the existing buildings at the expense of the Market Committee will be attended to by such of the Engineering Personnel as directed by the Director.

For works estimated to cost upto rupees five thousand the Market Committee shall be competent to approve the same and undertake work.

For works estimated to cost more than rupees five thousand the financial sanction of the Director or the Officer authorised by him shall be obtained and only then work will be undertaken."

diverted permanently or temporarily to any purpose other than that for which the same has been raised, received or earmarked as the case may be, without the previous sanction of the Government.

71. Power of the Market Committee to release its income and expenditure during the market year.--

(1) If at any time during the market year it appears to the Market Committee that the income of the Market Committee Fund during the same year will not suffice to meet the expenditure sanctioned in the budget estimate of that year it shall be incumbent on the Market Committee forthwith to sanction any measure which they may consider necessary for proportioning the year's income to the expenditure.

(2) For the purpose of sub-rule (1), the Market Committee may either diminish the sanctioned expenditure of the year, so far as it may be possible to do so with due regard to all the requirements of the Act, or have recourse, subject to the conditions and limitations prescribed under the Act, to an increase of the rate, or adopt all or any of those methods.

72. Register of estimates and allotments.--

All estimates and allotments shall be maintained in such form as may be prescribed by the Director. When a revised estimate is sanctioned, the entry relating to the original estimate shall be nearly scored through in red ink and entries pertaining to the revised estimate made.

73. ⁷[x x x]

CHAPTER V
Internal Audit

74. Internal audit.--

The Director may authorise any officer/auditor to carry on the work of guiding the Market Committee in the maintaining of accounting procedure and following it rigidly by having internal audit.

CHAPTER VI
Returns

75. Monthly account.--

⁷ Omitted by Notfn. No. D-15-112-95-XIV-3, dated 12-2-2001. Prior to omission it read as under :
"73. Supervision of works.--All works shall be carried out under the supervision of the Secretary and Chairman or any member or members of the Market Committee duly authorised in this behalf by the Market Committee by passing a resolution."

At the close of each month, the account of receipt and payment during the month shall be prepared by the Secretary in such form as may be prescribed by the Director and shall be placed before the Market Committee at its ensuing meeting.

76. Quarterly abstracts of accounts.--

(1) The Secretary shall draw up a quarterly abstracts of the receipts and expenditure of the preceding quarter and such abstracts, shall be examined by the sub-committee and/or the officer authorised by the Director.

(2) The abstract of the accounts drawn up under sub-rule (1) shall be placed before the Market Committee.

77. Annual report and the balance-sheet.--

At the close of each market year, the Market Committee shall prepare the annual balance-sheet in such form as may be prescribed by the Director and also prepare an annual report and shall submit copies of the said balance-sheet and the said annual report within thirty days of the close of the market year, to the Director or the officer authorised by him.

78. Statement of assets and liabilities.--

The Market Committee shall prepare before the expiry of thirty days following the close of its market year a statement of its assets and liabilities and send the same along with the balance-sheet to the Director.

79. Publication of accounts.--

The annual accounts of receipts and expenditure, and the budget when sanctioned, shall be open to public inspection free of charge and shall be published by the Market Committee either by printing or by cyclostyling.

CHAPTER VII

Constitution of State Marketing Service

80. Constitution of State Marketing Service.--

(1) There shall be constituted for the State, the Madhya Pradesh State Marketing Service.

(2) The Madhya Pradesh State Marketing Service shall consist of the following posts, namely:

- (i) Secretary;
- (ii) Assistant Secretary;
- (iii) Marketing Inspector.

(3) (a) The Secretaries shall be of the following grade, namely :

- (i) Secretary Grade-I;
- (ii) Secretary Grade-II;
- (iii) Secretary Grade-III;

- (iv) Secretary Grade-IV.
- (b) The Assistant Secretaries shall be of the following grades, namely:
 - (i) Assistant Secretary Grade-I;
 - (ii) Assistant Secretary Grade-II.
- (c) The Marketing Inspectors shall be of the following grades, namely:
 - (i) Marketing Inspector Grade-I;
 - (ii) Marketing Inspector Grade-II.
- (4) The scale of pay for Member of the Service shall be as shown in Form XX.
- (5) The Assistant Secretary shall be appointed for a Market Committee with an annual income of above rupees three lakhs.
- (6) The Marketing Inspector shall be appointed for a Market Committee with an annual income of more than rupees one lakh.

Explanation.--For the purposes of sub-rules (5) and (6), the annual income of a Market Committee shall be an average of the income of the preceding three years.

81. Strength of Service.--

- (1) The strength of the service showing the number of posts in Market Committees shall be as given in Form XX.
- (2) No member of the service shall be entitled to compensation in consequence of any change made in the structure of the service or in the event of the State Government leaving unfilled or holding in abeyance any post in the cadre.

CHAPTER VIII

Recruitment, Appointment and Promotion

82. Method of recruitment.--

- (1) Recruitment to the service shall be made as follows:
 - (i) Secretary, Grade-I
 - (a) by deputation from Agricultural Department;
 - (b) by promotion from amongst the Secretaries Grade-II with a minimum service of six years in that grade.
 - (ii) Secretary, Grade-II
 - (a) by deputation from Agricultural Department;
 - (b) by promotion from amongst the Secretaries Grade-III with a minimum service of six years in that grade or Assistant Secretary Grade-I with a minimum service of six years in that grade.
 - (iii) Secretary, Grade-III
 - (a) by promotion from amongst the Secretaries Grade-IV with minimum service of six years in that grade; or
 - (b) by promotion from amongst the Assistant Secretaries Grade-II with a minimum service of six years as Assistant Secretary in that grade; or
 - (c) from amongst the Marketing Inspectors Grade-I with a minimum service of six years in that grade.

- (iv) Secretary, Grade-IV
 - (a) by direct recruitment;
 - (b) by promotion from amongst the Marketing Inspectors Grade-II with a minimum service of three years in that grade.
 - (v) Assistant Secretary, Grade-I by promotion from amongst Assistant Secretaries Grade-II with a minimum service of six years in that grade.
 - (vi) Assistant Secretaries, Grade-II by promotion from amongst the Marketing Inspectors, Grade-I or Secretary, Grade-IV, with a minimum service of six years in that grade.
 - (vii) Marketing Inspectors, Grade-I by promotion from amongst the Marketing Inspectors, Grade-II with a minimum service of three years in that grade.
 - (viii) Marketing Inspectors, Grade-II by direct recruitment.
- (2) (a) Fifteen per cent, and eighteen per cent of the available vacancies for direct recruitment shall be reserved for candidates who are members of the Scheduled Castes and Scheduled Tribes, respectively.
- (b) In filling vacancies so reserved, candidates who are members of the Scheduled Castes and Scheduled Tribes declared by the appointment committee to be suitable for appointment to the service, with due regard to the maintenance of efficiency of the administration of the Market Committee, may be appointed to the vacancies reserved for the candidates of the Scheduled Tribes, as the case may be under clause (a).
- (c) If sufficient number of candidates belonging to the Scheduled Castes and Scheduled Tribes are not available for filling up all the vacancies reserved for them, the remaining vacancies shall be filled from amongst other candidates and an equivalent number of additional vacancies shall be reserved for candidates belonging to the Scheduled Castes and Scheduled Tribes for the next recruitment:
- Provided that total vacancies reserved for Scheduled Castes and Scheduled Tribes candidates (including vacancies carried forward) shall not exceed forty-five per cent of the total vacancies advertised at any time.

83. Absorption.--

The incumbents holding posts equivalent to the post included in the service immediately before the commencement of these rules shall be absorbed on suitable posts on the basis of their qualifications, experience and record of service. A committee shall be constituted as follows for reviewing such cases and deciding post of absorption:

- (1) Chairman, or any member of Madhya Pradesh State Agriculture Marketing Board nominated by the Chairman. Chairman;
- (2) Director of Mandies. Member;

(3) Joint Director of Mandies or any other officer appointed by the Government not below the rank of Joint Director of Agriculture Member-Secretary. The Director of Mandies shall issue absorption order of such staff.

84. Promotions.--

(1) The committee constituted under Rule 83 shall also function for selecting the candidates for promotions. The committee shall meet whenever necessary to consider all cases for promotions and submit its recommendations to the Director. The list shall be prepared by the Member-Secretary under Rule 83 and placed before the committee with his recommendations. After consideration, the committee shall draw up a list of persons recommended for promotions and send the same to the Director within a month from the date of meeting. In selecting candidates for promotion in addition to the minimum qualifications prescribed in the rules regard shall be had to:

- (i) integrity;
- (ii) tact and energy;
- (iii) intelligence and aptitude; and
- (iv) experience and record of service.

(2) On receipt of recommendations of the committee, the Director shall forward this list to Government if he is not empowered to make appointment otherwise he shall pass such orders as he deems fit. The person so selected shall be placed on a select list in order of their seniority and shall be appointed by Director when a vacancy occurs in the respective cadre.

(3) The select list shall be reviewed and revised every year and shall be deemed to be a confidential document.

(4) The select list of candidates selected for appointment by promotion shall be maintained by the Director for each grade separately.

85. The appointment of a Government servant as the Secretary or Assistant Secretary or Marketing Inspector of a Market Committee on a Foreign service terms shall be in accordance with the conditions laid down in Fundamental Rules (110 to 127) and the contributions towards leave salary and pension due in respect of a Government servant shall be paid by the Market Committee concerned.

86. Unit for appointment.--

For the purpose of recruitment by transfer from among the employees of Market Committees to Grade-IV and for the purpose of promotion from Grade-IV to Grade-III, Grade-III to Grade-II and Grade-II to Grade-I, the employees of Market Committee established of under the Act, in the entire State shall form one unit.

87. Appointing authority.--

The appointing authority shall be the Government.

Qualifications

88. Qualifications.--

(1) A candidate for direct recruitment must have attained the age of 21 years (twenty-one) and must not have attained the age of 30 years (thirty) on the first day of January next following the year in which the recruitment is made:

Provided that the upper age limits in case of candidate belonging to a Scheduled Caste or Scheduled Tribe, shall be relaxed up to a maximum of five years:

Provided further that the upper age limit in respect of candidates who are employees in the Market Committees of the State shall be relaxable up to age of thirty eight years.

(2) **Academic qualifications.**--The minimum academic qualifications required for candidates for direct recruitment shall be as shown in the Forms XXI and XXII, respectively.

(3) **Eligibility for appointment.**--

(i) A candidate for appointment to service or post must be either--

- (a) a citizen of India; or
- (b) a subject to Sikkim; or
- (c) a person of Indian origin who has migrated from Pakistan with the intention of permanently settling in India; or
- (d) a subject of Nepal.

(ii) The appointment of candidates in categories (c) and (d) referred to in sub-rule (i) shall be subject to the issue of a certificate of eligibility by the State Government in their favour. The certificate of eligibility in respect of a candidate belonging to the category (c) referred to the said sub-rule shall be valid only for a period of one year from the date of his appointment beyond which he can be retained in service only if he has become a citizen of India. Certificate of eligibility will not, however, be necessary in cases of candidates belonging to any one of the following categories:--

- (a) persons who migrated to India from Pakistan before the 19th July, 1948 and have ordinarily been residing in India since then;
- (b) persons who migrated to India from Pakistan after the 18th July, 1948 and have got themselves registered as citizens;
- (c) non-citizens mentioned in categories (c) and (d) referred to in clause (i) of sub-rule (3) who entered service under the Government or a local authority before the commencement of the Constitution of India and who have continued in such service since then.

(iii) A candidate in whose case a certificate of eligibility is necessary may be appointed provisionally subject to the necessary certificate being eventually issued in his favour by the State Government.

(4) **Character.**--The character of a candidate for direct recruitment must be such as to render him suitable in all respects for employment. He should give names of two responsible persons (not relation), who may have been known to him during the three years immediately preceding the date of application, to act as a reference in case of any doubt, etc., regarding his antecedents.

(Note.--A person who has been convicted of criminal offence with simple or rigorous imprisonment exceeding six months shall be presumed to be unsuitable for employment. However, if even though a person has been so convicted, but he has been let-off only with a warning and has been sentenced to undergo any punishment, that conviction shall not be taken into account.)

89. Disqualifications.--

(1) No male candidate who has more than one wife living and no female candidate who has married a person having already a wife living shall be eligible for appointment to the service or post :

Provided that the State Government, may, if satisfied that there are special grounds for doing so, exempt any such candidate from the operation of this sub-rule.

(2) No candidate shall be appointed to the service or post unless he has been found after medical examination to be in good mental and bodily health and free from any mental or bodily defect likely to interfere with the discharge of the duties of the service or post :

Provided that in exceptional cases a candidate may be appointed provisionally to the service or post before his medical examination, subject, to the condition that the appointment is liable to be terminated forthwith, if he is found medically unfit.

The provisions of this sub-rule shall not be made applicable to the person already in Market Committee service.

(3) No candidate shall be appointed to the service or post--

(a) if he has been dismissed from the service of the Government or Local Authority for misconduct and has been declared to be disqualified for employment in the Public Service;

(b) if he has been convicted of an offence which involves moral turpitude;

(c) if he has--

(i) directly or indirectly, by himself or his partner, any share or interest in any contract or employment with, by or on behalf of the Market Committee, other than an interest in land held on a lease from the Market Committee, or is a Director, Secretary, Manager or other salaried officer of an incorporated company which has any such shares or interest; or

(ii) acted or is acting professionally in relation to any matter on behalf of any person having therein any such share or interest aforesaid.

90. Declaration.--

(1) A person appointed to the service shall immediately before he joins his duty, declare in Form all the immovable properties owned, acquired or managed by him or by any member of his family dependent on him. He should also declare his allegiance to the Constitution of India, in Form shall further declare that he is conversant with the terms and conditions of service.

(Note.--Forms in this regard shall be prescribed by the Director.)

(2) Every member of the service shall submit every year, a return declaring the following:--

- (a) his relationship with any member or person employed in the service of any Market Committee;
- (b) the amount which he may owe to any person with full details thereof;
- (c) assets, movable as well as immovable, owned or acquired by him or managed by him or by any member of his family dependent on him.

91. Medical Certificate.--

A candidate directly recruited to the service shall, subject to these rules, be required at the time of his appointment to produce a Medical Certificate of fitness in Form XXIII signed by Medical Officer in the State Government Service not below the rank of a Civil Surgeon to show that he is in good mental and bodily health and free from any physical defect likely to interfere with the efficient performance of his duties.

CHAPTER X

Probation, Confirmation, Seniority and Transfer

92. Probation.--

(1) A person appointed to a service or post by direct recruitment shall be placed on probation for a period of two years.

(2) The Appointing Authority may for sufficient reasons, extend the period of probation by a further period not exceeding one year in the aggregate.

(Note.--A probationer whose period of probation is not extended under this sub-rule but who has neither been confirmed nor discharged from the service at the end of the period of probation, shall be deemed to have been continued in service subject to the condition of his service being terminable on the expiry of the notice of one calendar month given in writing by either side.)

(3) A probationer shall undergo such training and pass such Departmental Examinations during the period of probation as the Government may, from time to time, specify by general or special orders and also as shown in Form No. XXIV.

(Note.--If any person fails to pass the examinations specified from time to time, within the period specified for the purpose, his increments shall be liable to be stopped until he passes the examination, but such stoppage of increments shall not have the effect of postponing his future increments after he has passed the examinations.)

93. Discharge or reversion.--

(1) If, at any time or at the end of the period of probation or the extended period of probation, as the case may be, the Appointing Authority may,--

(i) suspend the probation of a probationer and discharge him from service for want of vacancy;

(ii) if it is found that a probationer has not made sufficient use of his opportunities or that he has failed to satisfy the standard expected of him or he is otherwise found unsuitable for his post, by order terminate the probation and discharge him from the service after giving him a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(2) A person whose services are terminated during or at the end of the probationary period shall not be entitled to any compensation from the Market Committee or the State Government.

(Note.--Any person who is discharged from the service under this rule shall, if he was appointed to the service by promotion from any post in the service or by transfer from another service, be reverted to such post or service.)

94. Probationer's suitability for full membership.--

(1) At the end of prescribed or extended period of probation, as the case may be, the Appointing Authority shall consider the probationer's suitability for full membership of the Grade for which he was selected.

(2) If the Appointing Authority decides that a probationer is suitable for such membership, it shall, as soon as possible, issue an order declaring him to have satisfactorily completed his probation. On the issue of such order the probationer shall be deemed to have satisfactorily completed his probation on the date of expiry of the prescribed extended period of probation.

(3) If the Appointing Authority decides that the probationer is not suitable for such membership, it shall unless the period of probation is extended under Rule 92 by order discharge him from the service.

95. Extension of probation.--

At any time before the expiry of the prescribed period of probation or at the end of it the Appointing Authority may extend the probation of a probationer to decide whether he is suitable for full membership or not. Such extended period of probation shall terminate at the latest when the probationer has, after the date of expiry of the period of probation prescribed for the category in which he is on probation, completed one year of duties in such category. In cases where the probation of a probationer is extended a condition shall, unless there are special reasons to the contrary, be attached to the order of extension of probation that the probationer's increment shall be stopped until he is declared to have satisfactorily completed his probation. Such stoppage of increment shall not be treated as a penalty but only as a condition of extension of probation and shall not have the effect of postponing future increments after he is declared to have satisfactorily completed his probation.

96. Increment.--

A probationer in the service may be sanctioned the first increment and the next increment may be sanctioned only after he is declared to have satisfactorily completed probation. The Appointing Authority shall be the authority to sanction increment.

97. Confirmation.--

A probationer shall be confirmed in his appointment after expiry of the period of probation if,--

- (i) he has undergone the prescribed training and has passed the specified examination, if any; and
- (ii) the Collector certifies that nothing adverse regarding the integrity of the person has come to his notice.

98. Trial for suitability of officiating persons.--

(1) Persons declared permanent in the State Marketing Service when appointed to another service or post by promotion shall ordinarily be appointed in an officiating capacity for a period of two years to ascertain his suitability for the service or post :

Provided that the State Government (Appointing Authority) may declare that any previous officiation in such services or post may be counted towards the period of trial to such extent as may be specified in the particular case.

(2) If during or at the end of the period of trial he is found to be unsuitable for the service or post, he shall be reverted to his former substantive service or post.

(Note.--The failure to pass the specified examination, if any, within such period as may be allowed for the purpose may be construed as failure to show fitness for the service or post in which the person is officiating.)

(3) If at the end of the period of trial the person is considered suitable for the service or post, he shall be confirmed in the service or post with effect from such date as may be specified in the order of confirmation, by the Appointing Authority.

99. Gradation list.--

A gradation list shall be maintained for the service in which shall be arranged in order of seniority the names of the members of the service holding the posts in that service: Provided that a separate gradation list shall be maintained for each branch or group of posts of the service.

100. Seniority.--

(1) The seniority of the members of the service shall be determined in accordance with the following principles, viz. :

(a) Direct recruit.--

- (i) The seniority of the directly recruited member of the service appointed on probation shall count during his probation from the date of his appointment:

Provided that if more than one person have been selected for appointment on probation at the same time the inter-se seniority of the persons so selected shall be according to the order of the merit in which they were recommended for appointment by the committee.

(ii) The same order of inter-se seniority shall be maintained on the confirmation of such direct recruits if the confirmation is ordered at the end of the normal period of probation. If, however, the period of probation of any direct recruit is extended the Government (the Appointing Authority) shall determine whether he should be assigned the same seniority as would have been assigned to him if he has been confirmed on the expiry of the normal period of probation or whether he should be assigned a lower seniority.

(b) **Promoted servant.**--The promoted servant shall count his seniority from the date of his continuous officiation in the service of class to which he has been promoted:

Provided that where two or more promoted servants are confirmed with effect from the same date the Government (Appointing Authority) shall determine their inter-se seniority in the service in which they are confirmed with due regard to the order in which they were included in the merit list, if any, prepared for determining their suitability for promotion and their relative seniority in the lower service from which they have been promoted:

Provided further that the inter-se seniority between promoted servants and direct recruit shall be determined on the post on the date of promotion/appointment to the service.

(c) **Officiating servant.**--The inter-se seniority of servants, promoted to officiate in a higher service or a higher category or posts, shall, during the period of their officiation, be the same as that in their substantive service or grade irrespective of the dates in which they began to officiate in the service or grade:

Provided that,--

(i) if they were selected for officiation from a list in which the names of servants considered suitable for trial in or promotion to the service where arranged in order of merit, their inter-se seniority shall be determined in accordance with order of merit of such list;

(ii) the seniority of permanent servant appointed to officiate in the service by transfer shall be determined ad-hoc by the order of appointment :

Provided that the seniority proposed to be assigned to each servant shall be determined and intimated to him in the order of appointment.

(iii) where permanent servant is reduced to a lower service, grade or category of posts, he shall rank in the gradation list of the latter service, grade or category of posts above all the others in that gradation list

unless the authority ordering such reduction by a special order indicates a different position in the gradation list for such reduced servant;

(iv) where an officiating servant is reverted to his substantive service or post he shall revert to his position in that gradation list relating to his substantive appointment which he held before he was appointed to officiate in the other service or post.

(2) Notwithstanding anything contained above, the seniority of persons appointed prior to the enforcement of the State Marketing Service shall be determined by giving them suitable post and fixing their seniority on the basis of the panel prepared and recommendation given by the appointment committee or the selection committee constituted under these rules for the purpose as per Rule 83.

101. Posting and transfers.--

A member of the service shall be liable to transfer to any part of the State of Madhya Pradesh and postings and transfers shall be made by the Government (Appointing Authority) on the recommendations of the Director/Appointing Authority or in accordance with the provisions of the Act.

CHAPTER XI

Pay, Efficiency Bar, Departmental Examination and Increments

102. Time-Scale of Pay.--

(1) The time-scale of pay admissible to a member of the service shall be as specified in Form XX:

Provided that it shall be open to any person to whom any other time-scales of pay was admissible under any competent order in force immediately before the commencement of the new pay-scale under rules, to opt to remain in that scale of pay but he shall have to give his option in duplicate to the Government (Appointing Authority) and the Chairman through proper channel within three months from the enforcement of these rules in the Form prescribed by the Director. If he fails to do so, the concerned new pay scales shall be made applicable to him from the date of the enforcement of these rules.

(2) No allowances or additions to pay shall be allowed to a member of the service other than such allowance as may be granted to a Government employee in parallel circumstances under the Fundamental Rules applicable to persons employed in the service of the State of Madhya Pradesh.

103. Determination of initial pay.--

The initial pay of a member of service shall be determined in accordance with the provisions contained in Fundamental Rules 22-A and 22-B and revision of pay scales rules applicable to the servants of the State Government.

104. Efficiency Bar.--

In making recommendations in respect of the crossing of efficiency bar by the members of the service, the following criteria shall be followed:

- (i) the general criteria is that the person should be efficient in the performance of the particular duties entrusted to him and that he is capable of discharging higher responsibilities. Confidential reports for this purpose shall be taken into consideration; (ii) the person should be fully conversant with the Act and the rules and bye-laws made thereunder and all the other State Acts connected with local administration;
- (iii) apart from intelligence, industry and capacity for work, ability to control subordinates and manage the whole Market Committee's office or any section thereof, as the case may be important factor to be borne in mind in allowing the member of the service to cross the efficiency bar;
- (iv) he should also be competent to guide and train his assistants in the office, out door and field work.

105. Departmental Examination.--

(1) Every member of the service shall be required to pass the specified examinations as in Form XXIV within two years of his appointment in the service and if he fails therein, his appointment may be terminated notwithstanding any other provisions in this rule:

Provided that the State Government may, in special cases extend the period specified in this sub-rule for a period not exceeding two years in the aggregate.

(2) Every Market Committee shall be liable to pay the expenditure involved in getting the servant concerned specified trainings and examinations.

CHAPTER XII

Termination of Employment, Superannuation and Retirement

106. Termination of Employment.--

(1) The temporary appointment of person shall be liable to termination at any time on one month's notice in writing being given by either side or as stated in the letter of appointment.

(2) No member of the service in permanent service shall quit or resign his service without first giving three calendar months' notice in writing of his intention to do so to the State Government or the Appointing Authority through proper channel. A breach by the member of the service of the above provision shall make him liable to pay to the Market Committee as compensation for such breach a sum equal to his pay for the period of notice actually given falls short of the period prescribed:

Provided that the payment of such compensation may, in any special case, be reduced or waived by the State Government or the Appointing Authority.

107. Superannuation.--

(1) A member of the service shall attain the age of superannuation on the date he completes his 58 (fifty-eight) years of age and he shall be retired on such date:

Provided that the State Government may allow a member of the service to continue in employment even after, if he is considered fit and efficient to discharge his duties and a relaxation of age is in the interest of the Market Committee which he happens to be serving on the date, he completes 58 (fifty-eight) years of age :

Provided that the case of every person who is to be retained in service beyond the age of 58 (fifty eight) years is covered by specific orders of the State Government obtained in advance. The period of retention shall be limited to brief spells not more than one year at a time so that the continued fitness and efficiency of the member concerned may be kept fairly constantly under review.

(2) Where a member of the service is granted any leave under the leave rules which goes beyond the date which he must compulsorily retire, the grant of such leave shall automatically carry with it the extension of service for the period of such leave.

(3) The total period shall be such that the servant attains the age of 60 (sixty) years.

108. Retirement in certain cases.--

On the completion of twenty-five years of service, a member of the service may retire from the service with the permission of the State Government (Appointing Authority) or the State Government (Appointing Authority) may retire any member of the service on the completion of twenty-five years of service even if he has not attained the age of superannuation on ground of inefficient and unsatisfactory work and conduct, for reasons to be recorded in writing.

CHAPTER XIII

Allowances

109. Dearness, travelling and other allowances.--

(1) The travelling allowances and other allowances and conditions of their payments shall be same as those for Government servants on the corresponding scales of pay except in cases where they are fixed differently by special order of the Government in particular cases, for different Market Committees.

(2) Dearness allowance to the corresponding pay scales shall be such as directed by the State Government from time to time.

CHAPTER XIV

Discipline and Appeals

110. Penalties.--

The following penalties may, for good and sufficient reasons and as hereinafter provided, be imposed on any member of the service, namely :

- (i) censure;
- (ii) withholding of increments or promotions;
- (iii) recovery from pay of the whole or part of any pecuniary loss caused to the Market Committee by negligence or breach of orders;
- (iv) reduction in rank including reduction to a lower grade or post or to a lower time-scales, or to a lower state in a time-scales;
- (v) removal from service which shall not be disqualification for future employment;
- (vi) dismissal from service which shall ordinarily be disqualification for future employment.

Explanation.--(i) The discharge--

- (a) of a probationer during or at the end of the period of probation on grounds arising out of probation conditions laid down by the Appointing Authority; e.g., want of vacancy, failure to acquire prescribed (specified) special qualifications or to pass specified test; or
 - (b) of a person appointed otherwise in or under contract to hold a temporary appointment, on the expiration of the period of the appointment; or
 - (c) of a person engaged under contract in accordance with the term of his contract; does not amount to removal or dismissal within the meaning of this rule.
- (ii) The discharge of probationer, whether during or at the end of the period of probation for some specific fault or on account of his unsuitability for the service does not amount to removal or dismissal within the meaning of this rule.
 - (iii) The stoppage of a member of the service at the efficiency bar in the time-scale of his pay on the ground of his unfitness to cross the bar does not amount to withholding of increments or promotions within the meaning of this rule.
 - (iv) A refusal to promote a member of the service after due consideration of his case to a post or grade to which promotions are made by selection, does not amount to withholding of a promotion within the meaning of this rule.
 - (v) The reversion to a lower post of a member of the service who is officiating in a higher post after a trial in the higher post for administrative reasons such as the return of the permanent incumbent from leave or deputation, availability of a more suitable officer and the like does not amount to reduction in rank within the meaning of this rule.

111. Authority who may impose penalties.--

- (1) The penalties mentioned in clauses (i) to (iii) of Rule 110 may be imposed on a member of the service by State Government or any such officer as may be authorised by the State Government not below the rank of Joint Director.

(2) The penalties mentioned in clauses (iv) to (vi) of Rule 110 shall not be imposed on a member of the service except by the State Government or the Appointing Authority. (The penalties shall be subject to provisions of the Act and Rules).

112. Procedure for imposing certain penalties.--

(1) Without prejudice to the provisions of the Public Servants Enquiry Act, in force, no order shall be passed imposing any of the penalties specified in clauses (iv) to (vi) of Rule 110 on a member of the service unless he has been informed in writing of the proposed action.

(2) The grounds on which it is proposed to take action shall be reduced to the form of a definite charge or charges which shall be communicated to the member of the service charged together with a statement of allegations in which each charge is based and of any other circumstances which it is proposed to take into consideration in passing orders on the case.

(3) The members of the service shall be required within such time, as may be specified by the State Government or the Appointing Authority to submit a written statement of his defence and to state whether he desires to be heard in person and produce witness.

(4) The member of the service charged may, request for an access to Market Committee record for the purpose of preparing his written statement provided that the State Government or the Appointing Authority may for reasons to be recorded in writing refuse him such access if in its opinion such records are but strictly relevant to the case or it is not desirable in the interest of the Market Committee to allow his access thereto.

(5) After the written statement is received from the member of the service in accordance with sub-rule (3) or if no such statement is received within the time specified, the State Government or the Appointing Authority may, if it considers it necessary, appoint an Enquiry Officer to inquire into the charge framed against the member of the service and shall have the charges inquired into as provided in sub-rule (6).

(6) If the member of the service desires to be heard in person, he shall be so heard. If he desires that oral inquiry be held or if the State Government or the Appointing Authority so directs an inquiry shall be held by the Enquiry Officer. At such inquiry evidence shall be heard as to such of the allegations as are not admitted and the member of the service charged shall be entitled to cross-examine the witness who gives evidence in person and to have such witness called as he may wish :

Provided that the Enquiry Officer may, for reasons to be recorded in writing, if refused to call a witness whose evidence is, in the opinion of the Enquiry Officer not relevant or material.

(7) At the conclusion of the enquiry, the authority inquiring into the charges shall prepare a report of the inquiry, recording its findings on each of the charges together with the reasons there for. If in the opinion of such authority the proceedings of the inquiry establish charges different from those originally framed, he may record its findings on such charges :

Provided that findings on such charges shall not be recorded unless the member of the service charged has admitted the facts constituting them or has had an opportunity of defending himself against them.

(8) The record of the inquiry shall include :

- (i) the charges framed against the member of the service and the statement of allegations furnished to him under sub-rule (2);
- (ii) his written statement of defence, if any;
- (iii) the evidence recorded in the course of inquiry;
- (iv) the orders, if any, made by the State Government or the Appointing Authority and the report of the authority making the inquiry, in regard to the inquiry; and
- (v) a report setting out the findings on each charge and the reasons there for.

(9) The State Government or the Appointing Authority shall consider the record of the enquiry and determine which of the findings of the Enquiry Officer, it accepts.

(10) If the State Government or the Appointing Authority having regard to the findings recorded or accepted, has arrived at any provisional conclusions in regard to one of the penalties specified in clauses (iv) to (vi) of Rule 110 to be imposed, it shall :

- (a) furnish to the member of the service concerned a copy of the report of the enquiry together with a statement of such findings; and
- (b) give him a show-cause notice stating the action proposed to be taken in regard to him and calling upon him to submit within a specified time, such representation as he may wish to make against the proposed action.

(11) The State Government or the Appointing Authority shall determine, having regard to the findings recorded or accepted by it, and the representation, if any, made by the member of the service under sub-rule (10), what penalty, if any, should be imposed on the member of the service and subject to Rule 110 pass appropriate orders on the case and the orders so passed shall be communicated to the member of the service.

113. Procedure for imposing penalties under clauses (i) to (iii) of Rule 110.--

No order shall be passed imposing of the penalties specified in clauses (i) to (iii) of Rule 110 on a member of the service except after :--

- (a) the members of the service is informed in writing of the proposed action against him and of allegations on which such action is proposed to be taken and he is given an opportunity to make a representation which he may wish to make; and
- (b) such representation, if any, is taken into consideration by the State Government or the Appointing Authority under Rule 111 (1) or an authorised officer and the order so passed shall be communicated to the member of the service.

The record of the proceedings in such case shall include :

- (i) a copy of the intimation to the member of the service of the proposed punishment against him;
- (ii) a copy of the statement of allegations communicated to him;
- (iii) his representation, if any;
- (iv) the order of the case together with the reasons therefor.

114. Special provisions in certain cases.--

The provisions of Rules 110 and 111 shall not apply where the penalty is imposed on a member of the service on the ground of contract which led to his conviction on a criminal charge and in any such case the punishing authority may after consideration of the case, pass such orders thereon, as it deems fit.

115. Suspension pending disciplinary proceedings.--

(1) If having regard to the nature of charges the circumstances in any case, the State Government or the Appointing Authority is satisfied that it is necessary or desirable to place under suspension the member of the service against whom disciplinary proceedings is contemplated or is pending it may subject to the provisions of the Act pass an order placing him under suspension.

(2) A member of the service detained in police custody, whether on a criminal charge or otherwise for a period longer than forty-eight hours, shall be deemed to have been suspended with effect from the date of detention under this rule.

(3) A member of service against whom a criminal charge is pending may at the discretion of the State Government or the Appointing Authority be placed under suspension until the determination of the proceeding if the charge is connected with his duties or is likely to embarrass him the discharge of his duties in the Market Committee or involves moral turpitude.

116. Subsistence allowance during suspension.--

A member of service who is placed under suspension shall during the period of such suspension, be entitled to the following payments :

(a) during the first year of suspension subsistence allowance at the rate of half of the amount of leave salary which the member would have drawn, under leave rules applicable to him, if he had been on leave on average pay and for any period subsequent thereto, at three-fourth of such salary.

(b) in addition he may be granted to such extent and subject to such conditions as the authority ordering his suspension may direct,--

(i) clearness allowance not exceeding the amount admissible as such, had he been on leave on leave salary equal to the rate of subsistence allowance payable from time to time; and

(ii) other compensatory allowance (except house rent allowance granted in lieu of rent free quarters) of which he was in receipt on the date of suspension.

117. Pay, allowances and treatment of service on reinstatement.-

(1) When a member of the service who has been dismissed, removed or suspended is reinstated, the authority competent to order the reinstatement shall consider and make specific order :

(a) regarding the pay and allowances to be paid to the member of the service for the period of his absence from duty; and

(b) whether or not the said period shall be treated as a period spent on duty.

(2) Where the authority mentioned in sub-rule (1) is of opinion that the member of the service has been fully exonerated or in the case of suspension that it was wholly unjustified, he shall be given the full pay and allowances to which he would have been entitled had he not been dismissed, removed or suspended, as the case may be.

(3) In other cases the member of the service shall be given such proportion of such pay and allowances as the Appointing Authority may determine :

Provided that the payment of allowances under sub-rule (2) or (3) shall be subject to all other conditions under which such allowances are admissible:

Provided further that such proportion of such pay and allowances shall not be less than the subsistence and other allowances admissible under Rule 116.

118. Right of appeal.--

(1) A member of the service shall be entitled to appeal against an order imposing on him any of the penalties specified in clauses (i) to (iii) of Rule 110 other than any order of censure within thirty days from the date of receipt of such order to the State Government or the Appointing Authority when such an order is passed by an officer authorised under Rule 111 (1) and not by the State Government or the Appointing Authority itself.

(2) The State Government or the Appointing Authority may, for sufficient reasons to be recorded in writing, admit any appeal after the expiry of the period specified in sub-rule (1).

119. Forms, contents and submission of appeal.--

(1) Every person preferring an appeal shall do so in his own name.

(2) Every appeal preferred under these rules shall be addressed to the Secretary of Madhya Pradesh, Agriculture Department, or the Appointing Authority and shall:

(a) contain all material statements and arguments relied on by the appellant with an attested copy of the orders imposing the penalty;

(b) contain no disrespectful or improper language;

(c) be complete in itself.

120. Procedure for disposal of appeals.--

(1) An appeal may summarily be dismissed if :

(a) it is not submitted in accordance with Rule 119;

(b) no appeal lies under these rules;

(c) it is not submitted in the prescribed time limit and no reasonable cause is shown for the delay;

(d) it is repetition of a previous appeal which has been decided and no new facts or circumstances are adduced which afford ground for a consideration of the case :

Provided that in every case in which appeal is dismissed, the appellant shall be informed of the facts and reasons for it.

(2) If the appeal is admitted the State Government or the Appointing Authority may call for a report and record of the case from the authority against whose order the appeal has been filed. The State Government or the Appointing Authority shall then consider whether :

- (a) the facts established, afford sufficient grounds for taking action;
- (b) the facts on which the order was based have been established;
- (c) the penalty is adequate, inadequate or excessive;

And after such consideration may remand any case for further enquiry or decision or may pass any other order that may be deemed just and proper :

Provided that the penalty imposed shall not be enhanced by the State Government or the Appointing Authority unless opportunity has been given to the appellant to show cause against the proposed enhancement :

Provided further that no order shall be passed to the prejudice of any person until he has been given a reasonable opportunity of being heard.

- (3) (a) The State Government or the Appointing Authority may allow any officer of the Market Committee deputed by the Chairman for the purpose to appear before him in any appeal and to watch and represent the interest of the Market Committee.
- (b) The State Government or the Appointing Authority allow the Market Committee and/or the employees concerned to be represented by a Market Committee.

121. Stay order.--

An appeal under these rules shall not operate as a stay of the proceedings under an order appealed from except in so far as the State Government or the Appointing Authority may order, nor shall execution of an order be stayed by reasons only an appeal having been preferred from the order, but the State Government or the Appointing Authority may, for sufficient cause stay of execution of such order.

122. Limitation.--

The provisions of the Indian Limitation Act, 1908 (No. 9 of 1908), or as may be in vogue, may, as far as practicable, be taken as a guide in computing the period of limitation under this Chapter.

123. Giving effect to order of Appellate Authority.--

The authority from whose order an appeal is preferred under these rules shall give effect to any order made by the Appellate Authority.

CHAPTER XV

Service Book, Confidential Report and Personal Files

124. Service books.--

- (1) A service book in Form XXV shall be maintained for every member of the service. This book shall contain the history of the service of the member and each entry shall be attested by the Chairman.
- (2) The service book shall be supplied at his own cost to every member of the service on his first appointment. It shall be kept in the custody of the accountant or the person dealing with account of the Market Committee in which he is serving and transferred from one Market Committee to another on his transfer. The Chairman shall see that all entries in the service book are duly made and attested. There shall be no erasure or over-writing all corrections being neatly made and properly attested.
- (3) The Chairman shall see that the service book of every member of the service is properly kept.
- (4) When the member of the service is transferred to another Market Committee his service book shall be sent to the Chairman of that Market Committee and not made over to him nor shall it be given to him when proceeding on leave.
- (5) A fresh service book shall be used when there is no more space for entries in the old service book, and the entries shall not be continued by the addition to extra pages or slips of papers pasted into complete service books.

125. Confidential reports.--

- (1) Confidential reports shall be maintained and prepared for all the members of the service in Form XXVI.
- (2) These reports shall be written annually in the month of October for the previous market year.
- (3) Remarks in confidential reports shall be initialled by the Chairman and the report shall be forwarded to the officer authorised in this behalf. The authorised officer shall, after recording his opinion send the report to the State Government or the Appointing Authority.
- (4) The confidential report shall be treated as a strictly confidential document and adverse remarks given therein shall be communicated to the member of service concerned by the State or Appointing Authority. It will be open to the member to whom adverse remarks have been communicated to make a representation to the State Government or the Appointing Authority to have unfavourable remarks against him in his confidential report expunged. All confidential reports shall be maintained in the Agricultural Department of the State Government or in the office of the Appointing Authority.

Note.--The Chairman, before relinquishing his office shall leave on record for the information of his successor his opinion on the working of every member of the

service. This record shall as far as possible, contain his opinion with regard to all points specified in Form XXVI.

126. Personal files.--

(1) Personal files of every member of the service shall be maintained in the State Government Secretariat or in the office of Appointing Authority as well as in the office of the Market Committee concerned.

(2) The personal file to be maintained in the State Government Secretariat or in the office of the Appointing Authority shall contain original orders of appointments, promotion, punishment, suspension and record of official life of a member of the service which may throw light on his working, character, conduct, etc. while personal files to be maintained in the office of the Market Committee concerned shall contain copies of the documents referred to in this rule. Personal files shall be transferred from one Market Committee to another Market Committee when such member is transferred.

**CHAPTER XVI
Other Service Matters**

127. Regulation of pay, joining time, loan, security, travelling allowance and medical reimbursement.--

(1) Except as provided in the Act and these Rules :

(a) the Fundamental Rules applicable to the Government servant of Madhya Pradesh shall be applicable to the members of the service in respect of regulation of pay and joining time;

(b) the pay and other emoluments including travelling and other allowances, medical reimbursement of the members of the service shall be a charge on the Market Committee Fund in the Market Committee in which he may happen to be an employee from time to time;

(c) grant of loans and advances to the members of the service shall be governed by the rules relating to the grant of loans and advances to the officers/servant of the corresponding grade in the service of the State Government.

(2) In respect of loans, security, travelling allowances, medical reimbursement and conduct of the members of the service shall be governed by the rules applicable to Government officers servants of parallel grade, subject to the provisions of the Act and the rules framed thereunder. The Appointing Authority shall be the loan sanctioning authority.

128. Leave.--

(1) The leave relating to casual leave applicable to the Government servants of Madhya Pradesh leave rules, as in force, applicable to Government servants shall, in so far as they are applicable, govern the members of the service.

- (2) (i) The Chairman shall be the authority competent to grant casual leave to the Secretary.
- (ii) The Appointing Authority shall be the authority competent for the grant of other kinds of leave but shall consult the Market Committee in such cases.
- (iii) Whenever a short vacancy in the post of Secretary arises, the Appointing Authority may direct any member of the staff of the Market Committee to hold additional charge of the post.

129. Pension, family pension, gratuity, ex-gratia, loans and advances.--

- (1) A member of the service shall be entitled to get, on retirement, pension, family pension and gratuity at the rates at which an officer/official of the corresponding grade in the service of the State Government is entitled to get and for grant of and payment of pension, family pension and gratuity he shall be governed by the rules, orders and instructions relating to grant of and payment of pension, family pension and gratuity to the officer/official of the corresponding grade in the service of the State Government.
- (2) In the event of death of the member of the service, while in service, his legal heir shall be entitled to get ex-gratia at the rates at which an officer/ official of the corresponding grade in the service of the State Government is entitled to get and for grant of and payment of ex-gratia he shall be governed by the rules, orders and instructions relating to the grant of and payment of ex-gratia to the officer/official of the corresponding grade in the service of State Government.
- (3) Pension, family pension, gratuity and ex-gratia shall be paid from the Market Committee Fund of the Market Committee(s) as directed by the Director :
Provided that the amount towards pension, family pension, gratuity and ex-gratia shall be paid only after obtaining previous sanction of the Director.
- (4) Sanction of loans and advances to the member of the service or officer or servant of the Market Committee shall be governed in accordance with the rules applicable to the officer and servant of the corresponding grade in the State Government service.

**CHAPTER XVII
SERVICE CONDUCT**

130. Responsibility for act done by wife or other family members of the members of the service or by wife or other family members of the officers and servants of the Market Committee.--

A member of the service or an officer or servant of a Market Committee is responsible for any act done by wife or by any other member of his family living with, or in any way dependent on him which if done by himself would constitute a breach of these rules.

131. Gifts.--

(a) Save as otherwise provided in these rules, no member of the service or Market Committee servant shall, except with the previous sanction of the Market Committee and the Appointing Authority accept or permit his wife or any other member of his family to accept from any person any gift, the acceptance of which will place him under any form of obligation to the donor.

(b) A member of the service or another member of the service, an officer or servant of a Market Committee may accept from any person complimentary gifts, flowers or fruits or similar articles of trifling value on any wedding or ceremonial gifts from a friend, the value of which is reasonable in the circumstances of the case.

(c) If any question arises whether a gift is of a trifling value or not, or if a member of the service or a Market Committee servant is in any doubt whether a gift offered to him is of a trifling value or not, a reference shall be made to the State Government by the member of the service or to the Director by other officers and servants and the decision of the State Government or the Director, as the case may be, shall be final.

Explanation.--

(1) Whether or not a gift should be treated as of trifling value shall depend on who the donor is and the circumstances in which the gift is made.

(2) A gift exceeding in value one-twentieth of the monthly emoluments of a member of the service or a Market Committee servant or rupees twenty only whichever is less, from a person who is not his relative or his personal friend shall ordinarily be regarded as a gift of trifling value; but a gift from a relative or a personal friend not exceeding in value one-half of such emoluments or rupees two hundred only, whichever is less, on special occasions such as wedding anniversaries, funerals and religious functions shall be regarded as a gift of a trifling value.

(d) Members of the service or officer or servant of Market Committee shall not make a habitual use of vehicle and animal belonging to persons other than a member of their family or to travel, free of charges, in any vehicle plying for hire.

132. Public demonstration subscriptions for funds.--

(1) No member of the service or officer or servant of Market Committee shall receive or take part in the presentation of an address in his honour or in the honour of any member of service or officer or other servant of Market Committee without the previous sanction of the Market Committee and the Appointing Authority.

(2) No member of the service or officer or servant of Market Committee shall solicit subscriptions for any fund or take in part in collection of money for any public or local purpose except with the previous sanction of the Market Committee, and the Appointing Authority.

(3) A member of the service or officer or servant of a Market Committee may, however, attend as entertainment or a farewell party of a private or informal character given in his honour or any member of service or officer or servant of Market Committee.

133. Lending or borrowing.--

No member of the service or officer or servant of Market Committee shall--

- (a) directly or indirectly engage in the business of money lending; or
- (b) except with the previous sanction of the Market Committee and the Appointing Authority lend money to any person possessing land within the local limits of his authority or at interest to any person; or
- (c) except in the ordinary course of business with a bank or firm of standing or a co-operative society borrow money or otherwise place himself under pecuniary obligation to any person :

Provided that a member of the service or an officer or servant of a Market Committee may accept a purely temporary loan of small amount, free of interest from a personal friend or relative or operate a credit account with a bona fide tradesman :

Provided further that this rules shall not apply to a member of the service or an officer or servant of a Market Committee who belongs to a Joint Hindu Family carrying on the business of money lending as an ancestral profession and he does not take an active part in the business and is not employed in a district in which the business of the Joint Hindu Family is carrying on.

134. Buying and selling houses or valuable property.--

(1) No member of the service or officer or servant of a Market Committee shall, except with the previous sanction of the Market Committee or the Appointing Authority hold or acquire immovable property for the purpose of residence within the State of Madhya Pradesh.

(2) No member of the service or officer or servant of a Market Committee shall except with the previous sanction of the Market Committee and the Appointing Authority purchase or sale or acquire or dispose of any movable or immovable property exceeding rupees five hundred in value.

(3) Every member of the service or officer or servant of a Market Committee shall make a declaration to the Market Committee by the end of every market year of the immovable property owned or acquired or disposed of by him the previous year either on his own account or as a trustee or administrator or executor.

135. Investments.--

No member of the service or officer or servant of a Market Committee shall speculate in any investment nor shall he permit any member of his family to do so. For the purpose of these rules the habitual purchase and sale of securities of notoriously fluctuating value shall be deemed to be speculation in investment.

136. Promotion and management of companies.--

No member of the service or officer or servant of a Market Committee shall, except with the previous sanction of the Market Committee and the Appointing Authority

take part in the registration, promotion or management of any bank or company other than a co-operative society or hold office or serve in any co-operative society.

137. Private trade or employment.--

(1) No member of the service or officer or servant of a Market Committee shall, except with the previous sanction of the Market Committee and the Appointing Authority engage himself directly or indirectly in any trade or business or undertake any employment :

Provided that a member of the service or officer or servant of a Market Committee, may, without such sanction undertake honorary work of a social or charitable nature of occasional work of a literary, scientific, artistic character, subject to the condition that his official duties do not thereby suffer, but he shall not undertake or shall discontinue such work if so directed by the Market Committee or the Appointing Authority.

(2) No member of the service or officer or servant of a Market Committee shall act as arbitrator in any case, unless he is directed to do so by the Market Committee or the Chairman of the Market Committee and the Appointing Authority.

138. Insolvency and habitual indebtedness.--

(1) A member of the service or officer or servant of a Market Committee shall so manage his private affairs as to avoid habitual indebtedness or insolvency.

(2) A member of the service or officer or servant of a Market Committee who is adjudged or declared insolvent shall report such insolvency to the Chairman of the Market Committee and the Appointing Authority.

139. Communications of official documents.--

No member of the service or the officer or servant of a Market Committee shall, except in accordance with any special order of the Chairman or Secretary of the Market Committee, in the performance in good faith of the duties assigned to him communicate, directly or indirectly any official documents or information to any Market Committee servant or any other person to whom he is not authorised to communicate such documents or information.

140. Connection with press.--

No member of the service or officer or servant of a Market Committee shall, except with the previous sanction of the Market Committee and the Appointing Authority own wholly or in part, or conduct or participate in the editing or managing of any newspaper or other periodical publication.

141. Discussion of policy or action.--

No member of the service or officer or servant of a Market Committee shall, by utterance or by writing or by publications or otherwise, discuss or criticize in public or

at any meeting any policy pursued or action taken by the Market Committee or the Government :

Provided that he may,--

- (i) participate in meeting of association or bodies comprising wholly for members of the service or officer or servant of a Market Committee recognised by the Market Committee with previous permission of the Appointing Authority.
- (ii) defend to explain in public or private meetings any policy or action of the Market Committee for the purpose of removing misapprehension or correcting mis-statements.

142. Evidence before the public.--

No member of the service or officer or servant of a Market Committee shall give evidence before any public committee except with the previous sanction of the Market Committee and the Appointing Authority.

143. Taking part in politics and elections.--

(1) No member of the service or officer or servant of a Market Committee shall be a member of or otherwise associate with any political party or any organisation which takes part in politics nor shall he take part in, subscribe in aid of, or assist in any other manner any political movement or activity.

(2) No member of the service or officer or servant of a Market Committee shall attend such parties or any meeting of such parties contrary to the orders of the Government or permit any member of his family or dependents to do so.

(3) No member of the service or officer or servant of a Market Committee shall canvass or otherwise interfere or use his influence in connection with, or take part in, an election to any legislature or local authority :

Provided that :

- (i) a member of the service or officer or servant of a Market Committee qualified to vote at such election may exercise his right to vote, but where he does so, he shall give no indication of the manner in which he proposes to vote or has voted;
- (ii) a member of the service or officer or servant of a Market Committee shall not be deemed to have contravened the provisions of this rule by reasons only that he assists in the conduct of an election in the due performance of a duty imposed on him by or under any law for time being in force.

Explanation.--(1) Nothing contained in this sub-rule shall be deemed to prohibit the wife of a member of the service or officer or servant of a Market Committee or any other member of his family living with him or in any way

dependent on him from standing for election to any Legislature or to any authority and from canvassing for other candidates.

(2) The display by a member of the service or officer or servant of a Market Committee on his personal vehicle or residence of any electoral symbol shall amount to using his influence in connection with election within the meaning of this sub-rule.

(3) Seditious propaganda or the expressing of disloyal sentiments by a member of the service or officer or servant of a Market Committee shall be regarded as sufficient ground for dispensing with his service.

144. Membership of Service Association.--

No member of the service or officer or servant of a Market Committee shall be a member, representative or officer of any association representing or purporting to represent members of the service or officer or servant of a Market Committee or any class of Market Committee servants unless such association is recognised by the Market Committee and the Government.

145. Employment of near relatives.--

Every member of the service or servant of a Market Committee shall intimate immediately to the Chairman or Officer-in-charge of the Market Committee cases of any near relative employed under whom or in same office.

146. Influencing superior authorities for furtherance of interests.--

No member of the service or officer or servant of a Market Committee shall bring or attempt to bring any political or other outside influence to bear upon any superior authority to further his interest in respect of matters pertaining to his service under Market Committee.

Explanation.--A member of the service or officer or servant of a Market Committee causing his own case to be made the subject to an interpolation in Parliament or the State Legislature shall be deemed to have contravened this rule.

147. Broadcast Talk.--

No member of the service or officer or servant of a Market Committee shall participate in a Radio Broadcast except with the previous sanction of the Market Committee. No such sanction shall be required if such broadcast is of purely literary, artistic, or scientific character.

148. Bigamous Marriage.--

(1) No member of the service or officer or servant of a Market Committee who has a wife living shall contract another marriage without first obtaining the permission of the Market Committee and the Appointing Authority notwithstanding that such subsequent marriage is permissible under the personal law for the time being applicable to him.

(2) No woman member of the service or woman officer or servant of a Market Committee shall marry any person who has a wife living, without first obtaining the permission of the Market Committee and the Appointing Authority.

149. Integrity and devotion to duty.--

Every member of the service or officer or servant of a Market Committee shall at all times maintain absolute integrity and devotion to duty.

150. Strikes.--

No member of the service or officer or servant of a Market Committee shall engage himself in strike or in incitements thereto or in similar activities.

Explanation.--For the purpose of this rule, the expression (similar activities) shall be deemed to include the absence from work or neglect of duties without permission and with object of compelling some thing to be done by the superior officers or the Market Committee or any demonstrative fast usually called "Hunger Strike" for similar purpose.

151. Consulting a medical practitioner for the purpose of obtaining leave.--

It shall be the duty of every member of the service or officer or servant of a Market Committee who consults a medical practitioner with a view to obtain leave or an extension of leave on medical certificate to disclose to that practitioner the fact of his having consulted any other practitioner for the same purpose and the result of such consultations. Omission on the part by him to do this or any false statement made by him to a medical practitioner in this respect shall entail serious action by the Market Committee or the Appointing Authority.

152. Refusal to receive pay.--

Concerted or organised refusal on the part of members of the service or officer or servant of a Market Committee to receive their pay shall entail serious disciplinary action.

153. Interpretation and application.--

If any question arises relating to the interpretation of the rules in this Chapter, it shall be referred to Government whose decision thereon shall be final.

CHAPTER XVIII
Provident Fund

154. Constitution and management of fund.--

Every Market Committee shall establish, maintain and administer Provident Fund for the benefit of members of the service.

155. Subscriptions.--

A member of the service shall have to subscribe to the Provident Fund. But no such member of the service shall be qualified to subscribe to the Provident Fund before he attains the age of twenty-one years.

Explanation.--Members of the service who are :

- (a) on probation in substantive vacancies;
- (b) holding provisionally substantive appointments;
- (c) officiating in posts which are permanently vacant.

156. Nomination.--

(1) The Appointing Authority and the Chairman shall as soon as may be, after a subscriber joins the fund, require him to make a nomination conferring the right to receive the amount that may stand to his credit in the fund in the event of his death, where the amount has become payable but before payment has been made.

(2) A subscriber who, at the time of joining the Provident Fund, has a family shall send to the Appointing Authority and to the Chairman a nomination in Forms XXVII and XXVIII in favour of one or more members of his family.

(3) A subscriber, who has no family shall similarly nominate a person or persons in Forms XXIX and XXX :

Provided that a nomination made under this sub-rule shall be deemed to have been duly made in accordance with these rules only for so long as the subscriber has no family.

(4) If a subscriber at any time acquires a family, he shall send to the Appointing Authority and to the Chairman a nomination as provided in sub-rule (2) and if he has under sub-rule (3) nominated any person other than a member of his family, he shall formally cancel the previous nomination.

(5) A subscriber may in his nomination distribute the amount that may stand to his credit in the Provident Fund amongst his nominees, at his own discretion.

(6) A nomination may be cancelled by a subscriber provided that it is replaced at the same time by any other nomination which is permitted to be made under this rule.

(7) A nomination shall take effect to the extent it is valid on the date on which it is received by the Appointing Authority and Chairman.

(8) On the death of a nominee, a subscriber shall make a fresh nomination.

(9) Nothing in this rule shall be deemed to invalidate or to require the replacement by a nomination thereunder of nomination made before these rules or bye-laws then in force.

157. Subscribers, accounts and realisation of subscriptions.-

The Provident Fund shall be formed out of and maintained by :

- (1) subscriptions by subscriber; and
- (2) interest derived from investments or paid from the General Market Committee Fund.

158. Payment of subscription.--

(1) Every subscriber shall subscribe monthly to the Provident Fund /when on duty and may, at his option subscribe during leave.

(2) The amount of subscription shall be fixed by the subscriber subject to the following conditions :

(a) it shall be expressed in whole rupees;

(b) (i) it may be any sum so expressed not less than 6-1/4 per cent and not more than 15-3/8 per cent of his emoluments;

(ii) emoluments for the purpose of this rule shall be calculated at the rate payable on the first of April of the current year :

Provided that in the case of a new subscriber the rate of emoluments for the first month shall, until the commencement of the next financial year, be taken as his emoluments for the purpose of this rule :

Provided further that if the subscriber happens to be on leave or under suspension on the last date on the previous financial year his emoluments shall be calculated at the rate payable in respect of the first day after his return to duty;

(iii) the subscriber shall intimate the fixation of the amount of his monthly subscription in each year in writing to the Appointing Authority and Chairman sufficiently in advance of the commencement of the year. The amount of subscription so fixed shall remain unchanged towards the year.

(3) Subscriptions due shall be deducted monthly from the pay bills and the deductions shall be adjusted to the credit of the Provident Fund Accounts.

159. Investment of subscription in Life Insurance Policy.--

(1) At the request in writing of any subscriber, the whole or any portion of his subscription with interest thereon may be invested by the Chairman in a policy of Life Insurance in such office for such amount and on such terms as may be mutually agreed upon in writing between such subscriber and Market Committee.

(2) Such policy shall be effected in the name of the subscriber who shall assign the same in favour of the Chairman. It shall be held and unless reassigned as provided for in proviso (c) or (d) of this rule or sub-rule (3) shall be realised by the Chairman and the net proceeds on realisation shall be credited to the account of the subscriber :

Provided that,--

(a) every such policy shall, so long as the subscriber is actually in employment under the Market Committee belong to the Market Committee and no interest thereon, shall, during such period, vest in subscribers on whose life it had been effected, or in his nominee; and neither he nor they shall have any right to interfere therewith;

(b) the Market Committee shall not be responsible for any loss or damage that may arise or result from the effecting of any policy under this rule;

(c) on the retirement from service of a subscriber or on the termination of his services either by resignation or as a measure of punishment the policy effected on his life shall be reassigned to him; and

(d) on the death of a subscriber while in service, the policy effected on his life shall be reassigned to the nominee appointed by him under Rule 156 or to all the nominees appointed by him under that rule jointly, specifying the shares to which each of the nominee is entitled.

(3) If such a policy matures before the subscriber quits service, the Appointing Authority or the Market Committee shall,--

(a) if the amount assured together with the amount of any bonuses which have accrued is greater than the whole of the amount withdrawn from the fund in respect of the policy with interest thereon at the rate provided in Rule 158 reassign the policy to the subscriber and make it over to him, who shall immediately on receipt of the proceeds from the insurance corporation repay to the Provident Fund the whole of the amount withdrawn with interest and, in case of default, the Chairman shall arrange to recover the amount by deduction from the emoluments of the subscriber by instalments or otherwise as the Appointing Authority or the Market Committee may direct; and

(b) if the amount assigned together any accrued bonuses is less than the whole of the amount withdrawn from the fund in respect of the policy, with interest thereon at the rate provided in Rule 158 realise under sub-rule (2) the amount together with any accrued bonuses and shall be placed the amount so realised to the credit of the subscriber in the fund.

160. Investment of Provident Fund deductions and contributions from the Market Committee in securities.--

(1) The amount deducted from the pay bill as Provident Fund deductions and other sums relating to the Provident Fund shall be lodged in the banks authorised and a separate cash book shall be maintained. The whole or any portion of such deductions, contributions and other sums relating to the Provident Fund may be withdrawn from the bank at such intervals as may be necessary for investment in interest bearing securities or deposits.

(2) The sums required for the payment of temporary advances and Life Insurance premium during the month may be withdrawn from the accounts lodged in the banks at the beginning of the month, out of the deposit made therein till the end of the previous month.

161. Form of securities on deposits.--

(1) The investments shall be made as early as practicable in the form of securities or deposits specified below :

(a) Madhya Pradesh Government securities and securities guaranteed by the Government of Madhya Pradesh as to payment of interest and payment of principal;

- (b) non-terminable loans of the Central Government;
- (c) Fixed Deposits for period up to three years in the Madhya Pradesh Co-operative Apex Bank and the Central Co-operative Bank approved by the Registrar, Co-operative Societies of the Madhya Pradesh for the purpose;
- (d) State Bank of India and other Nationalised Bank as mentioned in the Act and Post Office Savings Bank deposits (only in the case of Provident Fund balance likely to be required for early disbursement); and
- (e) National Savings Certificates.

Explanation.--Investments shall ordinarily be in Item (a) except when there are special reasons for considering that it will be more advantageous to invest in one or the other items. An investment of the kind referred to in Item (c) shall be made only if the amount exceeds rupees five thousand.

(2) The investment of Provident Fund balances shall not be permissible as a loan to a Market Committee or for any purpose other than that for which such fund is constituted.

162. Ledger account of the subscriber.--

The amount opened in the name of each subscriber shall show :

- (1) the amount of his subscriptions with interest thereon; and
- (2) the amount of all advances given to the subscriber.

163. Contribution to be rounded of.--

The amount of contribution payable by the subscriber shall be rounded up to the nearest rupee in the manner provided in clause (iv) of sub-rule (2) of Rule 164.

164. Interest.--

(1) Subject to the provision of Rule 157 the Market Committee shall pay to the credit of the account of the subscriber interest at such rate (not less than the rate fixed for General Provident Fund of State Government employees) as Director may fix from time to time :

Provided that the rate which has been fixed in the first instant will hold good until it is altered by the Director under this rule.

(2) Interest shall be credited with effect from the 1st April of each year in the following manner :

- (i) on the amount at the credit of a subscriber on the 31st March of the preceding year less any sums withdrawn during the current year interest for twelve months;
- (ii) on sums withdrawn during the current year interest from the 1st April of the current year up to the last date of the month preceding the month of withdrawal;
- (iii) on all sums credited to the subscriber's account after the 31st March of the preceding year interest from the date of deposit up to 31st March of the current year;

(iv) if the total amount of interest contains a fraction of rupee it shall be rounded to the nearest whole rupee (fifty paise being rounded to the next higher rupee).

(3) For the purpose of this rule the date of deposit shall, in the case of recoveries from emoluments, be deemed to be the 1st day of the month in which they are recovered, and in the case of amount forwarded by the subscriber shall be deemed to be the first day of the month of receipt if they are received by the Chairman before the fifth day of that month or if they are received on or after the fifth day of that month the first day of the next succeeding month.

(4) In addition to any amount to be paid under Rule 161 interest thereon upto the end of the month proceeding that in which payments made, or up to the end of the month after the month in which such amount became payable, whichever of these periods be less, shall be payable to the persons to whom such amount is to be paid.

165. Advances.--

The Chairman may at his discretion, grant, temporary advances to a subscriber from the amount standing to his credit in his Provident Fund Account subject to the following conditions :

(a) the subscriber shall satisfy the Chairman that his pecuniary circumstances justify the grant of the advances and that it will be expended on the following subject or object and not otherwise:

(i) to pay expenses incurred in connection with the prolonged illness of the subscriber or any person actually dependent on him;

(ii) to meet the expenses on account of "confinement",--

(1) in case necessitating prolonged medical attention;

(2) prolonged stay in hospital or protracted treatment; and

(3) in other circumstances involving expenditure disproportionate to the subscriber's income.

(iii) to pay for the overseas passage for reasons of health or education of the subscriber or any person actually dependent on him; and

(iv) to pay obligatory expenses on a scale appropriate to the subscriber's status in connection with marriages, funerals, or ceremonies which by his religion it is incumbent on him to perform.

(b) the advances shall not, except for special reasons to be recovered in writing exceed three months' pay and shall in no case exceed half the amount of subscription and interest thereon standing to credit of the subscriber in the Provident Fund at the time when the advance is granted.

166. Recovery of advances.--

(1) An advance shall be recovered from the subscriber in such number of equal monthly instalments as the Chairman may direct; but such number shall be less than twelve unless the subscriber so elects or in any case more than twenty-four. A subscriber may at his option, make repayment in a small number of instalments than

that specified. Each instalment shall be a number of whole rupees, the amount of advance being raised or reduced, if necessary to admit of a fixation of such instalments.

(2) Recovery shall be made in the manner provided in sub-rule (3) of Rule 158 for realization of subscription and shall commence on the first occasion after the advance is made on which the subscriber draws pay for a full month. Recovery shall not be made while the subscriber is on leave, or in receipt of a subsistence grant.

(3) If more than one advance has been made to a subscriber each advance shall be treated separately for the purpose of recovery.

(4) (a) After the principal of the advance has been fully repaid, interest shall be paid thereon at the rate of one-fifth per cent of the principal for each month or broken portion of a month during the period of drawal and complete repayment of the principal.

(b) Interest shall ordinarily be recovered in one instalment in the month after complete repayment of the principal, but if the period referred to in clause (a) exceeds twenty months, interest may, if the subscriber so desire, be recovered in two equal monthly instalments. The method of recovery shall be that provided in sub-rule (2), payment shall be rounded to the nearest whole rupees (fifty paise being rounded to the next higher rupee).

(5) Recoveries made under this rule shall be credited as they are made to the account of the subscriber in the Provident Fund.

167. Closing of account and payments.--

(1) The account of each subscriber shall be closed :

(1) When he is dismissed from the service or removed or called upon to resign on account of misconduct or inefficiency or reasons without notice or permission; or

(2) When he retires from service or when his services are dispensed with owing to a reduction of establishment or some cause other than his own misconduct or inefficiency or when he becomes incapable of contributing to the Provident Fund by reasons of his having been reduced to inferior service as defined in the Civil Service Regulations otherwise than for misconduct or by reasons of his permanent transfer from qualifying to non-qualifying service or when he is permitted to resign under any circumstances other than those in clause (1), or

(3) When he dies :

Provided that a subscriber who has been dismissed from the service and is subsequently reinstated in that service shall, if required to do so, by Market Committee on the advice of the Appellate Authority repay any amount paid to him for Provident Fund in pursuance of this rule with interest thereon at the rate provided in Rule 158 in cash or in securities or partly in cash and partly in securities by instalments or otherwise or by recovery from his emoluments as the Market Committee may direct. The amount so repaid shall be placed to his credit in his account in the Provident Fund, the part which represents his

subscription and interest thereon, being accounted for in the manner provided in Rule 157.

Explanation.--Subscribers who are reduced to inferior service as defined in the Civil Service Regulations owing to their misconduct shall be regarded for the purpose of this rule as having been dismissed from the posts carrying higher pay, and shall accordingly be dealt with under clause (1) of this rule.

168. Withholding of payment of contribution amount.--

When a subscriber's account is closed either on the dismissal of the subscriber on any ground or on his resignation within five years of the commencement of his employment, the Market Committee may withhold the whole or any part of the amount standing to his credit in the contribution account and pay him only the balance together with the amount deposited by him as subscription and interest thereon :

Provided that all payment under this rule shall be subject to such recoveries as may be ordered by the Chairman under Rule 169.

Explanation.--(1) When the account of a subscriber is closed, the amount of his subscription and interest due up to the date on which his account is closed shall be paid to him by the Chairman after careful scrutiny subject to audit in usual course along with the monthly accounts.

(2) Subscription and contribution payable under this rule, which are not claimed within six months shall be transferred to the head "Deposits" and dealt with under the rules, applicable to "Deposits" generally. In the case of a subscriber's death, the six months' period shall be calculated from the date on which a registered notice in Form XXXI is sent to the person or persons specified in nomination referred to in Rule 156.

(3) If the recovery to be made from a subscriber under Rule 157 have not been ascertained on the date of closure of his account under this rule and delay in payments is caused thereby, interest shall be allowed to the subscriber until he gives intimation that the recoveries to be made from him have been ascertained and that he may receive payment of the amount due to him. No interest shall be payable after the date on which intimation is sent to the subscriber.

169. Liability of subscriber.--

(1) Subject to the condition that no deduction shall be made in excess of the total amount credited to account of the subscriber and of any interest which has accrued on such contribution, the Chairman, shall, when the sum standing to the credit of any subscriber in the Provident Fund has become payable deduct and pay to the Market Committee, the amount due under a liability incurred by the subscriber to the Market Committee.

(2) If the recoveries to be made from the account of a subscriber under sub-rule (1) above have not been ascertained on the date of closure of his account under Rule 167 and delay in payment is caused thereby, interest shall be allowed and the Provident Fund amount till intimation is given to the subscriber or his legal heirs, as the case

may be, that the recovery to be made from him have been ascertained and that he may receive payment of amount due to him. No interest shall be payable after the date on which intimation is sent to the subscriber or his legal heir.

170. Amount payable to nominee.--

Subject to any deduction under Rule 168 on the death of a subscriber before quitting the service :

(1) when the subscriber leaves a family,--

(a) if a nomination made by a subscriber in accordance with the provisions of Rule 156 in favour of a member or members of his family subsists, the amount standing to his credit in the fund or the part thereof to which the nomination relates shall become payable to his nominee or nominees in the proportions specified in the nomination; and

(b) if no such nomination in favour of a member or members of the family of the subscriber subsists or if such nomination relates only to a part of the amount standing to his credit in the Provident Fund, the whole amount or the part thereof to which the nomination does not relate, as the case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family becomes payable to the members of his family in equal shares :

Provided that no share shall be payable to :

- (1) sons who have attained legal majority;
- (2) sons of a deceased son who have attained legal majority;
- (3) married daughters whose husbands are alive; and
- (4) married daughters of a deceased son, whose husbands are alive :

Provided further that the widow and the child, or children of a deceased son shall receive between them in equal part only the share which the son would have received if he had survived the subscriber.

Explanation.--Any sum payable under this rule to a member of the family of a subscriber vests in such member under Provident Funds Act, 1952, sub-section (2) of Section 2.

(2) When the subscriber leaves no family if a nomination made by him in accordance with the provisions of Rule 156 in favour of any person or persons subsists, the amount standing to his credit in the Provident Fund or part thereof to which the nomination relates, shall become payable to his nominees in the proportion specified in the nomination.

(3) When a nominee is a dependent on the subscriber as defined in clause (c) of Section 2 of the Provident Funds Act, 1952, the amount vests in such nominee under sub-section (2) of Section 2 of the said Act.

(4) When the subscriber leaves no family and no nomination made by him in accordance with the provisions of Rule 156 subsists or if such nomination relates only

to part of the account standing to his credit in the Provident Fund the relevant provisions of clause (b) and of sub-clause (ii) of clause (c) of sub-section (1) of Section 4 of the Provident Funds Act, 1952 are applicable to the whole amount or the part thereof to which the nomination does not relate.

(5) Payment of Provident Fund money due to a minor beneficiary of a deceased subscriber may be made to the guardian nominated by the subscriber in the declaration made under the rules in force if such declaration continues to be valid under Rule 156. When the subscriber had not nominated, a guardian appointed by a Court to receive payment on behalf of a beneficiary should alone be recognised even where the amount involved does not exceed the limit of rupees five thousands specified in clause (b) of sub-section (1) of Section 4 of the Provident Funds Act, 1952. But if the party pleads inability to incur expenditure for obtaining the guardianship certificate from the Court, the orders of the Government shall be obtained for making any payment. Payments, however, be made without requiring the production of a guardianship certificate from the Court if the share of a minor beneficiary does not exceed rupees one hundred,--

(i) to the natural guardian of such minor beneficiary; or

(ii) in the absence of a natural guardian to a person considered fit by the Director to receive payment on behalf of such minor beneficiary on such person executing a bond in Form XXXII signed by two securities agreeing to indemnify by the Director or Market Committee against any subsequent claim which might arise :

Provided that the natural guardian may, if it is considered expedient be required to execute a bond signed by the two sureties agreeing to indemnify the Director or Market Committee against any subsequent claim which might arise before the payment is made :

Provided further that in case governed by Hindu Law, payment may be made without requiring the production of a guardianship certificate from the Court to a Hindu widow of a deceased subscriber on behalf of her minor children other than step-children, irrespective of the limit of rupees one hundred specified above. She may if considered expedient, be required to execute a bond signed by two sureties agreeing to indemnify the Director or Market Committee against any subsequent claim which might arise before the payment is made.

171. Difference due to under value of the securities to be paid for from the current balance of the Market Committee Funds.--

The securities held on behalf of the Provident Fund shall be valued for the purpose of the account of the Provident Fund at their face value. When on closure of an account securities have actually to be sold for meeting the liabilities of the Provident Fund and when the price fetched at the sale is less than their face value, the difference shall be paid at once by the Market Committee from the Market Committee Fund to the credit of the Provident Fund.

Explanation.--Where point to the depreciation of Government securities, they have been converted into other securities but for similar face value the difference between the latter and the face value of the original securities shall be made good at once from the general funds of the Market Committee and invested in the same manner as assets of the Provident Fund.

172. Excess of interest on securities over what is payable to subscribers is to be credited to head "Miscellaneous".--

(a) All interest owned on the securities in a year over and above what is payable to subscriber together with contribution forfeited under Rule 168 so far as the same is to be credited to the Market Committee, discounts on investments, if any, and other "miscellaneous" receipt shall be credited to the head "Miscellaneous".

(b) If in a particular year, the interest owned on securities is less than the amount payable to subscriber the difference together with premia on investments, if any, shall be debited to this head.

(c) The balance available under this head shall lapse to the Director after reserving a sum equal to the probable amount of the debits referred to in sub-rule (b) for the next three years.

(d) In case the difference referred to in sub-rule (b) is not covered by the balance under this head the excess shall be adjusted to the Provident Fund from the Market Committee Fund.

173. Accounts book regarding the Provident Fund.--

As soon as possible after the close of each year (financial) every subscriber shall be furnished with a statement in Form XXXIII showing the amount at his credit inclusive of interest and contribution. Subscribers shall satisfy themselves as to the correctness of this statement and errors in them shall be brought to the notice of the Director and Market Committee within one month from the date of their receipt.

174. Registers to be maintained.--

(1) The following registers shall be maintained under the supervision of the Secretary and the Chairman of the Market Committee :

- (a) a Provident Fund ledger in Form XXXIV;
- (b) an abstract register in Form XXXV;
- (c) a cash book in Form XXXVI;
- (d) a register of subscribers in Form XXXVII;
- (e) a register of temporary advances and their recoveries in Form XXXVIII;
- (f) a register of Life Insurance Policies in Form XXXIX;
- (g) register of Premia in Form XL.

(2) The registers aforesaid shall be reviewed from time to time by the Director or by officer as directed by him.

175. Relaxation of the rule in this Chapter.--

The Government may, in any particular case, relax any of the provision of these rules in this Chapter, if the circumstances of the case so require.

CHAPTER XIX

Publication of Bye- Laws**176. Procedure for framing bye-laws, their amendments or cancellation and previous and final publication.--**

(1) As soon as may be, after the appointment of the Officer-in-charge or the committee-in-charge under Section 10, such Officer-in-charge or the committee-in-charge shall take into consideration the local conditions, make the draft bye-laws for the market area in accordance with the provisions of the Act and the rules framed thereunder.

(2) A notice informing the preparation of bye-laws and availability of a copy thereof in the office of the Market Committee during office hours for inspection and offering any objection and suggestion from the users of the market within the period specified in the notice shall be affixed on the notice board of the Market Committee, as well as on the notice board of other autonomous bodies in whose jurisdiction market yard falls.

(3) All objections or suggestions specified in notice received within the period shall be considered by the officer-in-charge or committee-in-charge as the case may be and final bye-laws shall be prepared and sent to the Director for confirmation.

(4) On receiving confirmation from the Director a notice stating that the bye-laws have been confirmed by the Director shall be affixed on the notice board of the Market Committee and such other local authority or local authorities where the notice under sub-rule (2) was affixed. Such bye-laws, as confirmed by the Director shall be deemed to be enforced from the date on which the notice was affixed.

(5) Procedure as specified in sub-rules (2), (3) and (4) shall be applicable for amendment or cancellation of any of the bye-laws.

(6) The notice under this rule shall be affixed at the specified places on one and the same day and the person affixing the notice shall put his signature or thumb-impression alongwith date at the time of affixing.

CHAPTER XX

Duration of Record**177. Preservation of records.--**

The record of the Market Committee mentioned in column (1) of the table below shall be preserved for the period specified against each in column (2) in the table :

Table

Record	Period
(1)	(2)
Budget	5 years
General Cash book	Permanently

Establishment Bill	35 years
General Bills	3 years
Balance-Sheet	10 years
Ledger	10 years
Register of Deposits	Permanently
Application Form	Permanently
Returns of daily purchases and sales	1 year after audit
Receipts	3 years
Register of sale and purchase of Agricultural Produce	10 years
Register of licences	10 years
Provident Fund Register	10 years or till all accounts to which it relates are closed
Service Books of the Employees	5 years after settlement of all final claims
Register of proceedings of the Market Committee or sub-committee	Permanently
Register of correspondence	Permanently
Cheque Books	10 years
Pass Books	10 years
Travelling Allowance Bills	3 years
Lease Deeds Allowance Bills	10 years after the date they cease to have effect
Security Bonds	10 years from the date they cease to have effect
Treasury Challans	3 years
Imprest Account Register	3 years
Attendance Register	1 year
Movable Property Register	10 years
Library Register	10 years
Demand and Collection Register	10 years
Register of Stamps	3 years
Register of Court Cases	10 years
Stock Register	10 years
Investment Register	Permanently
Files about the appointment, removal and dismissal of employees	35 years
Other records which the Market Committee may decide to preserve	Such period not less than 10 years as may be prescribed by

for more than 3 years	the Market Committee.
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Notwithstanding anything contained in the above rule, all the record shall be preserved for the period up to which the audit objection, if any, has been finally settled.

CHAPTER XXI

Repeal and Savings

178. Repeal and Savings.--

On and from the date of commencement of these rules so much of the provisions of the Madhya Pradesh Agricultural Produce Market Rules, 1962, as relate to the matters covered by these rules stand repealed :

Provided that anything done or any action taken under any of the provisions so repealed shall unless such things or actions are inconsistent with the provisions of these rules, be deemed to have been done or taken under the corresponding provisions of these rules.

**6. M.P. Krishi Upaj Mandi (Mandi Samiti
Vargikararan) Niyam, 1981**

M.P. Krishi Upaj Mandi (Mandi Samiti Vargikararan) Niyam, 1981

PREAMBLE

In exercise of the powers conferred by clause (xxix) of sub-section (2) of Section 79 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following rules, the same having been previously published as required by sub-section (1) of the said section.

1. Short title.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Mandi Samiti Vargikaran) Niyam, 1981¹.

2. Definitions.--

In these rules, unless the context otherwise requires:--

(a) "Act" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);

²[(b) "income" means Market Committee's receipts comprising of licence fees and market fee;

(c) "annual income" means an average income of the preceding three years;

(d) " year" means the year commencing from 1st October and ending on 30th September next following;

(e) words and expressions used in these rules and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.

3. Classification of Market Committee.--

The Market Committee shall, for all the purposes of the Act, be classified as follows:-

(a) First Class Market Committee.--The annual income of which is more than ³[rupees one crore and fifty lakhs];

(b) Second Class Market Committee.—The annual income of which is more than ⁴[rupees seventy five lakhs] but not exceeding ⁵[rupees one crore fifty lakhs];

¹ Vide Notification No. D-6-63-80-XIV-3, dated 30-6-1981, published in the Madhya Pradesh Rajpatra, Part IV-Ga, dated 24-7-1981.

² Subs. by Notfn. Dated 23-1-2006 [3-2-2006]

³ Substituted for the words "rupees one crore" by by Notification dt.18-12-2009 [25-12-2009]

⁴ Substituted for the words "rupees 25 lakhs" by Notfn. Dated 18-12-2009 [25-12-2009].

(c) Third Class Market Committee.--

The annual income of which is more than ⁶[rupees forty lakhs] but not exceeding ⁷[rupees seventy five fifty lakhs];

(d) Fourth Class Market Committee.--

The annual income of which is not exceeding ⁸[rupees forty lakhs]:

⁹[Provided that no Market Committee classified earlier shall, consequent upon the commencement of amendment of this rule, be classified in a lower class for the current financial year.]

NOTIFICATION

[Dated 8-3-1995. Pub. in M.P.Rajpatra part I. dated 7-4-1995. p.533]
Classlfcation of Agricultural Produce Market Committees of the State made by the State Government under Rule 3 of the above rules. for all purposes of the provisions of the Act made on the basis of average income of the previous three years under rule 3:-

Market Committees of First Class

1. Bhopal, 2. Sehore, 3. Ashta, 4. Vidisha, 5. Ganj Basoda, 6. Harda, 7. Itarsi, 8. Pip ariya , 9. Indore, 10. Dhamnod, 11. Badnawar, 12. Dhar, 13. Sendhwa, 14. Khargone, 15. Burhandpur, 16. Khandwa, 17. Ujjain, 18. Dewas, 19. Mandsaur, 20. Neemuch. 21. Ratlam, 22. Jaora, 23. Shujalpur, 24. Guna, 25. Sheopur Kalan, 26. Sagar, 27. Katni, 28. Chhindwara, 29. Pandurna, 30. Satna, 31. Raipur, 32. Dhamtari.

Market Committees of Second Class

1. Betul, 2. Banapura, 3. Khirkiya, 4. Timarni, 5. Gotampura, 6. Sanawad, 7. Bhikangaon, 8. Barnagar, 9. Mahidpur. 10. Khategaon, 11. Gwalior (Lashkar), 12. Dabra, 13. Ashoknagar. 14. Bhind, 15. Morena, 16. Khurai, 17. Damoh, 18. Tikamgarh, 19. Jabalpur, 20. Shahpura (Bhitoni), 21. Gadarwara, 22. Kareli, 23. Gotegaon, 24. Narsimhapur, 25.

⁵ Substituted for the words "rupees I crores" by Notfn. Dated 18-12-2009 [25-12-2009]

⁶ Substituted by for the words "rupees 25 lakhs" by Notfn. Dated 18-12-2009 [25-12-2009]

⁷ Substituted by for the words "rupees 50 lakhs" by Notf. Dated 18-12-2009 [25-12-2009]

⁸ Substituted for the words "rupees 25 lakhs" by Notf. Dated 18-12-2009 [25-12-2009].

⁹ Substituted by Notfn. Dated 2-9-2005 [9-9-2005]

Seoni, 26. Bhatapara, 27. Nawapara, 28. Durg, 29. Rajnandgaon, 30. Jagdalpur.

Market Committees of Third Class

1. Berasia, 2. Nasrullaganj. 3. Ichhawar, 4. Shampur, 5. Obedullaganj. 6. Raisen, 7. Begamgunj, 8. Bareilly. 9. Gairatganj, 10. Sironj, 11. Beawara, 12. Pachor, 13. Jirapur. 14. Kurawar, 15. Narsinhagarh, 16. Sarangpur, 17. Multai, 18. Semri Harchand, 19. Mhow, 20. Sanwer, 21. Kuksi, 22. Manawar, 23. Rajgarh (Dhar), 24. Alirajpur, 25. Petlawad, 26. Anjar, 27. Barwah. 28. Kurhi, 29. Khetia, 30. Kasrawad, 31. Harsud, 32. Tarana. 33. Khachrod. 34. Nagda, 35. Unhel. 36. Hatpiplia. 37. Kannod. 38. Sonkutch. 39. Loharda (Navin Mandt), 40. Pipliya, 41. Shamgarh, 42. Alot. 43. Sailana, 44. Tal. 45. Akodia, 46. Agar (Malwa). 47. Berchha. 48. Kalapipal, 49. Nalkheda. 50. Shajapur. 51. Datia, 52. Kumbhraj. 53. Mungawali, 54. Aron. 55. Binaganj, 56. Shivpuri. 57. Badarwas. 58. Karera, 59. Pohari. 60. Gohad. 61. Kailaras, 62. Porsa. 63. Sabalgarh, 64. Bina, 65. Banda. 66. Deori. 67. Rahli. 68. Patharia. 69. Laundi. 70. Harpalpur. 71. Bada Malhara, 72. Chhatarpur. 73. Devendranagar, 74. Niwadi. 75. Sehora. 76. Balaghat, 77. Vara Seoni, 78. Chaurai. 79. Saunsar. 80. Mandla. 81. Kewlari. 82. Rewa. 83. Nagod. 84. Mahasamund. 85. Arang. 86. Baloda Bazar. 87. Basna. 88. Bag Bahora, 89. Kurud. 90. Newra, 91. Saraipali. 92. Nagri. 93. Rajim. 94. Bemetra, 95. Balod, 96. Kawardha, 97. Kondagaon. 98. Bilaspur. 99. Mungelt, 100. Naila, 101. Sakti, 102. Raigarh, 103. Sarangarh, 104. Sidhi.

Market Committees of Fourth Class

1. Rehti, 2. Udaipura. 3. Gulabganj. 4. Kurwai, 5. Lateri, 6. Shamshabad, 7. Chhapiheda. 8. Khujner. 9. Khilchipur. 10. Suthalia. 11. Bhainsdehi (Navin Mandt), 12. Vankhedi. 13. Gandhwani, 14. Jhabua. 15. Jobat. 16. Thandla. 17. Barwani, 18. Balwadi. 19. Segaon, 20. Tukaithad. 21. Bagli, 22. Bhanpura. 23. Manasa. 24. Jawad. 25. Suwasara, 26. Baraod, 27. Moman Badodia, 28. Susner. 29. Sewada, 30. Bhandar. 31. Isagarh. 32. Maksood Nagar. 33. Raghigarh. 34. Piprai, 35. Shadora,

36.Khania Dhana, 37.Kolaras (Shivpuri). 38. Khatora, 39. Lahar. 40. Magroni. 41. Pichhor. 42. Rannod, 43. Alampur, 44. Mau. 45. Mehgaon. 46. Ambah, 47.Jaura. 48. Shivpur Barod, 49.Vijaipur. 50. Bamora. 51. Jabera. 52. Hatta. 53. Raj nagar, 54.Ajaigarh. 55. Panna, 56.Jatara. 57. Katangt, 58.Khair Lanji, 59. Lalburra, 60. Mohgaon, 61. Paraswada. 62.Bicchia. 63. Dindori, 64. Gorakhpur, 65. Nalnpur, 66. Shahpura (Mandla). 67. Barghat. 68. Chhapara, 69. Dhansaur. 70. Lakhnadaun. 71. Baikunthpur, 72. Chak Ghat. 73. Hanumana. 74. Amarpatan. 75. Ramnagar, 76.Maihar. 77. Shahdol, 78.Anooppur, 79.Beohari. 80. Burhar. 81. Jethari. 82. Kotma, 83.Umaria. 84. Pithora, 85.Bhatgaon. 86. Garia Band, 87. Kasdol, 88. Bandha Bazar. 89. Chhuria. 90. Dongargarh. 91. Dongargaon , 92.Khairagarh, 93. Narayanpur, 94. Charama. 95. Gidam. 96. Kanker. 97. Keshkal. 98. Sambalpur. 99. Dontra-Konta, 100. Bhopalpatnam. 101.Bijapur. 102.Akaltara. 103. Champa. 104. Jairam Nagar. 105. Kota. 106. Katghora, 107. Lormi. 108. Pendra Road. 109. Pandaria. 110.Takhatpur. 111. Gharghoda. 112. Jashpurnagar. 113. Kharsia, 114.Pathalgaon. 115. Bagtcha, 116. Kunkuri, 117. Manendra Garh, 118. Ambikapur, 119. Baikunthpur (Surguja), 120. Ramnuganj, 121. Sitapur. 122.Pratappur. 123. Surajpur. 124.Kusmi.

**6.1 The Madhya Pradesh Krishi Upaj
Mandi (Payment of Market Fees) Rules,
1990**

The Madhya Pradesh Krishi Upaj Mandi (Payment of Market Fees) Rules, 1990

PREAMBLE

In exercise of the powers conferred by clause (iv-b) of sub-section (2) of Section 79 read with sub-section (3) of Section 19 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following Rules, the same having been previously published as required by sub-section (1) of the said section, namely :--

1. Short title.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Payment of Market Fees) Rules, 1990¹.

2. Definitions.--

In these rules, unless the context otherwise requires--

- (a) "Act" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);
- (b) "Form" means a form appended to these rules;
- (c) "Section" means a Section of the Act.

3. (i) Every Trader/Processor/Commission Agent of a Trader shall be required by sub-section (3) of Section 19 make a declaration in a Form appended to these rules of the fact of payment of market free on the agricultural produce being so re-sold in the market area of another Market Committee.

(ii) Booklets of declaration form (each booklet shall have fifty declaration forms, each, in triplicate) shall be supplied by the Market Committee to the concerned Trader /Processor/Commission Agent of a Trader on payment of price.

Copies of the declaration form shall be printed in different colours. Trader/Processor/Commission Agent of a Trader shall give original and duplicate copies duly filled in to the purchaser. The purchaser shall submit these declaration forms in original and duplicate to the Market Committee where the agricultural produce is being re-sold. The Secretary of the Market Committee shall retain original copy for

¹ Vide Notification No. D-15-1-90-XIV-III, dated 13-9-1991, published in the M.P. Rajpatra, Extraordinary, dated 13-9-1991.

the record of Market Committee and the duplicate copy shall be duly returned to the concerned purchaser after affixing the seal of cancellation.

(iii) The printing of the booklet of these declaration forms shall be arranged by the Madhya Pradesh State Agricultural Marketing Board, which shall duly number them and maintain proper accounts thereto and supply these booklets to all the Market Committees. The Market Committee concerned shall charge Two Rupees extra for each booklet and supply on payment to such Trader/ Processor/Commission Agent of a Trader who will give a requisition in writing.

4. The Madhya Pradesh Krishi Upaj Mandi (Refund of Market Fees) Rules, 1986 is hereby repealed:

Provided that anything done or any action taken under the rules so repealed shall be deemed to have been done or taken under the corresponding provisions of these rules.

**6.2 The Madhya Pradesh Krishi Upaj
Mandi (Mandi Samiti Ka Nirvachan) Rules,
1997**

The Madhya Pradesh Krishi Upaj Mandi (Mandi Samiti Ka Nirvachan) Rules, 1997

PREAMBLE

In exercise of the powers conferred by sub-section (1) and sub-section (2) of Section 79 read with Sections 11,11-A and 12 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following Rules, the same having been previously published as required by sub-section (1) of Section 79 of the said Act, namely :

CHAPTER I

PRELIMINARY

1. Short title and commencement.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Mandi Samiti Ka Nirvachan) Rules, 1997¹.

2. Definitions.--

In these rules, unless the context otherwise requires,--

- (a) "Adhiniyam" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);
- (b) "Appellate Authority" means the officer designated by the State Government as Appellate Authority to hear appeals under these rules;
- (c) "Candidate" means a person contesting in the election;
- (d) "Chairman" means a Chairman of Mandi Samiti;
- ²[(e) "Constituency" means, the constituencies for the agriculturists representative of the, or constituency for the Chairman of the Market Committee or the constituency for traders or the constituency for the weighman and hammal, as the case may be;]
- (f) "District Election Officer" means the Collector of the district for conduct of elections to Mandi Samiti;
- (g) "Form" means a form appended to these rules;

¹ Vide Notification No. D-5-86-97-XIV-3, dated 19th June, 1998. Published in the M.P. Rajpatra (Asadharan), dated 19-6-1998.

² Substituted by Notfn. dated 9-12-2010..

- (h) "Marked copy of the voters' list" means the copy of the voters' list set apart for the purpose of marking the names of voters to whom ballot papers are issued at an election;
- (i) "Registration Officer" means the Electoral Registration Officer appointed by the Collector for registration of voters for election to Mandi Samities in a district and includes an Assistant Electoral Registration Officer;
- (j) "Returning Officer" means an officer appointed by the District Election Officer, for conduct of elections of Mandi Committee and includes Assistant Returning Officer;
- (k) "Voters List" means electoral roll or the list of voters of a constituency of a Mandi Samiti;
- (l) "Mandi" means a Mandi established under Section 4 of the said Adhiniyam;
- (m) "Mandi Area" means an area for which a Mandi is established under Section 4;
- (n) "District Collector" means Collector of District and includes the Additional Collector;
- (o) "Managing Director" means Managing Director of M.P. State Agriculture Marketing Board appointed under the Act and he shall be Commissioner, Mandi, Madhya Pradesh.
- ³[(p) "Member" means member of the Market Committee.]

CHAPTER II

ALLOTMENT OF SEATS IN THE CONSTITUENCIES

- ⁴[³. ⁵[(1) Every market area shall be divided into ten constituencies for the purposes of clause (b) of sub-section (1) of Section 11 of the Act, and for the purposes of clause (e) of sub-section (1) of Section 11 of the Act, the whole market area shall be one constituency for traders representative and for the purpose of clause (g) of sub section (1) of section 11 of the Act, the whole market area shall be one constituency for the represenataive of weighman and hammal).
- (2) For the purposes of sub-section (1) of Section 12 of the Adhiniyam the whole area of the Market Committee shall be one constituency for the election of Chairman of the Market Committee.

³ Inserted by Notfn. No. D-15-41-05-XIV-3, dated 31-3-2006.

⁴ Substituted by Notfn. No. D-5-86-97-XIV-3, dated 6-3-1999.

⁵ Substituted by Notfn dated 9-12-2010.

(3) Every Agriculturist constituency shall have equal number of voters as far as possible.

(4) Every Agriculturist constituency shall cover whole village and all the villages included therein shall be continuously in serial order as far as practicable.

(5) Each constituency constituted under Section 11-A of the Adhiniyam shall be given a separate serial number.

(6) The list of the constituencies constituted under Section 11-A of the Adhiniyam shall be published in the Local News Paper and also be affixed on the notice board of Collector's office as well as on the notice board of the concerned Mandi Committee and Janpad Panchayat Office.

(7) Any voter of the mandi area may prefer a claim or objection by delivering an application in writing duly signed by him to the Collector within 15 days from the date of the affixture of the statement.

(8) On receiving the application, if any, the Collector shall hold a summary enquiry into every objection and shall record in writing his decision thereon.

(9) The Collector shall thereafter amend the statement according to his decision and determine the number of constituencies and seats reserved for the Members of Scheduled Castes, Scheduled Tribes, Other Backward Classes and for women and they shall finally be notified in the manner as prescribed in sub-rule (6).]

4. (1) Seats reserved either for the Scheduled Caste or for the Scheduled Tribe for the first time shall, as far as practicable be allotted in the constituencies in which the percentage of the population of the Scheduled Castes or the Scheduled Tribes, as the case may be, worked out by Collector is found by him to be correspondingly higher in descending number. Before the subsequent election, seats reserved for the Scheduled Castes or Scheduled Tribes shall be allotted in other constituencies excluding the constituencies reserved for the first time by rotation and draw of lots. Seats to the members of the Other Backward Classes shall be allotted by rotation and drawing of lots for the purpose of sub-section (3) of Section 11-A of the Act.

(2) Seats reserved for women belonging to the Scheduled Castes, Scheduled Tribes and or Other Backward Classes shall be allotted from out of seats reserved for Scheduled Castes and/or Scheduled Tribes and/or Other Backward Classes. Seats belonging to women of General Category shall be allotted from out of remaining seats by rotation and drawing of lots.

- (3) (a) The seats under sub-rules (1) and (2) shall be allowed separately for each category reserved for Scheduled Castes, Scheduled Tribes, Other Backward Classes and Women.
- (b) For the purpose of allotting seats the Collector shall publish a notice at a conspicuous place at the headquarter of the concerned Mandi Committee stating that the lot shall be drawn in the office to be named in such notice and on the date and at the time specified therein before the persons who are present to witness the drawal of lots.
- (c) For the purpose of allotment of seats for women separate chits shall be prepared for general constituencies and constituencies reserved for Scheduled Castes and/or Scheduled Tribes and/or Other Backward Classes giving the individual number of seats on each of such chits. All the chits meant for general seats shall be kept in one pot and those chits for reserved seats shall be kept in separate pot. As many chits as are required for allotment of seats for women of general category shall be drawn out and the number of constituencies written on the chits shall be read out before the persons witnessing the draw. Similar procedure shall be adopted for drawing of chits from the pots means for allotment of seats for women belonging to Scheduled Castes, Scheduled Tribes and/or Other Backward Classes.
- (d) The proceeding shall be recorded in writing and signed by the Collector. Signatures of atleast two non-official persons witnessing the numbers of lots shall also be obtained on such proceedings. The names and addresses shall also be written below their signatures.

CHAPTER III

RESERVATION OF SEATS FOR CHAIRMAN

- 5.(1)** The Mandi Committee in which seat of Chairman shall be reserved for Scheduled Castes, Scheduled Tribes, Other Backward Classes and Women in accordance with Section 12 of the Act shall be determined by the Managing Director in the manner prescribed in sub-rules (2), (3) and (4).
- (2) (i) While counting the total number of seats of Chairman to be reserved for the members of Scheduled Castes and Scheduled Tribes with their proportion to the total population of State, fraction, or less than half shall be ignored and half and more than half shall be counted as one.

(ii) Seats reserved either for the Scheduled Castes or Scheduled Tribes for the first time, shall as far as practicable be allotted in the Mandi Committee in which the percentage of population of Scheduled Castes and Scheduled Tribes as the case may be, worked out by the Managing Director as found by him to be correspondingly higher in descending number. Before the subsequent election, seats reserved for the Scheduled Castes or Scheduled Tribes shall be allotted in another Mandi Committee, excluding the Mandi Committee reserved for the first time by rotation or drawal of lots.

(3) Seats to the members of the Other Backward Classes shall be allotted by rotation and drawing of lots for the purpose of sub-section (3) of Section 12 of the Act.

For the purpose of allotting the seats of Chairman reserved for the women of Scheduled Castes, Scheduled Tribes, Other Backward Classes and for general category, separate chits shall be prepared for the Mandis reserved for each category of candidates, giving the names of Mandi on each chit. Chits of each category shall be kept in separate pots and the lots shall be drawn from them to the extent as may be required for the allotment of seats of women under sub-sections (4) and (5) of Section 12 of the Act.

(4) For the purpose of drawal of lots and allotting of Mandis the Managing Director shall publish a notice at least 15 days before the drawal of lots stating therein the name of office and the date and time of drawal and such notice shall be exhibited at the following places--

(a) Notice board of Collector's Office.

(b) Notice board of concerned Mandi Committee.

(5) The proceeding shall be recorded in writing and signed by the Managing Director and the signatures of atleast two persons witnessing the drawal of lots shall also be obtained on proceedings. Their names, father's name and addresses shall be written below their signatures.

6. Assistance for reservation.--

The Collector or the Managing Director may take necessary assistance from their subordinates and other officers in the matter of formation of constituencies, inspection and allotments of places.

CHAPTER IV

LIST OF VOTERS

7. Preparation of Voter List.--

⁶[(1) The Collector shall subject to the provisions of Sections 11, 11-B and 12 cause to be prepared voter list in Form 1 separately for each agriculturist constituency and a list of voters for electing a trader's representative in Hindi written in Devnagri Script for each Market Committee.

(2) The Collector shall appoint a Registration Officer for the Market Committees in a district and such number of Assistant Registration Officers as may be found necessary to assist the Registration Officer in the preparation of Voters list for Market Committees.

(3) Every Assistant Registration Officer shall subject to the control of the Registration Officer perform all or any of the functions of the Registration Officer.

8. Publication of Voters' List for inviting claims and objections.--

(1) (i) After the preparation of voters' list, under Rule 7 the Registration Officer shall give a public notice in Form 2, inviting claims for inclusion of names in the list and objections to any entry therein, by exhibiting the notice at--

(a) Notice board in the office of concerned Market Committee;

(b) Notice board in the office of Janpad Panchayat.

(ii) The notice shall specify the period during which and the officer with whom an objection or claim may be lodged and the date, time and place for hearing of such objections and claims, if any, by the Registration Officer.

(2) Simultaneously with the publication of notice under sub-rule (1), the voters list shall be made available by the Registration Officer for inspection, by keeping a copy thereof at his office and the office of the concerned Market Committee.

9. Claims and objections.--

(1) Any person, whose name is not entered in the voters' list or is entered at an incorrect place or with incorrect particulars or any person whose name is entered in the list and who objects to the inclusion of his own name or the name of any person in that list, may prefer a claim or objection by delivering to the Registration Officer an application in writing duly signed not later than 3 O'clock in the afternoon of the last specified day from the date of the notice under Rule 8 and no claim or objection received thereafter shall be entertained.

⁶ Subs. by Notfn. Dated 9-12-2010

(2) Every claim or objection shall be presented to the Registration Officer or to such other Officer as may be nominated by him in this behalf.

(3) A claim or objection may be accompanied by any documents on which the claimant or objector relies.

10. Disposal of Claims and Objections.--

(1) The Registration Officer shall, after holding such summary inquiry into the claims or objections as he thinks fit, record his decision in writing and shall make available on demand copy of such decision to the objector free of charge forthwith.

(2) No person shall be represented by any legal practitioner in any proceeding under this rule.

(3) The Registration Officer shall amend the voters' list in accordance with his decision.

(4) The voters' list so amended shall subject to the decision in appeal, if any, be final and a copy thereof duly signed by the Registration Officer shall be kept in his office and another copy deposited in the office of District Election Officer.

(5) Any person aggrieved by the decision of the Registration Officer may prefer an appeal to the Appellate Authority within seven days of such decision. Every appeal shall be presented, in writing, to the Appellate Authority accompanied with a copy of the decision of the Registration Officer. The Appellate Authority, after giving the appellant an opportunity of hearing and making such enquiry as it deems fit, shall pass suitable orders expeditiously and in the event of succeeding, direct the Registration Officer to amend the voters list to give effect to its decision. The decision of the Appellate Authority shall be final:

Provided that no amendment shall be carried out in the voters list according to the decision of the Appellate Authority after the last date and time fixed for filing of nominations and before the completion of election.

11. Inspection and issue of certified copies.--

(1) Every member of the public shall have the right to inspect the voters' list on payment of a fee of rupees five and certified copies of the same may be issued by the Registration Officer to an applicant on payment of a fee of rupee one per page.

12. Duration of Voters' list.--

(1) The Voters' list referred to in sub-rule (4) of Rule 10 shall remain in force until it is revised.

(2) Every such list shall be revised and brought up-to-date whenever a bye-election or general election is due to take place or whenever any change in the limits of a constituency of Market Committee takes place, the provision of Rules 8, 9 and 10 shall apply to such revision.

⁷[(3) Every voters list shall be revised with reference to the first day of January, of the year in, which the election is scheduled.

(4) Notwithstanding anything contained in a forgoing sub-rules it shall not be necessary to revise such list before a bye-election. If it is held within one year from the date of preparation of the first list:

Provided that the State Government may, for sufficient reasons revise the list before bye-election.]

⁸[(5) The year in which the election is notified, revised voters list of that year will be effective for the next succeeding year till completion of the said election process]

13. Finalisation of Voters List.--

No correction, inclusion or exclusion in the voters' list shall be made after finalisation under Rule 10:

Provided that clerical, technical or printing error or omission, apparent on the face of the record, may be corrected by the Registration Officer at any time before the last date and time fixed for nominations.

⁹[13-A. Deletion of entries in the voters list in certain cases.--

(1) If the Registration Officer on an application made to him or on his own motion, is satisfied after such inquiry as he thinks fit, that the name of any person in the voters' list finds place in any other Market Committee, the Registration Officer shall, subject to such general or special direction, if any, as may be given by the Managing Director in this behalf, delete the entry :

Provided that before taking any action in this behalf, the Registration Officer shall give the person concerned a reasonable opportunity of being heard in respect of the action proposed to be taken in relation to him.

⁷ Inserted by Notfn. No. D-5-86-97-XIV-3, dated 6-3-1999.

⁸ Ins. by Notfn. Dated 9-12-2010

⁹ Inserted by Notfn. No. D-5-86-97-XIV-3, dated 6-3-1999.

(2) No deletion of any entry shall be made under sub-rule (1) after the last date fixed for making nomination in the notice issued under Rule 26 for the election in that Market Committee within which that constituency comprised and before the completion of that election.

(3) The Registration Officer shall record in writing the reasons of his decision to delete an entry under sub-rule (1) and shall make available, on demand a copy of such decision to the person concerned free of charge forthwith.

(4) Any person aggrieved by the decision of the Registration Officer under sub-rule (1) may prefer an appeal to the District Election Officer within seven days of such decision.

(5) The District Election Officer, after giving the appellant an opportunity of hearing and making such enquiry as he deems fit, shall pass suitable order on the appeal and the decision of the District Election Officer shall be final.]

14. Custody and destruction of papers.--

The preliminary voters' list published under Rule 8 and the claims and objections received under Rule 9 alongwith the order of the Registration Officer or Appellate Authority thereon be preserved in the record room of the District Election Officer until after the next revision of the lists and shall then be destroyed.

¹⁰[14-A. Preparation of voters list for agriculturist representatives for the first time.--

(1) Notwithstanding anything contained in Chapter IV the preparation of the voters list, for the first time, the Collector shall cause to be prepared a list of, adult Bhoomi Swamis from the entries made in Khasra/Khatoni (B-1) of the village.

(2) Preliminary entry regarding age and addresses of, Bhoomi Swamis, included in the voters list shall be made from the relevant electoral roll of the Madhya Pradesh Legislative Assembly prevailing at that time.

(3) For those Bhoomi Swamis, whose names are not included in the electoral roll of the Legislative Assembly, preliminary entry regarding age and ordinary place of residence be made after obtaining the requisite information from the Gram Sabha through a resolution passed in its meeting specially convened for this purpose.

¹⁰ Inserted by Notfn. No. D-5-86-97-XIV-3, dated 6-3-1999.

(4) For those Bhoomi Swamis of the urban areas whose names are not included in the electoral roll of the Legislative Assembly information about age and residence shall be obtained by the Collector after local enquiry.

(5) The voters list shall be prepared in Form 1.

(6) (i) As soon as the voters list is ready, the Registration Officer shall give a public notice inviting claims for inclusion of names in the list and the objections to any entry therein, by displaying a notice and making a copy of the list available for inspection :

(a) at his office, if it is within the Mandi Area,

(b) at the office of the Mandi Committee,

(c) at such other places in or near the constituency as may be specified by him for the purpose.

(ii) The notice shall specify the period during which and the officer with whom an objection or claim may be lodged and the date, time and place for the hearing of such objections and claims, if any, by the Registration Officer.

(iii) The voters list shall remain open for inspection free of charge by the public for a period of at least seven days from the date of publication of the notice during office hours.

(iv) Any person, whose name is not entered in the voters list or is entered at an incorrect place or with incorrect particulars or any person whose name is entered in the list and who objects to the inclusion of his own name or the name of any other person in that list may prefer a claim or objection by delivering to the Registration Officer an application in writing duly signed by him not later than 3 O'clock in the afternoon of the 7th day from the date of the notice under clause (i) and no claim or objection thereafter shall be entertained.

(v) The Registration Officer shall, after holding such summary inquiry into the claims or objections as he deemed fit, record his decision in writing and shall make available on demand a copy of such decision to the claimant or objector free of charge.

(vi) The Registration Officer shall amend the voters list in accordance with his decision.

(vii) In case the name of a person is entered more than once in the Khasra of the village his name shall be entered only once in the voters list.

14-B. Preparation of voters list for the election of traders representatives for the first time.--

(1) Notwithstanding anything contained in Chapter IV and subject to other provisions of the Adhiniyam, the Collector shall cause to be prepared the voters list in Form 1 for the election of traders representatives for the first time.

(2) For the purposes of preparing the voters list Collector shall call upon the Market Committee to prepare and furnish him the names of all persons, holding licences from the Market Committee for a period of two successive years (in case of Market Committee established for the first time under Section 10, the qualifying period of holding licence from such Market Committee shall be six months) as traders or owners or occupiers of processing factories within the market area :

Provided that a person holding licence from a Market Committee as trader or owner or occupier of the processing factory, is a firm or a body corporate or a Co-operative Society, such firm or body corporate or Co-operative Society shall nominate a person (being a person, who is either a partner of a firm and whose name has been mentioned in the application for licence or a person duly authorised by a body corporate, or a Managing Committee of the Co-operative Society) who is not below the age of 18 years to vote on its behalf and intimate the name of that person to the Market Committee within the time as may be fixed in that behalf after being included in the voters list as representing that firm or body corporate or Co-operative Society :

Provided further that, if such firm or body corporate or Co-operative Society is holding more than one licence, it shall not nominate more than one person as aforesaid:

Provided also that in the case of person holding licence under the Act as traders, owners or occupiers of processing factory, the Market Committee shall specify the date of issue of licence, period, for which licence is granted and the qualifying period of continuously holding such licence.

¹¹[(14-C. Preparation of voters list for the election of weighman and hammal representative for the first time-

(1) Notwithstanding anything contained in this chapter and subject to other provisions of the Act, the Collector shall prepare the voters list in Form I for the election of weighman and hammal representative for the first time.

¹¹ Ins. by Notfn. Dated 9-12-2010.

(2) For the purpose of preparing the voters list, the Collector shall call upon the Market Committee to prepare and furnish him the names of all persons holding licences from the Market Committee for a period of two successive years (in case of Market Committee established established for the first time under section 10 Of the Act, the qualifying period of holding Licence from such market committee shall be six months) for weighman and hammal.

(3) For preparing the voters list under this rule the procedure contained in sub rule (6) of rule 14 A shall mutatis mutandis be followed.

CHAPTER V

ADMINISTRATIVE MACHINERY FOR CONDUCT OF ELECTION

15. Officers and Staff for conducting Election.--

(1) The Collector shall make available such officers and staff as may be necessary for the discharge of successful conduct of election.

(2) All the officers and members of the staff appointed or deployed for preparation of Voters' List and conduct of polls under the Act or rules shall function under the superintendence, direction and control of the District Election Officer.

16. Power of the State Government and the Collector to issue Special Orders and Directions.--

Notwithstanding anything contained in these Rules, the State Government or Managing Director or Collector may issue such special or general orders or directions which may not be inconsistent with the provisions of the Act for fair and free elections.

17. District Election Officer and Deputy Election Officer.--

The State Government shall appoint a District Election Officer for each district and one or more Deputy District Election Officers as may be deemed necessary to assist the District Election Officer in the conduct of Election of Mandi Committees in the District.

¹²**[17-A. Observers.--**

(1) The Divisional Commissioner may nominate an observer, not below the rank of Class-I Officer of the State Government, to watch the proceedings of elections in a

¹² Inserted by Notfn. No. D-5-86-97-XIV-3, dated 6-3-1999.

Mandi Committee or a group of Mandi Committees and to perform such other functions as may be entrusted to him by the Divisional Commissioner.

(2) The observer nominated under sub-rule (1) shall have the power to direct the Returning Officer for any Mandi Committee for which he has been nominated, to stop the counting of votes at any time before the declaration of the result, or not to declare the result if in the opinion of the observer booth capturing has taken place at any polling station of that Mandi area or at the place fixed for counting of votes or any ballot papers used at polling station are unlawfully taken out from the custody of the Returning Officer accidentally or intentionally destroyed or lost or damaged or tampered with to such an extent that the result of the poll at that polling station cannot be ascertained.

(3) Where an observer has directed the Returning Officer to stop counting of votes or not to declare the result, the observer shall forthwith report the matter to the District Election Officer and thereupon the District Election Officer shall, after taking all material circumstances into account, issue appropriate directions under Rule 69.

Explanation.--The expression booth capturing shall have the meaning assigned to it in Section 14-D of the Madhya Pradesh Local Authorities (Electoral Offences) Act, 1961.]

18. Appointment of Returning Officer.--

The State Government or when so authorised by the State Government, the District Election Officer shall appoint an officer of the State Government not below the rank of a Naib-Tahsildar as a Returning Officer for the conduct of Election of Mandi Committee :

Provided that nothing in this rule shall prevent the District Election Officer from appointing same person to be a Returning Officer for elections of more than one Mandi Committee.

19. Appointment of Assistant Returning Officer.--

(1) The State Government or the District Election Officer, when so authorised by the State Government may appoint one or more persons as Assistant Returning Officer or assist the Returning Officer in the performance of his functions.

(2) Every Assistant Returning Officer shall, subject to the control of the Returning Officer, be competent to perform all or any of the functions of the Returning Officer.

(3) Any reference in these rules to the Returning Officer shall, unless the context otherwise requires, be deemed to include an Assistant Returning Officer.

20. General duty of Returning Officer.--

It shall be the general duty of the Returning Officer in any election to perform all such acts and things as may be necessary for effectively conducting the election in the manner provided by these rules.

21. Polling Stations.--

The District Election Officer shall provide sufficient number of polling stations for every election under these rules and shall, not later than 15 days before the date of poll, publish a list showing the polling stations, the areas for which they will be set up and description of the office/offices for which votes shall be cast in the polling station.

22. Appointment of Presiding and Polling Officers.--

(1) The Returning Officer shall with the prior approval of the District Election Officer, appoint a Presiding Officer for each polling station and such Polling Officer or officers to assist the Presiding Officer, as he deems necessary :

Provided that no person who is not a State Government or a servant of any authority under the Municipal Law or any public undertaking under the State Government shall be appointed as Presiding Officer :

Provided further that if a Polling Officer is absent from the polling station, the Presiding Officer may appoint any person, who is present at the Polling Station other than a person who has been employed by or on behalf of, or has been otherwise working for, a candidate in or about the election, to be the Polling Officer during the absence of the former officer and inform the Returning Officer accordingly.

(2) A Polling Officer shall subject to the direction of the Returning Officer if so authorised by the Presiding Officer, perform all or any of the functions of the Presiding Officer under these rules.

(3) If the Presiding Officer, owing to illness or any other unavoidable grounds, is obliged to absent himself from the polling station, his functions shall be performed by such Polling Officer as has been previously authorised by the Returning Officer and inform the Returning Officer to perform such functions during any such absence.

(4) Reference in these rules to the Presiding Officer shall, unless the context otherwise require, be deemed to include any person performing any function which he is authorised to perform under sub-rule (2) or as the case may be, under sub-rule (3).

23. General duty of Presiding Officer.--

It shall be the general duty of the Presiding Officer at a Polling Station to maintain peace and order thereat and to see that the poll is fairly taken.

24. General duty of the Polling Officer.--

It shall be the general duty of every Polling Officer at Polling Station to assist the Presiding Officer.

25. Control of District Election Officer.--

The Returning Officer, Assistant Returning Officer, Presiding Officer, Polling Officers and all other Persons appointed in accordance with these rules shall work within the overall direction and control of the State Government and work under the control of District Election Officer.

CHAPTER VI

CONDUCT OF ELECTION

26. Notice of election and time schedule therefor.--

In accordance with time schedule prescribed by the State Government the District Election Officer shall by notice in Form 4 specify--

¹³[(a) the last date, time and place for making nominations which shall be the seventh day after the date of publication of the notice, or if that day is a public holiday, the next succeeding day which is not a public holiday;]

(b) The date, time and place for scrutiny of nominations such date shall be the day next following last date appointed for making nominations, or if that day is a public holiday the next succeeding day which is not a public holiday;

(c) the date for withdrawal of candidature which shall be the second day after the date for the scrutiny of nominations or if that day is a public holiday, the next succeeding day which is not a public holiday;

(d) the place to where, the date on which and time during which the poll shall, if necessary, be taken; and

¹³ Substituted by Notification No. D-5-86-97-XIV-3, dated 6-3-1999.

(e) the date, time and place for the counting of votes.

Note.-- "Public Holiday" means any day which is declared to be a holiday by the State Government for its offices as well as the Government Treasuries and Sub-Treasuries in the State.

27. Manner of publication of notice under Rule 26.--

Notice under Rule 26 shall be published at least twenty days before the date appointed for the poll by affixing a copy of such notice on the notice board in the office of the District Election Officer and the concerned Janpad Panchayat and Mandi Committee."

28. Extension of time for completion of election.--

The State Government may on special circumstances and on reasons which it considers sufficient, extend the time for completion of any election by making necessary amendments in time schedule prescribed in Rule 26.

29. Nomination of Candidates.--

(1) Any person may be nominated as candidate for election to fill a seat if he is qualified to be elected to fill that seat under the provisions of the Act :

Provided that in case of seat reserved for Scheduled Caste, Scheduled Tribe or Other Backward Classes or for Woman, no person who is not a member of Scheduled Caste or Scheduled Tribe or Other Backward Classes or is not a woman, as the case may be, shall be qualified to be elected to such a seat.

(2) Every nomination paper presented under Rule 30 shall be--

(a) In the case of election of Agriculturists representative in Form 5;

(b) In the case of election of Trader's representative in Form 6;

¹⁴[(b –a) In case of election of weighman's and hammal's representative in Form 6-A]

(c) In case of election of Chairman of Mandi Committee in Form 7.

(3) A nomination paper shall be supplied by the Returning Officer to any voter on demand.

30. Presentation of Nomination Papers.--

(1) On or before the date appointed under clause (a) of Rule 26, each candidate either in person or by his proposer deliver to the Returning Officer or Assistant Returning Officer, so authorised by the Returning Officer for that purpose, during the time and at the place specified in the notice issued under clause (a) of Rule 26, a duly

¹⁴ Ins. by Notfn. 9-12-2010.

completed nomination paper in the prescribed form and signed by the candidate and by an eligible voter of the constituency, as proposer :

Provided that any person who is subject to any disqualification as voter under the Act shall not be eligible to sign any nomination paper for election to any office.

(2) Notwithstanding anything contained in this rule, not more than two nomination papers shall be presented by or on behalf of any candidate or accepted by the Returning Officer for election to any office.

(3) A person as a proposer can make signatures on the nomination papers to the extent of the vacant seats existing in that constituency.

31. Security Deposits.--

A candidate shall not be deemed to be duly nominated for election unless he has deposited or caused to be deposited either before or at the time of presentation of nomination papers under Rule 30 to the Returning Officer the following security in cash--

[¹⁵(a) In case of a candidate for agriculturist, trader, weighman and hammad from any constituency a sum of rupees one thousand and where a candidate is a woman or a member of Schedule Caste, Schedule Tribe or Other Backward Classes a sum of Rs.250)

(b) in case of a Chairman of Mandi Committee a sum of Rupees Five Thousand and where a candidate is a woman or member of Scheduled Caste or Scheduled Tribe and Other Backward Classes, a sum of Rupees Fifteen Hundred.

32. Notice of Nomination and Time and Place for Scrutiny.--

(1) On presentation of nomination papers under sub-rule (1) of Rule 30 the Returning Officer shall satisfy himself that the serial number and the name of the candidate and his proposer as entered in the nomination paper are the same as those entered in the voters list:

Provided that the Returning Officer shall permit any misnomer or inaccurate description or clerical or technical error to be corrected and where necessary, shall overlook any such misnomer or inaccurate description or clerical or technical error in the nomination paper.

¹⁵ Subs. by Notfn. Dated 9-12-2010 for the following:

(a) in case of a candidate for Krisak of agriculturist representative from any constituency a sum of Rs. One Thousand and where a candidate is woman or a member of Scheduled Caste or Scheduled Tribe and Other Backward Classes sum of Rupees Two Hundred and Fifty;

(2) The Returning Officer shall inform to the person or persons for delivering the nomination paper and shall enter on the nomination paper its serial number and shall sign thereon a certificate stating the date on which and the hour at which the nomination paper has been delivered to him and give the receipt and shall, as soon as may be thereafter, cause to be affixed on the notice board of concerned Mandi Office and concerned Janpad Panchayat, a notice of nomination containing description similar to those contained in the nomination paper, both of the candidate and of the proposer.

33. Scrutiny of Nomination Papers.--

(1) On the date fixed for the scrutiny of nomination papers under Rule 26, the candidates, their election agents, one proposer of each candidate and one other person duly authorised in writing by each candidate, but no other person, may attend at the time and place appointed in this behalf under Rule 26 and the Returning Officer shall give them all reasonable facilities for examining the nomination papers of all candidates which have been delivered as required by Rule 30.

(2) The Returning Officer shall then examine the nomination papers and shall decide all objections which may be made to any nomination and may either on such objections or of his own motion, after such summary enquiry, if any, as he thinks necessary, reject any nomination paper on any of following grounds, that is to say--

(a) that the candidate is disqualified for being elected to fill the seat by or under the Act;

(b) that the proposer is disqualified from subscribing a nomination paper;

(c) that there has been a failure to comply with any of the provisions of Rule 29, 30 or 31; and

(d) that the signature of the candidate or the proposer on the nomination paper is not genuine.

(3) Nothing contained in clause (c) or (d) of sub-rule (2) shall be deemed to authorise the rejection of the nomination paper of any candidate on the ground of any irregularity in respect of a nomination paper if the candidate has been duly nominated by means of another nomination paper in respect of which no irregularity has been committed.

(4) The Returning Officer shall not reject any nomination paper on the ground of mere clerical or printing error or any defect which is not of a substantial character.

(5) The Returning Officer shall hold the scrutiny on the date appointed in this behalf under clause (b) of Rule 26 and shall not allow any adjournment of the proceedings except when such proceedings are interrupted or obstructed by riot or open violence or by causes beyond his control.

(6) The Returning Officer shall endorse on each nomination paper his decision regarding accepting or rejecting the same and if the nomination paper is rejected shall record in writing a brief statement of his reasons for such rejection. The order passed by the Returning Officer shall be final.

(7) For the purposes of this rule the production of a certified copy of an entry made in the voters list of the relevant Mandi Committee shall be conclusive evidence of the right of any voter named and as entry to stand for election, unless it is proved that the candidate is disqualified.

(8) Immediately after all the nomination papers have been scrutinised and decisions accepting or rejecting the same have been recorded, the Returning Officer shall prepare constituencywise lists of candidates whose nominations have been accepted in Form 8 and shall affix the list on the notice board of concerned Mandi Committee and Janpad Panchayat Office duly recording the date and time of affixture below his signature.

(9) If nomination of a candidate has been accepted by the Returning Officer for more than one constituency or constituencies through oversight or for want of objection or for any other reason whatsoever the Returning Officer shall after providing an opportunity of hearing to such candidates, or his election agent, after taking decision may cancel the nomination paper and shall record this fact on the face of nomination paper and delete his name from the list of validly nominated candidates in Form 8. The Returning Officer shall also affix a copy of the revised list of validly nominated candidates in Form 8 on the notice board of Mandi Committee and Janpad Panchayat duly recording the date and time of such affixture below his signature.

34. Withdrawal of Candidature.--

(1) Any candidate may withdraw his candidature by delivering notice in Form 9 to the Returning Officer, on the date and by the hour appointed under clause (c) of Rule 26.

(2) The notice may be given either by the candidate in person or by his proposer or election agent who has been authorised in this behalf in writing by the candidate :

Provided that where the application is delivered to the Returning Officer by the proposer or the election agent of a candidate, it shall be accepted only if it is presented along with the acknowledgement of the nomination paper given to the candidate or his proposer at the time of presentation of the nomination paper under Rule 30.

(3) No person who has given a notice of withdrawal of his candidature under sub-rule (1) shall be allowed to cancel such notice.

(4) The Returning Officer shall on being satisfied as to the genuineness of notice of withdrawal and the identity of person delivering it under sub-rule (2) cause a notice in Form 10 giving particulars of the candidates who have withdrawn their candidature, to be affixed on the notice board of Mandi Committee and Japad Panchayat Office.

35. Preparation of list of Contesting Candidates.--

(1) Immediately after expiry of period within which the candidature may be withdrawn under Rule 26, the Returning Officer shall prepare a list of contesting candidates, that is to say, candidates whose nomination papers have been finally accepted and who have not withdrawn their candidature within the specified period, in Form Nos. 11, ¹⁶(12, 12 A) and 13.

(2) The said list subject to the provisions of sub-section (3) contain the names in alphabetical order and the addresses of the contesting candidates as given in the nomination papers and shall be prepared in Hindi in Devnagri Script.

(3) The alphabetical order referred to in sub-rule (2) shall be determined with reference to the names and or surnames of the candidates in such manner as may be determined by the District Election Officer.

36. Allotment of Symbols for Election.--

(1) Where a poll becomes necessary the Returning Officer shall assign to each candidate any one of the Symbols determined by the District Election Officer.

(2) The allotment by Returning Officer of any Symbol to a candidate shall be final.

(3) Every candidate or his election agent shall be informed forthwith, of the Symbol allotted, to the candidate and be supplied with the specimen thereof by the Returning Officer.

37. Publication of list of Contesting Candidates.--

The Returning Officer shall cause a copy of the list of contesting candidates prepared under Rule 35 to be published immediately after allotment of symbols to the

¹⁶ Subs. by notfn. Dated 9-12-2010 for the figure 12

candidates by affixture on the notice board of concerned Janpad Panchayat and Mandi Committee and shall also supply a copy thereof, to each contesting candidate or his election agent.

38. Appointment of Election Agent and revocation of such Appointment.--

(1) If a candidate desires to appoint an election agent such appointment shall subject to the provisions of sub-rules (2) and (3) be made in Form 14 either at the time of delivering the nomination papers or at any time before election.

(2) The appointment of the election agent may be revoked by the candidate at any time by a declaration in writing signed by him and lodged with the Returning Officer. Such revocation shall take effect from the date on which it is lodged. In the event of such revocation or in the event of election agent dying before or during the period of the election, the candidate may appoint a new election agent in accordance with the provisions of sub-rule (1).

(3) No person who is for the time being disqualified under the Act from being elected or from voting at any elections of Mandi Committees shall, so long as the disqualification subsists, be appointed as an election agent.

39. Appointment of Polling Agents.--

(1) At an election at which poll is to take place, any contesting candidate, or his election agent, may appoint one agent to act as polling agent of such candidate at each polling station. Such appointment shall be made by a letter in writing in duplicate in Form 15 signed by the candidate or his election agent.

(2) The candidate or his election agent shall deliver the duplicate copy of the letter of appointment to the polling agent who shall, on the date fixed for the poll present it to, and sign the declaration contained therein, before the Presiding Officer. The Presiding Officer shall retain the duplicate copy presented to him in his custody. No Polling Agent shall be allowed to perform any duty at the polling station unless he has complied with the provisions of this sub-rule.

40. Appointment of Counting Agent.--

(1) Each contesting candidate or his election agent may appoint an agent to act as counting agent of such candidate by a letter in writing in duplicate in Form 16 signed by the candidate or his election agent.

(2) The candidate or his election agent shall also deliver the duplicate copy of the letter of appointment to the counting agent who shall on the date fixed for counting of votes, present it to and sign the declaration contained therein before the Returning Officer or such other officer authorised by him under Rule 71. Such officer shall retain the duplicate copy presented to him in his custody. No counting agent shall be allowed to perform any duty at the place fixed for the counting of votes, unless he has complied with the provisions of this sub-rule.

41. Revocation of the appointment or death of Polling Agent.--

(1) The appointment of the polling agent may be revoked by the candidate at any time before the commencement of the poll by a declaration in writing signed by him.

(2) Such declaration shall,--

(a) in the case where the appointment is revoked not less than seven days before the commencement of the poll, be lodged with the Returning Officer.

(b) in any other case be lodged with the Returning Officer or the Presiding Officer of the polling station where the polling agent was appointed for duty.

(3) If the polling agent of a candidate dies before the commencement of the poll, the candidate or his election agent shall forthwith report in writing the fact of such death--

(a) in case where the death takes place less than seven days before the commencement of the poll, to the Returning Officer; and

(b) in any other case to the Returning Officer or the Presiding Officer of the polling station where the polling agent was appointed for duty.

(4) Whenever the Returning Officer receives declaration or report made under sub-rule (1) or (2), he shall forth with communicate such declaration or report, as the case may be, to the Presiding Officer of the Polling Station where such polling agent was appointed for duty.

(5) Where the appointment of a polling agent is revoked under sub-rule (1) or where the polling agent dies before the close of the poll, the candidate or his election agent may, at any time before the poll is closed, appoint a new polling agent in accordance with the provisions of sub-rule (1) of Rule 39 :

Provided that the letter appointing new polling agent shall--

(a) in the case where such appointment is made not less than seven days before the commencement of the poll be given to the Returning Officer; and

(b) in any other case, be given to the Returning Officer or the Presiding Officer of the polling station where the new polling agent is appointed.

(6) The provisions of sub-rule (2) of Rule 39 shall apply in relation to a polling agent appointed under sub-rule (5) as they apply in relation to a polling agent appointed under sub-rule (1) of Rule 39.

42. Revocation of the appointment or death of the Counting Agent.--

(1) The appointment of the counting agent may be revoked by the candidate at any time before the commencement of the counting of votes by a declaration in writing signed by him. Such declaration shall be lodged with the Returning Officer or such other officer authorised by him.

(2) If the counting agent of a candidate dies before the completion of the counting of votes, the candidate or his election agent shall forthwith report the death in writing to the Returning Officer or such other officer authorised by him.

(3) Where the appointment of counting agent is revoked under sub-rule (1) or where the counting agent dies before the completion of the counting of votes, the candidate or his election agent may appoint a new counting agent in the manner laid down in sub-rule (1) of Rule 40.

(4) The provisions of sub-section (2) of Rule 40 shall apply to a counting agent appointed under sub-section (3) as they apply in relation to counting agent appointed under sub-rule (1) of Rule 40.

CHAPTER VII

GENERAL PROCEDURE OF ELECTION

43. Death of candidate before poll.--

Poll shall not be countermanded due to death of a contesting candidate before the commencement of poll. But if as a result of death of contesting candidate for any seat there remains only one contesting candidate, the Returning Officer shall, upon being satisfied of the fact of death of the candidate, countermand the poll and report the fact to the District Election Officer and all proceedings with reference to the election shall be commenced a new in all respects as if for a new election in accordance with the rules hereinbefore:

Provided that--

- (i) no further nomination shall be necessary in case of a person who was a contesting candidate at the time of the countermanding of the poll; and
- (ii) no person who has given a notice of withdrawal of his candidature under sub-rule (1) of Rule 35 before the countermanding of the poll, shall be ineligible for being nominated as a candidate for the election after such countermanding.

44. Uncontested Elections.--

(1) If for any seat, after the date and time fixed for withdrawal of nomination paper there remains only one candidate whose nomination paper is found to be valid the Returning Officer shall forthwith declare in Form 27 the candidate duly elected to fill such seat and inform the District Election Officer of the same.

(2) If no nomination paper has been filed for any seat or if no candidate has been duly nominated for any seat, the Returning Officer shall send a report of this fact to the District Election Officer who shall take further action to fill such seat in accordance with the provisions of the Act and these rules.

45. Contested Elections.--

In cases other than those covered by Rule 44 a poll shall take place.

CHAPTER VIII

POLL AND VOTING FOR ELECTION

46. Manner and Voting at Election.--

At every election where a poll is taken, votes shall be given by Ballot in the manner hereinafter provided and no votes shall be received by proxy.

47. Ballot Box.--

Every ballot box shall subject to general or special order of the District Election Officer, be of such design that ballot papers can be inserted therein but cannot be withdrawn therefrom without the box being unlocked and the seals being broken.

48. Form of Ballot Paper.--

- (1) Every ballot paper shall have a counterfoil attached thereto and shall be in such form and have such particulars as may be determined by the District Election Officer.
- (2) The ballot paper shall contain the names of candidates in Hindi in the Devnagri Script arranged in the same order in which they appear in the list of contesting candidates, against their election symbols.

49. Arrangement of Polling Station.--

(1) The District Election Officer shall provide at each polling station sufficient number of ballot boxes and ballot papers, copies of voters' lists in respect of the polling area, articles necessary for voters to mark the ballot papers as well as such other instrument and accessories as may be required for making the poll.

(2) Each polling station shall be furnished with one or more polling compartments in which voters can, one after another, cast their votes screened from observation, and no voter shall be allowed to enter in such voting compartment when, another voter is inside the same for the purpose of casting his vote.

50. Notice at the Polling Station.--

Outside and inside of each polling station there shall be displayed prominently--

(a) a notice specifying the polling area, the voters of which are entitled to vote at the polling station; and

(b) a notice giving the name of each candidate in Hindi in the Devnagri Script in the same order in which the names of such candidates appear in the list of contesting candidates published under Rule 35;

(c) Prohibition of canvassing in or near polling station--

(i) No person shall, on the date on which a poll is taken at any polling station, commit any of the following acts within the polling station or any road, street, lane or open space within a distance of one hundred metres of the polling station, namely,--

(a) canvassing for votes; or

(b) soliciting the vote of any voter; or

(c) persuading any voter not to vote at the election; or

(d) persuading any voter not to vote for any particular candidate; or

(e) exhibiting any notice or sign (other than an official notice) relating to election.

(ii) Any person who contravenes the provisions of sub-rule (1) shall be punishable with fine which may extend to One hundred and Fifty rupees.

(d) Penalty for disorderly conduct in or near polling stations--

(1) No person shall, on the dates on which a poll is taken at any polling station,--

(a) use or operate within or at the entrance of the polling station, or in any public or private place in the neighbourhood thereof, any apparatus for amplifying or reproducing the human voice, such as a megaphone or a loud speaker; or

(b) shout, or otherwise act in a disorderly manner within or at the entrance of the polling station or in any public or private place in the neighbourhood thereof, so as to cause, annoyance to any person visiting the polling station for the poll, or so as to interfere with the work of officers and other persons on duty at the polling station.

(2) Any person who contravenes, or wilfully aids or abets the contravention of provisions of sub-rule (1) shall be punishable with fine which may extend to two hundred rupees.

(3) Any police officer may take such steps and use such force as may be reasonably necessary for preventing any contravention of the provisions of sub-rule (1) and may seize any such apparatus used for such contravention.

51. Admission to Polling Station.--

The Presiding Officer shall regulate the number of voters to be admitted at any one time inside the polling station and shall exclude therefrom all persons other than--

- (a) Polling Officers;
- (b) Public servants on duty in connection with the election;
- (c) Persons authorised by the District Election Officer or the Returning Officer;
- (d) Candidates, their election agents and, subject to the provisions of these rules one polling agent of each candidate;
- (e) A child in arms accompanying a voter;
- (f) A person accompanying a blind or infirm voter who cannot move without help; and
- (g) Such other person as the Returning Officer or the Presiding Officer may employ for the purpose of identifying the voters.

52. Ballot boxes to be locked and sealed before the commencement of poll.--

(1) Presiding Officer at each polling station shall immediately before the commencement of the poll, allow inspection of each ballot box to be used at the poll, by the candidates, their election agents and their polling agents, who may be present at such station, and demonstrate to them and to all other persons present that it is empty.

(2) The Presiding Officer shall, after complying with the provisions of sub-section (1), secure and seal the box in such manner that the slit in the box for insertion of ballot paper therein remains open and shall also allow the candidates or their election or

polling agents, who may be present to affix their own seals on the space in the box meant therefor, if they so desire.

(3) The seals to be used for ballot box shall be affixed in such manner that it shall not be possible to open the box again without breaking such seal or any thread on which the seals have been affixed.

53. Facilities for women voters.--

(1) Where a Polling Station is for both men and women voters, the Presiding Officer may direct that they shall be admitted into the Polling Station alternately in separate batches of women and men.

(2) The Returning Officer or the Presiding Officer may appoint a woman to serve as an assistant at a polling station to assist women voters and also to assist the Presiding Officer generally in taking the poll in respect of women voters, and in particular, to help in searching any woman voter in case it becomes necessary to ensure free and fair election.

54. Identification of voters.--

(1) The Presiding Officer may employ at the Polling Station such person as he thinks fit to help in the identification of the voters or to assist him otherwise in taking a poll.

(2) As each voter enters the polling station, the Presiding Officer or the Polling Officer authorised by him in this behalf shall check the voter's name and other particulars with the relevant entry in the voters' list and then call on the serial number, name and other particulars of the voter.

(3) In deciding the right of a person to obtain a ballot paper, the Presiding Officer or the Polling Officer, as the case may be, shall overlook merely clerical or printing errors in any entry in the voters' list, if he is satisfied that such person is identical with the voter to whom such entry relates.

55. Challenging of identity.--

(1) Any candidate or election agent or polling agent may challenge the identity of a person claiming to be a particular voter by first depositing a sum of Rupees Five in each case with the Presiding Officer for each such challenge.

(2) On such deposit being made, the Presiding Officer shall,--

(a) warn the person challenged of the penalty for impersonation;

(b) read the relevant entry in the voters' list in full and ask him whether he is the person referred to in that entry;

- (c) enter his name and address in the list of challenged votes in Form 17; and
 - (d) require him to affix his signature in the said list.
- (3) The Presiding Officer shall thereafter hold a summary inquiry into the challenge and may for that purpose;
- (a) require the challenger to adduce evidence in proof of the challenge and the person challenged to adduce evidence in proof of his identity;
 - (b) put to the person challenged any questions necessary for the purpose of establishing his identity and require him to answer them on oath; and
 - (c) administer an oath to the person challenged and other person offering to give evidence.
- (4) If after the inquiry, the Presiding Officer considers that the challenge has not been established, he shall allow the person challenged to vote; and if he considers that the challenge has been established, he shall debar the person challenged from voting.
- (5) If the Presiding Officer is of the opinion that the challenge is frivolous or has not been made in good faith, he shall direct that the deposit made under sub-rule (1) be forfeited to the concerned Mandi Committee and in any other case, he shall return it to the challenger at the conclusion of the inquiry.

56. Safeguards against personation.--

- (1) Every voter about whose identity the Presiding Officer or the Polling Officer, as the case may be, is satisfied, shall allow his left forefinger to be inspected by the Presiding Officer or Polling Officer and an indelible ink mark to be put on it as far as possible just below the root of the nail so that the ink also spreads on the ridge between the skin and the root of the nail.
- (2) If any voter refuses to allow his left forefinger to be inspected or marked in accordance with sub-rule (1) or has already such a mark on his left forefinger or does any act to remove the ink mark, he shall not be supplied with any ballot paper or allowed to vote.

Explanation.--Any reference in this rule to the left forefinger of a voter shall in the case where the voter has his left forefinger missing, be construed as a reference to any other finger of his left hand, and shall in the case, where all the fingers of his left hand, are missing, be construed as a reference to the forefinger or any other finger of his right hand and shall in the case where all his fingers of both the hands are missing be construed as a reference to such extremity of his left arm as he possesses.

57. Issue of Ballot Paper.--

(1) No ballot paper shall be issued to any voter before the hour fixed for the commencement of the poll.

(2) No ballot paper shall be issued to any voter after the hour fixed for the closing of the poll except to those voters who are present at the Polling Station at the time of in the closing of the poll. Such voters shall be allowed to cast their votes even after the time for the poll is over by issuing chits duly signed by the Presiding Officer to the voters present at the time of closing of the poll.

(3) Every ballot paper, before it is issued to a voter and the counterfoil attached thereto shall be stamped on the back with such distinguishing mark as the Presiding Officer may direct and every ballot paper, before it is issued, shall be signed in full on its back by the Presiding Officer.

(4) At the time of issuing a ballot paper to a voter, the Polling Officer shall,--

(a) at the time of issuing a ballot paper to a voter, (a) record on its counterfoil, the electoral roll number of the voter as entered in the marked copy of the voters' list;

(b) obtain the signature or thumb impression of that voter on the said counterfoil; and

(c) underline the entry relating to a voter in the marked copy of the electoral roll to indicate that a ballot paper has been issued to him, without recording therein the serial number of the ballot paper issued to that voter :

Provided that no ballot paper shall be delivered to a voter unless he has put his signature or thumb impression on the counterfoil of that ballot paper.

(5) No person in the Polling Station shall note down the serial number of the ballot paper issued to a particular voter.

(6) In a Polling Station where polling for more than one office bearer is to be taken, each voter shall be provided with the ballot paper meant for such different offices.

58. Voting procedure.--

(1) A voter on receipt of the ballot paper, shall forthwith proceed to the voting compartment; there make a mark on the ballot paper with the instrument supplied for the purpose in or near the symbol of the candidate for whom he intends to vote; fold the ballot paper so as to conceal his vote; insert the folded ballot paper into the ballot box.

(2) No voter shall remain in the polling station longer than what is reasonably necessary for casting his vote.

59. Recording of votes by blind or infirm voter.--

(1) If the Presiding Officer is satisfied that owing to blindness or other physical infirmity a voter is unable to recognise the symbols on the ballot paper or to make a mark thereon without assistance, the Presiding Officer shall permit the voter to take with him a companion of not less than eighteen years of age to the voting compartment for recording the vote on the ballot paper on his behalf and in accordance with his wishes and if necessary, for folding the ballot paper so as to conceal the vote and inserting it into the ballot box :

Provided that before any person is permitted to act as the companion of a voter under this rule, the person shall be required to declare, in Form 18 that he will keep secret the vote recorded by him on behalf of the voter and that he has not already acted as the companion of any other voter at any polling station on that day and he has completed 18 years.

(2) The Presiding Officer shall keep a record in Form 19 of all cases under this rule.

60. Spoiled and returned ballot papers and ballot papers found out side the Ballot Boxes.--

(1) A voter who has inadvertently dealt with his ballot paper in such manner that it cannot be conveniently used as a ballot paper may, on returning it to the Presiding Officer and on satisfying him of the inadvertance, be given another ballot paper and the ballot paper so returned and the counterfoil of such ballot paper shall be marked "spoiled-cancelled" by the Presiding Officer.

(2) If a voter obtaining a ballot paper decides not to use it, he shall return it to the Presiding Officer, and the ballot paper so returned shall be marked as "returned-cancelled" by the Presiding Officer.

(3) All ballot papers concerning Election to different constituencies cancelled under sub-rule (1) or sub-rule (2) shall be kept in separate packets.

(4) If any ballot paper, which has been issued to a voter has not been inserted by him into any ballot box, but is found any where in or near the Polling Station, whether within or outside the voting compartment, it shall be deemed to have been returned to the Presiding Officer under sub-section (2) and dealt with accordingly.

61. Tendered votes.--

(1) If a person representing himself to be a particular voter named in the voters' list applies for a ballot paper after another person has already voted as such voter, the

applicant shall after duly answering such questions as the Presiding Officer may ask, be entitled to receive a ballot paper, referred to hereinafter as a "tendered ballot paper" in the same manner as any other voter.

(2) Every person shall before being supplied with a tendered ballot paper affix his signature or thumb impression against the entry relating to him in a list in Form 20.

(3) A tendered ballot paper shall be the same as any other ballot paper used at the Polling Station except that :

(a) such tendered ballot paper shall be serially the last in the bundle of ballot papers issued for use at the Polling Station; and

(b) such tendered ballot paper and its counterfoil shall be endorsed on the back with the word "Tendered ballot paper" by the Presiding Officer in his own hand and signed by him.

(4) The voter after marking a tendered ballot paper in the Polling Compartment and folding it, instead of inserting it into the ballot box, shall give it to the Presiding Officer, who shall place it in a cover specially kept for the purpose.

(5) Separate covers shall be used for keeping the tendered ballot papers for election to the offices of Agriculturist Member, Trader Member and Chairman.

62. Closing of poll.--

(1) The Presiding Officer shall close a Polling Station at the hour fixed in that behalf under clause (2) of Rule 26 and shall not thereafter admit any voter into the Polling Station :

Provided that all voters present at the Polling Station before it is closed shall be allowed to cast their votes.

(2) If any question arises whether a voter was present at the Polling Station before it was closed, it shall be decided by the Presiding Officer and his decision shall be final.

63. Sealing of ballot boxes after poll.--

(1) As soon as practicable be after the closing of poll, the Presiding Officer shall, in the presence of candidates or their election or polling agents, close the slit of the ballot box and where the ballot box does not contain any mechanical device for closing the slit, he shall seal up the slit and also allow any candidate, election agent or polling agent present to affix his seal.

(2) The ballot box shall thereafter be sealed and secured.

(3) Where it becomes necessary to use a second ballot box by reason of the first box getting full, the first box shall be closed, sealed and secured as provided in sub-rules (1) and (2) before another ballot box is put into use.

(4) Notwithstanding anything contained in this rule, in case a second ballot box is not used by reason of the first box getting full and counting is to be done at the Polling Station itself immediately after the conclusion of the poll, it would not be necessary to seal the ballot box.

64. Account of ballot paper.--

(1) The Presiding Officer shall at the close of the poll prepare a separate ballot paper account in Form 21 for election to the office of Chairman and Member from each constituency.

(2) The ballot paper accounts prepared under sub-rule (1) shall be enclosed in separate covers with the words "Ballot Paper Account" superscribed thereon, alongwith constituency number and name of Mandi Committee for election of Member and constituency number and name of Mandi Committee for election of Chairman, as the case may be.

65. Sealing of other packets.--

(1) The Presiding Officer shall, after preparation of ballot paper account under Rule 64, put into separate packets,--

- (i) the marked copy of the voters list;
- (ii) the counterfoils of the used ballot papers;
- (iii) the ballot papers not issued to the voters;
- (iv) the 'tendered ballot papers' in Form 20 alongwith their list;
- (v) the cancelled ballot papers;
- (vi) any other papers directed by the Returning Officer to be kept in separate packet.

Explanation.--Separate packet shall be prepared for election to the office of Chairman and Member.

(2) Each such packet shall be sealed with the seals of the Presiding Officer and of those candidates or their election or polling agents present who may desire to affix their seals thereon.

66. Delivery of ballot boxes, packets etc. to the Returning Officer.--

(1) The Presiding Officer shall then deliver or cause to be delivered to the Returning Officer at such place as the Returning Officer or such other officer authorised by him in this behalf may direct,--

(a) the ballot boxes;

(b) the ballot paper account;

(c) the sealed packets referred to in Rule 65; and

(d) all other papers used at the poll.

(2) The Returning Officer or such authorised officer shall make adequate arrangements for the safe transport of all ballot boxes, packets and other papers and for their safe custody until the commencement of the counting of votes.

67. Adjournment of poll in emergency.--

(1) If at election, the proceedings at any Polling Station for the poll are interrupted or obstructed by any riot or open violence, or if at an election it is not possible to take the poll at any Polling Station on account of any natural calamity, or any other sufficient cause, the Returning Officer or the Presiding Officer for such Polling Station shall announce an adjournment of the poll to a date to be fixed later and where the poll is so adjourned by the Presiding Officer, he shall forthwith inform the Returning Officer concerned.

(2) Whenever a poll is adjourned under sub-rule (1), the Returning Officer shall immediately report the circumstances to the District Election Officer who shall, as soon as may be, fix the day on which the poll shall re-commence and fix the Polling Station at which and the hours during which, the poll shall be taken. The Returning Officer shall not count the votes cast at such election until such adjourned poll shall have been completed.

(3) The Presiding Officer shall follow, as far as practicable, the provisions of Rules 63 to 66 in the matter of sealing the ballot boxes and other packets, preparation of account of ballot papers and delivery of the ballot boxes and other polled material, in the case of the adjourned poll, as if the poll were closed at the hour initially fixed in that behalf under Rule 26.

(4) In every such case as aforesaid, the District Election Officer shall publish the date, place and hours of the poll fixed under sub-rule (2) in the manner laid down in Rule 27 and the provisions of the rules governing the original poll shall apply to the fresh poll taken under this with necessary changes.

68. Recommencement of adjourned poll.--

- (1) When a poll which has been adjourned under sub-rule (2) of Rule 67 is recommenced, the voters who have already voted at the poll so adjourned shall not be allowed to vote again.
- (2) The Returning Officer shall provide the Presiding Officer of the Polling Station at which such adjourned poll is held, with the sealed packets containing the marked copy of the voters list and a new ballot box.
- (3) The Presiding Officer shall open the sealed packet containing the marked copy of the voters' list in the presence of the candidates or their election agents or polling agents present and use the same for marking the names of the remaining voters to whom the ballot papers are issued at the adjourned poll, without recording therein the serial number of ballot papers.
- (4) The provisions of Rules 46 to 66 shall apply in relation to the conduct of an adjourned poll as they apply in relation to the poll before it was so adjourned.

69. Fresh poll in case of destruction, tampering etc. of ballot boxes or due to procedural irregularity.--

- (1) If at any election,--
 - (a) any ballot box used at a polling station is unlawfully taken out of the custody of the Presiding Officer or the Returning Officer, or is accidentally or intentionally destroyed or lost or is damaged or tampered with to such an extent that the result of the poll at that Polling Station cannot be ascertained, or
 - (b) any such error or irregularity in procedure as is likely to vitiate the poll is committed at a Polling Station, the Returning Officer shall forthwith report the matter to the District Election Officer.
- (2) The District Election Officer shall on receipt of a report under sub-rule (1) and after taking all material circumstances into account, either,--
 - (a) declare that poll at the Polling Station to be void, appoint a day and fix the hours, for taking a fresh poll at that Polling Station and direct the Returning Officer to notify the day so appointed and the hours so fixed in such manner as it may deem fit; or
 - (b) if satisfied that the result of a fresh poll at the Polling Station will not, in any way affect the result of the election or that the error or irregularity in procedure is not material, issue such directions to the Returning Officer as it may deem proper for the further conduct and completion of the election.

(3) In every case covered by clause (a) of sub-rule (2), the Returning Officer shall proceed to conduct the fresh poll, in accordance with the directions of the District Election Officer and the provisions of this chapter shall apply to such fresh poll.

CHAPTER IX COUNTING OF VOTES

70. Supervision of counting of votes.--

At every election where a poll is taken, votes shall be counted under the supervision and direction of either the Returning Officer or such other officer as may be authorised by him in this behalf and each contesting candidate, or his election agent and his counting agents shall have a right to be present at the time of counting.

71. Admission to the place fixed for counting.--

(1) The Returning Officer or such other officers authorised by him in this behalf, shall exclude from the place fixed for counting of votes all persons except,--

(a) such persons, to be known as counting supervisors and counting assistants, as he may appoint to assist him in the counting.

(b) person authorised by the Government or the District Election Officer.

(c) public servants on duty in connection with the elections; and

(d) candidates, their election agents and counting agents.

(2) No person who has been employed by or on behalf of, or has been otherwise working for a candidate in or about the election shall be appointed under clause (a) of sub-rule (1).

(3) The Returning Officer or such other officer authorised by him in this behalf, shall decide which counting agent or agents shall watch the counting at any particular counting table or tables.

(4) Any person, who during the counting of votes misconducts himself or fails to obey the lawful directions of the Returning Officer or such other officer authorised by him in this behalf may be removed from the place where the votes are being counted, by the Returning Officer or such other officer authorised by him or by any Police Officer on duty.

72. Scrutiny and opening of ballot boxes.--

(1) The Returning Officer or such other officers authorised by him, may have the ballot boxes used at a Polling Station, opened and their contents counted simultaneously.

(2) Before any ballot box is opened at a counting table, a candidate or his election or counting agent present at the table shall be allowed to inspect the paper seal or such other seal as might have been affixed thereon and to satisfy himself that it is intact.

(3) The Returning Officer or such other officer authorised by him, shall satisfy himself that none of the ballot boxes has in fact been tampered with.

(4) If the Returning Officer or such other officer authorised by him, is satisfied that any ballot box has in fact been tampered with, he shall not count the ballot papers contained in that box and shall follow the procedure laid down in Rule 76, in respect of that Polling Station.

73. Scrutiny and rejection of ballot papers.--

(1) A ballot paper contained in a ballot box shall be rejected if,--

(a) it bears any mark or writing by which the voter can be identified; or

(b) it is a spurious ballot paper; or

(c) it has been so damaged or mutilated that its identity as a genuine ballot paper cannot be established; or

(d) it bears a serial number, or a design, different from the serial number of, as the case may be or design of the ballot paper authorised for use at the particular Polling Station; or

(e) it does not bear any mark which it should have borne under the provisions of sub-rule (3) of Rule 57; or

(f) it has not been marked; or

(g) it has been marked in the columns of more than one candidate; or

(h) it has been marked, by an equipment and in the manner other than the equipment and manner prescribed for that purpose :

Provided that where Returning Officer or such other officer authorised by him, on being satisfied that any such defect as is mentioned in clause (d) or clause (e) has in respect of all or any ballot papers used at a Polling Station been caused by the mistake or failure on the part of the Presiding Officer or Polling Officer concerned, has directed that the defect should be over-looked, a ballot paper shall not be rejected only on the ground of such defect under clause (d) or clause (e).

(2) Before rejecting any ballot paper under sub-rule (1) the Returning Officer or such other officer authorised by him, shall allow each counting agent present a reasonable opportunity to inspect the ballot paper but shall not allow him to handle it or any other ballot paper.

(3) The Returning Officer or such other officer authorised by him, shall record on every ballot paper which he rejects the letter "R" and the grounds of rejection in abbreviated form whether in his own hand or by means of a rubber stamp.

(4) All ballot papers rejected under this rule shall be bundled together.

74. Counting of Votes.--

(1) Every ballot paper which is not rejected under Rule 73 shall be counted:

Provided that no cover containing tendered ballot papers shall be opened and no such ballot paper shall be counted.

(2) After the counting of votes in respect of a Polling Station has been completed, the Returning Officer or such other officer authorised by him, shall make the entries in result sheet in Form 22 for members and result sheet in Form 23 for Chairman and announce the total number of votes polled by each candidate.

(3) All valid ballot papers shall be bundled together and kept along with the bundle of rejected ballot papers in a separate packet which shall be sealed and on which shall be recorded the following particulars, namely :--

(a) the serial number of constituency and name of Mandi Committee in case of election of member and the name of Mandi Committee in case of election of Chairman.

(b) the number and name of the Polling Station where the ballot papers have been used; and

(c) the date of counting.

75. Counting to be continuous.--

The Returning Officer or such other officer authorised by him, shall as far as practicable, proceed continuously with the counting of votes and shall, during any intervals when the counting has to be suspended, keep the ballot papers, packets and other papers relating to the election sealed with his own seal and the seals of such candidates or their election or counting agents as may be desirous of affixing their seals and shall cause adequate precautions to be taken for their safe custody during such intervals.

76. Recommencement of counting after fresh poll.--

(1) If a fresh poll is held under Rule 69, the Returning Officer or such other officer authorised by him, shall after completion of that poll recommence the counting of votes on the date and at the time and place which have been fixed in that behalf and of which notice has been previously given to the candidates or their election agents.

(2) The provisions of Rules 73 and 74 shall apply so far as may be practicable to such further counting.

77. Recount of Votes.--

(1) After completion of the counting, the Returning Officer or such other officers authorised by him shall record in form mentioned in sub-rule (2) of Rule 76, the total number of votes polled by each candidate and announce the same. After such announcement has been made a candidate or in his absence, his Election Agent may apply in writing to the Returning Officer or such other officers authorised by him, for a recount of all or any of the Ballot Paper already counted, stating the grounds on which he demands such recount.

(2) On such an application being made the Returning Officer or such other officer authorised by him shall decide the matter and may allow the application in whole or in part or may reject it in toto if it appears to him to be frivolous or unreasonable.

(3) Every decision of the Returning Officer or such other officer authorised by him, under sub-rule (2) shall be in writing and contain the reasons therefor.

(4) If the Returning Officer or such other officer authorised by him, decides under sub-rule (2) to allow an application either in whole or in part, he shall--

(a) count the ballot papers again in accordance with his decision;

(b) amend the result sheet to the extent necessary after such recount; and

(c) announce the amendments so made by him.

(5) After the total number of votes polled by each candidate has been announced under sub-rule (2) of Rule 74 or sub-rule (4) the Returning Officer or such other officer authorised by him shall complete and sign the result sheet and no application for a recount shall be entertained thereafter:

Provided that no step under this sub-rule shall be taken on the completion of the counting until the candidates and election agents present at the completion thereof have been given a reasonable opportunity to exercise the right conferred by sub-rule (1).

(6) The counted ballot papers shall be bundled and kept in the manner mentioned in sub-rule (3) of Rule 74.

(7) Result sheets in Forms 22 and 23 for Member and Chairman respectively, prepared by such officers as are authorised by the Returning Officer shall be submitted by them, in separate envelopes to the Returning Officer for compilation and tabulation of votes polled by each candidate.

(8) The Returning Officer on receipt of result sheets under sub-rule (7) shall enter or cause to be entered the total number of votes polled by each candidate for a seat of Chairman of Mandi Committee at each Polling Station of the concerned constituency in subsequent part or parts in Form 24 respectively and complete and sign the result sheet.

78. Preparation of return of election and declaration of result.--

(1) The Returning Officer shall prepare a Return of Election to the Office of--

- (a) Member in Form 25 on the basis of the result sheet compiled in Form 22;
- (b) Chairman in Form 26 on the basis of the result sheet compiled in Forms 23 and 24.

(2) After preparing the Return the Returning Officer shall declare the candidate elected who has received the largest number of valid votes.

79. Equality of Votes.--

If, after the counting of votes is completed, equality of votes is found to exist between any candidate and an addition of one vote will entitle any of those candidates to be declared elected, the Returning Officer shall forthwith decide between those candidates by lot and proceed as if the candidate on whom the lot falls has received one additional vote, he shall be declared elected by the Returning Officer and in such a case the Returning Officer shall add the following words at the end of Return in Form 25 or 26 as the case may be, namely, "by draw of lot".

80. Grant of Certificate of Election to the elected candidate.--

As soon as may be after a candidate has been declared elected under Rules 78 and 79 the Returning Officer shall grant to such candidate a certificate of election in Form 28 and obtain from the candidate an acknowledgement of its receipt duly signed by him.

81. Powers of District Election Officer to correct clerical or arithmetical mistakes or errors.--

(1) The District Election Officer may at any time but not later than 15 days from the day of declaration of result under Rule 78 on a report by the Returning Officer,

correct, by an order any clerical or arithmetical mistake or error in the result sheet in Forms 22,23 or in the Return of Election in Form 25 or 26 as the case may be :

Provided that no correction or amendment shall be made except after giving a notice to all contesting candidates from the constituency in question, about the date, time and place for taking up the matter for such correction.

(2) An order passed by the District Election Officer under sub-rule (1) shall be in writing and contain reasons therefor and a corrected copy of the Return of Election in Form 25 or 26 as the case may be, duly signed and certified by the District Election Officer shall be sent to the Returning Officer for grant of certificate of Election to the candidate declared elected as a result of such correction.

(3) Nothing in sub-rule (1) shall confer any power or authority upon the District Election Officer to open any envelope containing counted ballot papers or to direct recounting of votes.

(4) The Certificate of Election in Form 28 or Rule 80, if already granted by the Returning Officer to a candidate before an order is passed by the District Election Officer under sub-rule (1), shall be deemed to have been recalled and cancelled.

82. Election of trader's representative.--

(1) No person shall be qualified to be elected as representative of the traders unless,--

(a) his name is included in the list of voters prepared under the provision of clause (c) of sub-section (1) of Section 11 of the Act;

(b) he is a trader;

(c) he is otherwise so disqualified for being so elected;

¹⁷[(d) he has completed the age of 21 years.]

(2) No person shall be eligible for Election of the representative of the traders from more than one Market Committee.

¹⁸[82. A. Election of Weighman's and Hammal's representative- (1) No person shall be qualified to be elected as representative of weighman and hammal unless-

(a) his name is included in the list of voters prepared under the provision of clause (g) of sub-section (1) of Section 11 of the Act;

(b) he is a weighman or hammal;

¹⁷ Substituted by Notfn. No. D-5-86-97-XIV-3, dated 6-3-1999.

¹⁸ Ins. by Notfn. 9-12-2010.

- (c) he is not otherwise disqualified for being so elected;
- (d) he has completed the age of 21 years.
- (2) No person shall be eligible for election of the representative of the weighman or hammal for more than one market committee.
- (3) the provision of rule 43 to 82 A of these rules shall apply for the election of the representataive of weighman and hammal.
- (4) the provisions of rule 43 to 82 of these rules shall apply for the election of the representative of traders of the market committee]
- (3) The provisions of Rules 43 to 82 of these rules shall apply for the election of the representative of traders of the Market Committee.

83. Election of the Chairman.--

Notwithstanding anything contained in these rules, the provisions of Rules 43 to 83 shall apply for the election of the Chairman of Market Committee.

CHAPTER X

ELECTION OF VICE-CHAIRMAN

84. Election of Vice-Chairman of the Market Committee.--

- (1) After publication of results of election of the Members and Chairman of the Mandi Committee in the Madhya Pradesh Gazette, the Collector, within a period of one month, shall convene the first meeting of Market Committee under sub-section (1) of Section 13 and shall publish it by affixing on the notice board of the Market Committee and the concerned Janpad Panchayat, a notice of the date, hour and place of such meeting at least ten clear days before the date of the meeting. The District Election Officer shall authorise an officer not below the rank of Naib-Tahsildar to preside over such a meeting.
- (2) A copy of the notice published under sub-rule (1) shall also be sent by the District Election Officer or by the officer authorised by the Collector to preside over the meeting, by registered post to every member of Market Committee, at least seven clear days before the date of meeting.
- (3) At such meeting, candidate for the Office of Vice-Chairman shall be proposed and seconded in writing by the elected members. The proposer and seconder shall not be the same person. The names of the candidates so proposed and seconded shall be read out by the President of the meeting.

(4) (a) If any candidate duly proposed and seconded desires to withdraw his candidature, he may by an application in writing within the time prescribed by the President of the meeting withdraw his candidature.

(b) After such withdrawal, if any, the President of the meeting shall read out the names of the remaining candidates for the Office of Vice-Chairman.

(5) (a) If there is only one candidate for the Office of the Vice-chairman, he shall be declared to have been duly elected.

(b) If there are two or more candidates the votes of the members present shall be taken.

(6) Every member present shall be supplied with a ballot paper in Form 29, in which the names of all contesting candidates for the Office of the Vice-Chairman shall be written or printed legibly in Hindi and every ballot paper shall be initialled on the back side by the President of the meeting before issuing it.

(7) A voter shall then put a cross mark "X" against the name of the candidate for whom he wishes to vote, fold it up and insert it in the ballot box kept before the President. If a voter is unable to do so, the President may mark the ballot paper in secret place, according to the directions of voter and insert it in the ballot box, kept before him.

(8) After completion of voting under sub-rule (7), the President shall open the ballot box and count the votes in the presence of the members and declare the candidate elected who secures the largest number of valid votes:

Provided that where an equality of votes is found to exist between contesting members and the addition of one vote will entitle any of these members to be declared elected as Vice-Chairman, President shall draw lots in such manner as he deems fit in the presence of the members who may desire to be present and the member selected by lot shall be declared to have been elected as Vice-Chairman.

(9) Any ballot paper, which contains the signature of the voter or on which the cross mark is placed against more than one name, or the back side of which does not contain the initials of the President, shall be invalid.

(10) The proceedings of this meeting shall be recorded in the minute book of the Market Committee and duly signed by the President of the meeting and the Secretary of the Market Committee.

(11) Immediately after the meeting, the President shall give the notice declaring the name of the person declared to have been elected as the Vice-Chairman to be affixed on the notice board of the Market Committee and shall intimate to the Managing Director and District Election Officer, the result of the Election.

(12) The ballot papers shall be sealed by the President and the seal of the Secretary of the Market Committee shall also be got affixed and the packet containing the voting papers shall be retained in the safe custody in the Office of the Market Committee. The packet containing the voting papers shall not be opened except under the orders of the Collector.

(13) (a) In the event of dispute arising as to the validity of the Election of the Vice-Chairman, the Presiding Officer of the meeting of the Election of Vice-Chairman shall submit within 3 days to the District Election Officer all relevant papers and records submitted by the parties of dispute and the Presiding Officer shall keep on record, the detail of such Elections and the meeting in the Minute Book of Market Committee.

(b) After giving an opportunity of hearing to the parties of dispute the District Election Officer shall take the decision as he deems fit and decision of the District Election Officer shall be final.

(14) The voting paper concerning the Election of the Vice-Chairman may be destroyed by the Secretary of the Market Committee after the decision of the Collector under sub-rule (13) above for a period of five years after the Election, whichever may be later.

(15) The name of the Vice-Chairman elected under Section 12 shall be published in the Official Gazette by the Collector immediately after his election.

¹⁹**[84-A. Election Petition.--**

(1) No Election of a Chairman or Member shall be called into question except by a petition in writing for determining the validity of the election and claiming any or both of the following reliefs, namely:

(a) a declaration that the election of all or any of the elected candidates is void;

(b) a declaration that he himself or any other candidate has been duly elected.

¹⁹ Inserted by Notification No. D-15-41-05-XIV-3, dated 31-3-2006.

(2) No such petition shall be admitted, unless it is presented to the Divisional Commissioner within thirty days from the date on which the election in question was notified.

(3) The petition shall be accompanied by a deposit of five hundred rupees as security for the costs of petition.

(4) The petition shall-

(a) contain a concise statement of the material facts, on which the petitioner relies;

(b) set forth with sufficient particulars, the ground or grounds, on which the election is called in question;

(c) be signed by the petitioner and verified in the manner prescribed in Code of Civil Procedure, 1908 (5 of 1908), for verification of pleadings.

(5) Such petitions may be presented by any candidate at such election or by a voter of the constituency concerned.

(6) A petition filed by any person other than those specified in sub-rule (5) shall not be accepted and it shall forthwith be dismissed.

(7) No petition shall be deemed to have been duly made unless such deposit as referred to in sub-rule (3) has been made and the Divisional Commissioner shall dismiss such petitions, as are not accompanied by such deposit.

(8) The Divisional Commissioner may send the petition to any of his subordinate officer, not below the rank, of Deputy Collector, for enquiry.

(9) The decision of the appellate authority shall be final:

Provided that before passing final orders by the appellate authority, reasonable opportunity to be heard shall duly be given to the party concerned.

(10) If a petition filed by any person is rejected after being heard, the deposit, referred to in sub-rule (3), shall be forfeited and credited to the market committee fund.

(11) The election petition shall be deposited off within six months from the date of presentation thereof.

84-B. Declaration of election as void.--

(1) If after such enquiry, as he considers necessary, the Divisional Commissioner or his sub-ordinate officer, as the case may be, is of the opinion that the election complained of has been procured or induced or the result of the election has been materially affected by any corrupt or illegal practice or non-compliance with any rule, he may pass an order:

(a) declaring the election of all or any of the elected candidates to be void; or
 (b) declaring the election of all or any of the elected candidates to be void and the petitioner or any other candidates to have been duly elected. In the event of the election set aside, the Collector shall take necessary steps for holding a fresh election.

(2) Grounds for declaring election to be void:-

(a) that on the of his election, the elected candidate was not qualified or was disqualified to be chosen to fill the seat; or

(b) that any corrupt practice has been committed by a returned candidate or his election agent or by any other person with the consent of the elected candidate or his election agent; or

(c) that any nomination has been improperly rejected; or

(d) that the result of the election in so far as it concerns a elected candidate has been materially affected:-

(i) by improper acceptance of any nomination; or

(ii) by any corrupt practice committed in the interest of the elected candidate by a person other than that candidate or his election agent or a person acting with the consent of such candidate or his election agent; or

(iii) by the improper receipt, refusal or rejection of any vote or the reception of any vote which is void, or

(iv) by any non-compliance with the provisions of the Act or any rules or orders made thereunder.

(3) For the purposes of this rule, the following shall be deemed to be corrupt and illegal practices :-

Bribery, undue influence and personation at election, as defined under Section 171(B), 171(C) and 171(D) of Chapter IX-A of the Indian Penal Code, 1860 (45 of 1860).]

CHAPTER XI

MISCELLANEOUS

85. Expenditure in connection with or incidental to such Elections.--

All expenditure incurred by the election authority in connection with or incidental to the Election of the Market Committee shall be met from the Market Committee Fund.

If the Fund in the Market Committee is not available, then from the Fund of the State Agriculture Marketing Board.

86. Public Building for election purposes.--

Any Government building within the limits of the Market area selected by the Election Authority for the location of the Polling Station for the conduct of the Election shall be placed at the disposal of the Presiding Officer with effect from such date as the Election Authority may direct.

87. Return or forfeiture of Security Deposit.--

(1) The security deposit under Rule 31 shall either be returned to the person making it or his legal representative or be forfeited to the concerned Market Committee in accordance with the provisions of this rule.

(2) Except in cases hereinafter mentioned in this rule, deposit shall be returned as soon as practicable after the result of the Election is declared.

(3) If the candidate is not shown in the list of contesting candidates or if he dies before the commencement of the poll, the deposit shall be returned as soon as practicable after the publication of the list or after his death as the case may be.

(4) Subject to the provisions of sub-rule (3), the deposit shall be forfeited, if, at an Election where a poll has been taken, the candidate is not elected and the number of valid votes polled in favour of him does not exceed one-sixth of the total number of valid votes polled for all the candidates.

88. Custody of papers relating to Election.--

The District Election Officer shall keep in custody the packets referred to in Rules 64 and 65 and all other papers relating to the Election.

89. Production and Inspection of Election Papers.--

(1) While in the custody of the District Election Officer--

(a) the packets of unused ballot papers;

(b) the packets of used ballot papers whether valid, tendered or rejected;

(c) the packets of the counterfoils of used ballot papers; and

(d) the packets of Marked copies of the Voters List shall not be opened and their contents shall not be inspected by, or produced before, any person or authority except under the order of a Competent Court or Authority.

(2) All other papers relating to an Election shall be retained for a period of five years and shall be destroyed thereafter.

90. Repeal and Savings.--

On and from the date on which these rules come into force so much of the provisions of the Madhya Pradesh Krishi Upaj Mandi (Adhisuchana Prakashan Riti, Bharsadhak Samiti Tatha Mandi Samiti Ka Gathan) Rules, 1974, as relate to the matters covered by these rules stand repealed :

Provided that anything done or any action taken under any of the provisions so repealed unless such thing or action is inconsistent with the provisions of these rules, be deemed to have been done or taken under the corresponding provisions of the rules.

**6.3 The Madhya Pradesh Krishi Upaj
Mandi (Method of Service of Notice and
Document) Rules, 2000**

The Madhya Pradesh Krishi Upaj Mandi (Method of Service of Notice and Document) Rules, 2000

PREAMBLE

In exercise of the powers conferred by sub-sections (1) and (2) and clause (xxxii-a) of Section 79 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the "Madhya Pradesh Krishi Upaj Mandi (Method of Service of Notice and Document) Rules, 2000" the same having been previously published as required by sub-section (1) of the said section, namely:--

1. Short title.--

These Rules may be called the Madhya Pradesh Krishi Upaj Mandi (Method of Service of Notice and Document) Rules, 2000¹.

2. Definitions.--

In these Rules, unless the context otherwise requires,--

(a) "Act" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);

(b) "Section" means the Section of the Act.

3. Service of Notice and Other Documents.--

Save as otherwise provided in the Act, the service of any notice or other document under the Act or under any rule, bye-law or order made thereunder on any person to whom it is by name addressed shall be effected:

(a) by giving or tendering the said notice or document to such person; or

(b) if such person is not found, by giving or tendering the same to some adult member or servant of his family; or

(c) by sending the same by post under certificate of posting; or

(d) if such person does not reside in the jurisdiction of the Market Committee and his address elsewhere is known to the officer directing the issue of such notice or document by sending the same to him by registered post of acknowledgement :

¹ Vide Notification No. D-15-49-2000-XIV-3, dated 4th July, 2001. Published in the M.P. Rajpatra (Asadharan), dated 4-7-2001 at page 832(1).

Provided that if the officer directing the issue of such notice or document is satisfied that the addressee is evading the notice or document and the notice or document cannot be served by the methods mentioned as above the said officer shall cause such notice or document to be served by affixing a copy thereof upon some conspicuous part of the last known place of residence or business of the person concerned and service shall be as effectual as if it had been made on the address personally.

4. Notice to be served on owner of building or land.--

When any notice or other document has to be served upon any owner or occupier of any building or land it shall not be necessary to name the owner or occupier therein, and the service, thereof, in case not otherwise specifically provided for in the Act it shall be effected either,--

- (a) by giving or tendering the notice or document to the owner or occupier of if there be more owners or occupiers than one to any one of them; or
- (b) if no such owner or occupier be found, then by giving or tendering the notice or document to some adult member or servant of the family; or
- (c) if none of the means aforesaid be available then by causing the notice or document to be affixed upon some conspicuous part of the building or land to which the same relates.

5. Acknowledgement to be obtained.--

When a notice or document is given or tendered to the addressee by a Market Committee employee, he shall obtain the acknowledgement of the same on duplicate copy and submit to the Issuing Officer.

6. Notice to be served by affixing copy thereof.--

When the notice or document is served by affixing a copy thereof in accordance with the provisions of Rule 3 or clause (c) of Rule 4, the employee serving it shall return the duplicate copy to the officer issuing the notice or document with the report endorsed thereon or annexed thereto. The said employee shall also obtain the signature of two witnesses identifying the addressee's residence or place of business and certifying the affixing of notice or document to his report.

7. Notice to be served by post.--

When service is made by post, the service shall be deemed to be effected by properly addressing, prepaying and posting the notice or document and unless the contrary is

proved, the service shall be deemed to have been effected at the time at which notice or document would be delivered in the course by post.

8. Public Notice.--

Every notice which the Act requires or empowers a Market Committee to give or to serve either as a public notice or generally or by provision which do not expressly require notice to be given to individuals therein specified, shall be deemed to have been sufficiently given or served if a copy thereof is put up in notice board of the Market Committee Office during such period or is published in such local news papers or in such other manner as the Market Committee may in this behalf direct.

9. Notice not to be invalid.--

No notice or other document shall be invalid for defect or form.

10. Period of Notice.--

Whenever in any notice or other document served under the Act or the rules, bye-laws or orders made thereunder, a period is fixed within which any tax or other sum is to be paid or any other work executed or anything provided such period shall in the absence of any provision to the contrary in the Act or the rules, bye-laws, or orders thereunder be calculated from the date of such service or in case of public notice under Rule 8 from the date of its publication.

11. When no time limit is fixed by the Act.--

When any notice under the Act, or any rule or bye-laws or order requires any act to be done for which no time is fixed, a reasonable time shall be fixed with the notice for doing the same.

12. Repeal.--

All previous rules corresponding to these rules in force immediately before the commencement of these rules shall stand repealed on the date of final publication of these rules in the "Madhya Pradesh Gazette".

**6.4 The Madhya Pradesh Krishi Upaj
Mandi (State Marketing Development
Fund) Rules, 2000**

The Madhya Pradesh Krishi Upaj Mandi (State Marketing Development Fund) Rules, 2000

PREAMBLE

In exercise of the powers conferred by clause (xxi) of sub-section (2) of Section 79 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973), the State Government hereby makes the following rules the same have been previously published as required by sub-section (1) of the said section, namely :--

CHAPTER I

PRELIMINARY

1. Short title and commencement.--

(1) These rules may be called the Madhya Pradesh Krishi Upaj Mandi (State Marketing Development Fund) Rules, 2000¹.

(2) They shall come into force with effect from the date of publication in the Madhya Pradesh Gazette.'

2. Definitions.--

In these rules, unless the context otherwise requires,--

(a) "Adhiniyam" means Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);

(b) "Assistant Engineer Board" means Assistant Engineer of Madhya Pradesh State Agricultural Marketing Board;

²[(c) "Farmers Road Fund" means the amount collected for the roads and basic infrastructure of the market area;]

(d) "Agricultural Research and Infrastructure Development Fund" means amount mobilized for agricultural research and infrastructure development;

(e) "Accounts Officer" means Accounts Officer posted in Madhya Pradesh State Agricultural Marketing Board;

(f) "Board" means Madhya Pradesh State Agricultural Marketing Board;

¹ Vide Notification No. D-15-3-99-XIV-3, dated 13-7-2001. Published in the M.P. Rajpatra (Asadharan), dated 13-7-2001 at p. 854 (20).

² Subs. by No. 7 dated 15-9-2008

- ³[(fa) "Cattle" shall have the same meaning as given in Section 2 of the Madhya Pradesh Goseva Ayog Adhiniyam, 1995 (No. 18 of 1995)];
- (g) "Chief Accounts Officer" means Chief Accounts Officer posted in Madhya Pradesh State Agricultural Marketing Board;
- (h) "Collector" means District Collector;
- (i) "Chief Engineer" means Chief Engineer posted in Madhya Pradesh State Agricultural Marketing Board;
- (j) "College" means Government College;
- (k) "District Planning Committee" means Committee constituted under Section 3 of Madhya Pradesh District Planning Committee Act, 1995 (No. 19 of 1995);
- (l) "Divisional Office" means office established by the Board in revenue division;
- (m) "Deputy Director" means Deputy Director posted in divisional office appointed by Mandi Board;
- (n) "Draft" means draft mentioned in these rules;
- (o) "Executive Engineer" means Executive Engineer of Madhya Pradesh State Public Works Department;
- (p) "Executive Engineer Board" means Executive Engineer of Madhya Pradesh State Agricultural Marketing Board;
- (q) "Financial Year" means the period from 1st April to 31st March;
- (r) "Form" means the form appended to these rules;
- ¹[ra) "Goshala" means Goshala or other similar institution which has been registered under the Madhya Pradesh Goseva Ayog Adhiniyam, 1995 (No. 18 of 1995)];
- (s) "Market Committee" means Market Committee established under Section 11 of the Adhiniyam;
- (t) "Market Area" means any area of the Market Committee notified by State Government under Section 4 of the Adhiniyam;
- (u) "Market Yard" means the notified Market Yard/Sub-Market Yard/Hat Bazaar of any Agriculture Market Committee notified by State Government under Section 5 of the Adhiniyam;
- (v) "Managing Director" means Managing Director of Madhya Pradesh State Agricultural Marketing Board;

³ Inserted by Notification No. D-15-3-99-XIV-3, dated 12-7-2004.

- (w) "Madhya Pradesh State Marketing Development Fund" means amount mobilized under Section 43 of the Adhiniyam;
- (x) "Sub-Engineer Board" means Sub-Engineer of Madhya Pradesh State Agricultural Marketing Board;
- (y) "Superintending Engineer Board" means Superintending Engineer of Madhya Pradesh State Agricultural Marketing Board;
- (z) "Section" means the section of the Adhiniyam;
- (aa) "School" means Government School;
- (ab) "State Government" means the Government of Madhya Pradesh.

CHAPTER II

MADHYA PRADESH STATE MARKETING DEVELOPMENT FUND

3. Madhya Pradesh State Marketing Development Fund.--

(1) Every Market Committee shall pay to Board upto the 10th day of every month of such percentage of gross receipts composing of licence fees and Market fees as the State Government may by notification declare from time to time under sub-section (1) of Section 43 of the Adhiniyam.

Payment will be made to the Board for Madhya Pradesh State Marketing Development Fund at the rate declared in the notification by "Account Payee" Bank draft. Madhya Pradesh State Marketing Development Fund will be divided into three sub-heads as under :--

- (a) Farmers' Road Fund.
- (b) Agricultural Research and Infrastructure Development Fund.
- (c) Board Fund.

4. Every Market Committee shall send amount separately in the above head as indicated below:--

(a) Eighty-five per cent of the amount specified in Schedule one of Notification No. D-15-5-2000-XIV-3, dated 30th October, 2000 notified in the Madhya Pradesh Gazette, dated 10th November, 2000 for Farmers' Road Fund.

(b) Fifteen per cent of the amount specified in Schedule one of the Notification No. D-15-5-2000-XIV-3, dated 30th October, 2000 notified in the Madhya Pradesh Gazette, dated 10th November, 2000 for Agricultural Research and Infrastructure Development Fund.

(c) The amount specified in Schedule two in the Notification No. D-15-5-2000-XIV-3, dated 30th October, 2000 notified in the Madhya Pradesh Gazette, dated 10th November, 2000 shall be sent to the Board.

5. Receipt will be issued by Board on the date the amount is received.

Amount mobilized thus will be deposited as per sub-section (7) of Section 43 and withdrawn under the provision of Section 44 of the Adhiniyam and these rules.

6. Farmers' Road Fund.--(1) Maintenance of Account.--Separate Account of this fund will be kept in Bank. Information of amounts received in this fund will be maintained Market Committee wise by the Board.

⁴[(2) Utilization of fund- The Amount received in this fund shall be utilized by the Board in the manner prescribed by the State Government.]

7. Agricultural Research and Infrastructure Development Fund.--

(1) Maintenance of Account.--Separate Account for this fund will be maintained in Bank.

(2) Utilization of fund.--Fund shall be utilized for the following subjects :--

(a) Establishment of laboratories in Government Schools/Colleges, Agricultural Universities, Agricultural Colleges, for facility of testing seeds, soil chemical fertilizer and pesticides and training for conducting the facility so established.

(b) As per paragraph (a) above if the testing facility is established by public and co-operative sector chemical fertilizer companies/sugar factories, they may be sanctioned grant only once not exceeding 90% of the total project cost.

⁵[(b-a) The Board may provide such share, as may be determined by the State Government, out of the amount deposited by the Market Committee in the Agricultural Research and Infrastructure Development Fund, under Clause (b) of Rule 4, for the protection and development of cow, to the Collectors of the Districts as per requirement through the Madhya Pradesh Gopalan Evam Pashudhan Samvardhan Board, Bhopal, registered with the Registrar, Firms and Society, Bhopal vide Registration No. 01/01/13841/04, dated 15 July, 2004.]

⁶[b-b) The Board may provide two percent amount out of the 10 percent amount deposited by the market committee in the Agriculture research and Infrastructure Development Fund under clause (b) of rule-4 to the Collector of the district, as pers

⁴ Subs. by No.7 dated 15-9-2008

⁵ Substituted by Notification No. D-15-3-99-XIV-3, dated 3-1-2006.

⁶ Ins. by No. 9 dated 27-1-2009.

requirement, for the purpose of implementation of “Chief Minister Farmer Life Welfare Scheme” for the social security and welfare of farmers and allied functionaries of Agriculture of the State.]

(c) Grant not exceeding 90% to Agricultural University, public and co-operative sector organization and Madhya Pradesh Agri Business Consortium towards production of seeds and plantation material for horticulture and other commercial crops, development of infrastructure for testing facility of materials proceed.

(d) Grant to Agricultural University and Agricultural Science Centres for development of infrastructure for research and training facility in agricultural and allied sectors.

(e) The recurring expenses in infrastructures being developed as above cannot be sanctioned from the fund.

⁷[(h) Grant to Goshala for development of infrastructure, research, power generation based on cattle husbandry and bio-farming development].

(3) Committee for sanctioning grant.--The following Committee shall be there, for utilization of Agricultural Research and Development Fund:

(a) Chairman Agricultural Production Commissioner of the State.

(b) Member

(1) Secretary, Agriculture

(2) Director, Animal Husbandry

(3) Director, Agriculture

(4) Director, Horticulture

(5) Director, Research, Agricultural University, Jabalpur

(6) Managing Director, Madhya Pradesh State Agricultural Marketing Board (Member-Secretary)

(4) Committee Meetings for sanction of grants.--Application for grant shall be sent to the Managing Director. Grant Sanction Committee shall frame rules from time to time regarding its working system.

(5) Expenditure.--Expenditure of this fund can be made for the following purposes :--

(a) Committee will not sanction for use other than purposes shown in sub-rule (2);

⁷ Inserted by Notification No. D-15-3-99-XIV-3, dated 12-7-2004.

- (b) Managing Director cannot incur any expenditure without the recommendation of the committee;
- (c) Committee shall ensure stipulations of payment and amount of maximum grant for each project based on progress of the project;
- (d) Utilization Certificate and certification in respect of expenditure of the amount given from the fund shall be sent to the Chief Accounts Officer. Chief Accounts Officer may issue suitable guideline directive in this regard;
- (e) Accounts of expenditure drawn from this fund shall always remain open for inspection by officials of the Board.
- (6) Work Completion Certificate.--After completion of work, work completion certificate shall be issued by the concerned institution.
- (7) Entry in Assets Register.--After issue of work completion certificate concerned institution, under whom the project is executed, shall enter the assets constructed out of this fund in its Assets Register and the works maintenance and repair shall be responsibility of the concerned institution. Audit of the expenditure made out from the grant amount shall be got done by the department auditors of the Management Board. The grantee shall be responsible for getting the audit done and sending the compliance report to the Managing Director on rectification of objections.

8. Board Fund.--

- (i) Maintenance of Account.--Separate account of this fund shall be kept in Bank, Market Committee-wise account will be maintained for amount received in this fund.
- (ii) Utilization of Fund.--All those expenditure which are drawn as per budget approved by the Board, shall be paid from the above fund.
- (iii) Annual Accounts.--Annual Accounts of the Board and Balance Sheet shall be prepared by the Managing Director and all money acquired by the Board from any source or received by it and all amounts disbursed or spent shall be entered in the accounts.
- (iv) Audit.--Audit of Board's accounts shall be done by the Director, Local Fund Auditor, Madhya Pradesh. The Managing Director shall arrange to produce all accounts, registers, documents and such other relevant papers that may be called by the Audit Officer for the purpose of the audit. Explanation sought by such officer to eliminate any difference shall be furnished to him immediately. Accounts, after

completion of the audit, shall be stamped and the accounts and copies of Audit Report, along with observations thereof shall be placed before the Board, Audit Report will be sent to the State Government along with the observations of the Board.

(v) Expenditure.--Expenditure from this fund shall be incurred for the purposes mentioned in Section 44 of the Adhiniyam.

(vi) Parameter for sanction of grant.--Parameter for sanction of grant shall be as under,--

(a) For the first time established Market Committee, the grant not exceeding 2 lac rupees may be given for the establishment and construction of such minimum required structure as may be specified by the Board.

(b) Financially weak Market Committees in the State will be given grant as per procedure and limit decided by the Board.

(vii) Eligibility and other conditions for grant of loan.--Eligibility for loan and conditions shall be as under, i.e. :--

(a) Loan shall be given only to those Market Committees which shall pay to the Board regularly under Section 43 of the Adhiniyam.

(b) First of all loan shall be given for basic facilities in the order given below, interest at the rate of 4% per annum:--

1. Boundary Wall.
2. Covered shed.
3. Internal road.
4. Electricity arrangement.
5. Drinking water arrangement.
6. Toilet.
7. Office Building.
8. Farmer's Rest House.

9. Covered auction platform.

(c) Loan shall be given for the works mentioned in Para (b) above, on the basis of demarcation for Market yard development construction and estimate/project report/master plan prepared by the Executive Engineer of the Board and recommended by him.

(d) Loan shall be given to the Market Committee on interest at the rate of 4% p.a. for godown, shop or sundry shop in the notified Market Yard/sub-market yard/haat bazar if 50% of the cost is deposited in advance by the licensees traders/processors/proposed permission holders.

(e) Loan to the extent of limit prescribed by the Board may be given to Market Committee on interest at the rate of ⁸[4%] p.a. on the basis of demarcation for market yard development construction and estimate/project report/master plan prepared by Executive Engineer of the Board and recommended by him and also towards purchase of land for godown, shop-cum-godown, sundry shop, open auction platform, covered shed, drainage construction, trolley shed, check post, cattle shed, bank and post office premises.

(f) Loan for any work shall be given to Market Committee in lump sum, which shall be kept by the Market Committees in a separate account and utilized only for the particular work.

9. Procedure for doing construction work from Board Fund.--

Procedure for doing construction work from Board Fund shall be as under:--

(a) Annual Action Plan.--

In the month of February each year division-wise proposal for the next financial year shall be sent to the Managing Director by the Executive Engineer of the Board. The proposal shall indicate division-wise earmarking, estimate and financial need in accordance with the works to be done in the next financial year. On the recommendation of Chief Engineer, Managing Director shall decide priority of works and accordingly allocate amount to divisions Market-wise.

(b) Powers relating to sanction.--Powers to accord technical sanction on the basis of proposed cost of each work will be as under :--

No.	Post of official	Cost Ceiling
(1)	(2)	(3)
1.	Sub-Engineer Board	up to Rs. 50,000/-
2.	Assistant Engineer Board	up to Rs. 5 lakhs
3.	Executive Engineer Board	up to Rs. 15 lakhs

⁸ Subs. for the figure '10' by No. 9 dated 27-1-2009.

4.	Superintending Engineer Board	up to Rs. 50 lakhs
5.	Chief Engineer Board	above Rs. 50 lakhs.

(c) Administrative sanction.--

On receipt of case for technical sanction, officer concerned shall make spot inspection and ensure that estimate, detailed transcription and map prepared by Sub-Engineer and Assistant Engineer are technically correct and rates in the estimate are based on specifications approved by the Board. It shall be the responsibility of the officer who according to technical sanction to ensure that the proposal is complete in technical angle and no need for changes or any modification in future. The competent officer shall dispose off the case within 15 days from the date of receipt of the case. Administrative sanction for works up to Rs. 50 lakhs shall be given by Managing Director on recommendation by the Chief Engineer. Sanction for works above Rs. 50 lakhs shall be given by the Chairman of Board. Case shall be put up for administrative sanction after receipt of technical sanction. Administrative sanction will not be released for cases without technical sanction.

(d) Selection of construction agency.--

Construction works of Market yard/Sub-market yard will generally be executed through Board. In case of works of special nature the Managing Director may, with the approval of the Chairman, authorize other agencies for the work.

(e) Procedure for inviting tenders.--

After administrative sanction, Executive Engineer Board shall get the tender notice published in newspapers. For the publication of tender notice and the period of published tender notice (from the date of publication of tender notice to the date of receipt of tender), the following criterion shall be followed :--

(A) First invitation.--

(a) Original cost of tender work	Period of publication in newspapers	
(1)	(2)	
1. Above Rs. 10,000/- upto Rs.	In one leading local daily newspaper of the District.	15 Days

2,00,000/-		
2. Above Rs. 2,00,000/- and upto Rs. 10,00,000/-	In one leading local daily newspaper and one State level newspaper with largest circulation in the respective division and which is published also from the Divisional headquarter. If no newspaper is published from the respective divisional headquarter, standard newspaper published from the nearest districts/divisions such as for example, from Indore Division for Ujjain Division, from Bhopal Division for Sagar Division and from Jabalpur Division for Rewa Division may be made recognized.	30 Days
3. Above Rs. 10 lakhs and upto Rs. 50 lakhs	One leading newspaper of the District and two State level newspapers with a large circulation in the concerned Division and nearest Division.	45 Days
4. Above Rs. 50,00,000/-	One leading local newspaper of the District and in two State level newspapers with a large circulation in the concerned Divisions and in one national level English newspaper with a large circulation in the State and nearest States.	60 Days

(B) Second and subsequent invitations.--

(b) Total cost of tender work	Period of publication in newspapers	
(1)	(2)	
1. Above Rs. 10,000/- and upto Rs. 2 lakhs.	As in column (2) of S. No. (1) of the heading (A) of Rule 9(e).	10 Days
2. Above Rs. 2 lakhs and	As in column (2) of S. No. (2) of	15

	upto Rs. 10 lakhs.	the heading (A) of Rule 9(e).	Days
3.	Above Rs. 10 lakhs and upto Rs. 50 lakhs.	As in column (2) of S. No. (3) of the heading (A) of Rule 9(e).	20 Days
4.	Above Rs. 50 lakhs and upto any level.	As in column (2) of S. No. (4) of the heading (A) of Rule 9(e).	30 Days

In emergent situations, short duration tender notices may be issued with the prior approval of the Chief Engineer the minimum period of which shall be 20 days. The limit of the period as prescribed above shall be counted from the date of publication of tender notice to the date of receipt of the tender. Selection of local newspaper shall be done on the basis of quantum of circulation of newspapers in the District. In case no newspapers are published in any District or number of newspapers published in the District is negligent, in such situation newspaper published in Divisional headquarter which is in circulation in the District should be selected on the basis mentioned above. While giving order for publication of tender notice in newspapers it is compulsory to mention size of Notice, (which should be minimum) and date of publication should be mentioned and ensured that the period from the date of tender publication to the date for receipt of tender is as per the time limit, prescribed as above. Payment for Notices published for less than the above time limit and size above the prescribed minimum size should not be changed in any situation, otherwise responsibility will be of the paying officer. Publication of tender notice upto Rs. 10,000/-in newspapers will not be necessary, but it is compulsory that the file of the Board should contain record regarding pasting of copy of notice issued for the tender in the notice boards of all Market Committees offices in the District, all development departments of the State Government, Divisional Board Offices and local bodies and district Collector Office.

(C) Supply of tender.--Tender can be obtained through registered post, personal delivery and speed post. If tenders have been invited through personal delivery, tenders received through any other mode shall not be accepted. No tender shall be accepted on the date of tender invitation after the stipulated time. Tenders received late will be entered in Inward Register and returned to tenderer. Tender form can be sold only to valid registered contractors of the Board. Before selling tender forms

original records as under will be seen and their attested photocopies will be obtained with the application, that is--

- (a) Valid Registration Certificate of Board for prescribed grade.
- (b) Valid Income Tax clearance certificate.
- (c) Experience certificate regarding work being done in Board and other Department by the Contractor at the time of purchasing tender form which should be signed by competent authority (not below the rank of Executive Engineer) of the concerned department.
- (d) Bank solvency which should not be more than 12 months old; limit for which will be as under :--

(1)	Contracts upto Rs. 2.00 lakhs	Not necessary
(2)	Contracts above Rs. 2.00 lakhs and upto Rs. 5.00 lakhs	Rs. 25,000/-
(3)	Contracts above Rs. 5.00 lakhs and upto Rs. 25.00 lakhs	Rs. 3,00,000/-
(4)	Contracts above Rs. 25 lakhs and upto Rs. 50 lakhs	Rs. 5,00,000/-
(5)	Any level above Rs. 50 lakhs	Rs. 12,00,000/-

(D) Opening of tender and sanction of tender.--

The officer inviting the tender shall open the tenders at the specified time in the presence of tenderers or their authorised representatives. Only those tenders received within the prescribed time and date will be opened. Earnest money in one envelope and tender document in other envelope shall be taken. First of all earnest money envelope will be opened. Only after receipt of earnest money as amount required in the tender notice, the envelopes containing the documents of the tender shall be opened otherwise not. At the time of opening and reading tender rate it shall be the responsibility of the opening officer to underline the place where tender rates are written and certify writing by own hand in words and figures.

Read out the rate quoted in tender to the contractors present and entering the tender rates in comparative Register, obtain signature of contractors present. Conditional tenders shall not be accepted; if any condition is incorporated with any tender, rate of such tender will not be taken on record. After opening lists, case shall be placed

before the competent authority for sanction of lowest rate tender. Competent authority for sanctioning of the tender shall be following, namely :-

A. Cost limit (inclusive of tender rate)	Rate limit	Rate limit	Recommending Officer	Sanctioning Officer
(a) Upto 50,000/-	Rs.	Any rate as per prevailing S.O.R.		Executive Engineer
(b) Above 50,000/- but upto Rs. 5,00,000/-	Rs.	Any rate as per prevailing S.O.R.	Executive Engineer Board	Superintending Engineer
(c) Above 5,00,000/- upto 10,00,000/-	Rs.	Any rate as per prevailing S.O.R.	Superintending Engineer	Chief Engineer
(d) Above 10,00,000/- upto 50,00,000/-	Rs.	Any rate as per prevailing S.O.R.	Chief Engineer	Managing Director
(e) Above 50,00,000/-	Rs.	Any rate as per prevailing S.O.R.	Managing Director	Chairman Board.

It shall be responsibility of Executive Engineer Board to give intimation regarding sanction of tender during validity period. Validity period of tenders will be 120 days and it shall be the responsibility of the tender inviting officer to put up the case with his recommendation before competent officer for sanction of tender within a maximum period of one month and mention specifically the tender validity expiry date while sending case. Validity period shall be counted from the date of receipt of tender. If any tenderer does not make agreement within stipulated time after acceptance of tender or refuses, in such situation earnest money shall be forfeited as per rule and the tender will be deemed ineligible in the next invitation for the same work.

(E) Execution of Agreement.--

After finalization of tender for construction works agreement on prescribed format will be executed between Executive Engineer Board and contractor. After sanction of tender, agreement will be executed within 15 days from the date of release of notice of acceptance. While executing agreement it shall be necessary that contractor and Executive Engineer Board sign with seal, stamp, on stamp paper as well as on the pages of tender documents. If addition-deletion or amendment is made anywhere in agreement letter and tender documents, both the parties will sign on these also. Intimation issued for tender notice, its conditions, detailed informative conditions given in tender form, tender form 'A' and schedule of item and drawing of work will be signed by both parties on each page, making them essential part of agreement. It is necessary to safeguard the interest of Board in the agreement. Period by which the work is to be completed shall necessarily be mentioned in the agreement. Provision will be made for desired penalty in case of delay in work and penalty for bad work, electricity-water arrangement and payment of wages to labours employed in work as per Minimum Wages Act and use of best quality construction material, etc. Provision will also be made in the agreement that Board holds the right to effect recovery of excess payment in construction work or loss from the proceeds of some other work being done in Board by the contractor.

(F) Executive of work to be recorded in measurement book.--

Executive Engineer will issue Work order within one week after execution of agreement. Copy of work order along with attested photocopies of agreement will be given to the contractor as well as concerned Sub-Engineer and Assistant Engineer. Copy of work order shall be given also to Superintending Engineer and Chief Engineer. It shall be necessary to mention in the work order important particulars such as name of work, cost, accepted tender rate, contracted agency and time limit for work. Concerned Sub-Engineer shall maintain site order Book Register at the work place. This Inspection Register shall always be available at site; Senior Technical Officer shall incorporate in his inspection note from time to time in this register, which should be complied with by concerned Sub-Engineer, Assistant Engineer and contractor. It will be the responsibility of concerned Assistant Engineer to do work carrying trialpit section at site, design foundation and obtain approval from Executive Engineer. He will make available one copy thereof

to the Contractor and attach another copy to Inspection Register, cent percent measurement of any construction work shall be taken by the Sub-Engineer and written in work measurement register cent percent checking of which shall be done by the Assistant Engineer, Measurement of 10 percent of work value shall be checked by Executive Engineer. If Executive Engineers, after doing open measurement of work such as measurement verification of roof and flooring etc., normally does 10 percent measurement check of work value, is prohibited. Executive Engineer, in his 10 percent measurement check, will check those items which impact durability and quality of work such as foundation filling and hidden items of plinth filling, R.C.C. column, slab, beam, hidden items of projections (iron), base concrete, etc. The Sub-Engineer shall enter measurement of the work done by the contractor in measurement book. After entering measurement, the current bill shall be prepared in prescribed form in measurement book. At the time of checking measurements technical officers shall have to affix in measurement register the following certificate.

"Certified that the rates of executed construction work are as per C.S.R. measurement of work is in order and as per specification, total is correct and quality of material used is good."

(G) Payment Procedure.--After receipt of Verification and test report the competent officer shall recommend for sanction of payment as under:--

(A)			
No.	Amount of current bill	Competent officer to recommend for Payment sanction	Sanctioning officer
1.	Upto Rs. 10,000/-	Sub-Engineer, Board	Executive Engineer
2.	Upto Rs. 50,000/-	Assistant Engineer, Board	Executive Engineer
3.	Above Rs. 50,000/-	Executive Engineer	Superintending Engineer and or Chief Engineer.
(B)			
No.	Amount of Final	Competent officer to recommend for	Sanctioning officer

	payment	Payment sanction	
1.	Upto Rs. 50,000/-	Assistant Engineer, Board	Executive Engineer, Board
2.	Above Rs. 50,000/-	Executive Engineer, Board	Superintending Engineer and or Chief Engineer.

5% security deposit, which is necessary to mention in the agreement, shall be deducted from final bill and after deducting the Income Tax, Commercial tax and other necessary deductions as per the agreement, remaining amount shall be paid to the contractor. Security deposit will not be refunded after completion of work till such time it is not considered necessary to withhold security deposit for further period. In the event of any deficiency in work or not found as per specification later on, security amount shall be withheld and loss shall be recovered after determination from the security deposit.

(H) Prohibition on advance payment.--Advance payment will not be made on construction work.

(I) Work completion Certificate and formation of Property Register.--On completion of work, the same officer who had recommended payment of final bill will issue work completion certificate on the prescribed form. After completion of work, particulars of building constructed in Market yard/sub-market yard shall be incorporated in Property Register, in which all important information regarding the building shall be filled in.

(J) Maintenance of assets.--Additional amount of 20 per cent of roof cost will remain deposited in the form of security which will be paid back to the contractor after expiry of two years only if there is no complaint of leakage. This condition will be applicable only in case of R.C.C. roofing. If the contractor does not remove defects within a period of one year even after due notice, case for inclusion of his name in black list shall be sent to Chief Engineer and such contractor shall not be allowed to participate in future tenders to be invited by the Board. In case of works costing above Rs. 5.00 lakhs, one percent amount of total cost may be spent by the Market Committee per year on maintenance after two years of completion of construction work. Similarly, on completed works costing upto Rs. 5.00 lakhs, two

percent of cost may be spent by the Market Committee per year on maintenance after two years.

(K) Monitoring and inspection.--In the meetings to be convened at Division level every month, Executive Engineer will review the progress of works being done at all Market Committees in the Division. Necessary action will be taken for proper execution of construction works and timely progress. The Executive Engineer shall put up details of the review made in the above meeting to the Chief Engineer. In the meetings of Executive Engineers and Deputy Directors to be convened by Managing Director every month at headquarter level, details of construction works in each Division shall be presented by Chief Engineer, which shall be reviewed by the Managing Director. In this meeting, necessary action to solve the problems arising in execution of construction works shall be discussed and decision shall be taken.

CHAPTER III

RESERVED FUND

10. Reserved Fund.--

(1) Leaving aside Farmers' Road Fund and Agricultural Research and Infrastructural Development Fund, at the rate of five per cent, of remaining aggregate receipts Chief Accounts Officer will deposit in separate Bank account every three months in the form of Reserve Fund. Use of Reserve Fund shall be made for the payment of pension to the members of State Board Service, family pension, ex-gratia, gratuity, grant, loan and advances as per procedure prescribed by Board.

(2) Each member of service of the Board shall be entitled to receive pension on retirement, gratuity and other benefits as per rules applicable to the Government servants.

(3) In the event of death during service of any member, his legal successor shall be entitled to receive gratuity and family pension.

(4) Separate account of Reserve Fund shall be kept in Bank for the members of service of the Board, posted in Market Committee. One-third amount of Reserve Fund maintained by Market Committees and amount shall be sent in this fund on the 10th of every month to Chief Accounts Officer by "Account Payee" cheque. The

provisions of sub-rules (2) and (3) shall be applicable to the members of such service.

(5) Loan and advance shall be given to members of the service posted in Market Committee from this fund with the sanction of Chief Accounts Officer.

CHAPTER IV

PROCEDURE FOR KEEPING ACCOUNT

11. Procedure for keeping Account.--

Accounts, register/format will be maintained as per these rules and as directed by Board or Managing Director. Divisional offices should also adopt the same procedure to maintain account/register and books under these rules. Suitable account/register and books shall be maintained by the Collector for Road Fund as mentioned in these rules and procedure mentioned in these rules will be complied with.

12. Books of account and register.--

Board shall maintain the under-mentioned books of account and register in the form as stated against each book of account and register:--

1. Cash Book--Form one
2. General account--Form two
3. Receipt Book--Form three
4. Voucher--Form four
5. Individual account--Form five
6. Madhya Pradesh State Marketing Development Fund account (Income received from Mandi fees)--Form six
7. Madhya Pradesh State Marketing Development Fund account (Income received from whole income)--Form seven
8. Farmers' Road Fund account--Form eight
9. Agricultural Research and Infrastructure Development Fund account--Form nine
10. Stationery Register--Form ten
11. Fixed Assets Register--Form eleven
12. Wage Register--Form twelve
13. Loan Register--Form thirteen
14. Market Committee/Other Organizations Loan Register-- Form fourteen

15. Grant Register--Form fifteen

16. Register of Property--Form sixteen

17. Register of Term Deposit--Form seventeen

18. Investment Register--Form eighteen

(a) Cash book shall be written in Form one daily and regularly by Accountant. Brief particulars of cash receipts, amount received, particulars of payment, voucher and particulars of amount shall be entered. Accounts Officer shall verify the cash and Accountant, Accounts Officer and Chief Accounts Officer shall sign Cash Book daily.

(b) Account Register shall be maintained in Form two. Entries in Account shall be made on the basis of cash. Account shall be kept up-to-date.

(c) For each amount received by Board, such Official as may be authorised by Managing Director, will issue a receipt on form three regarding receipt of payment in which amount and other particulars of purpose for which payment is made shall be furnished.

(d) Voucher as per form four shall be attached as support with each bill.

(e) Personal account of particulars regarding Provident Fund of each officer/employee on the basis of cash shall be kept in Form five.

(f) Account for fifty percent portion of Mandi fees in Madhya Pradesh State Marketing Development Fund shall be kept in the Register in Form six.

(g) Account Register for income received from whole income in Madhya Pradesh State Marketing Development Fund shall be kept in Form seven.

(h) Account for amount allocated to District for Farmers' Road Fund shall be kept in separate Form eight.

(i) Account for Agricultural Research and Infrastructure Development Fund, separately for each organization, shall be kept in Form nine.

(j) Particulars of stationery shall be entered by Storekeeper in Form ten.

(k) Particulars of fixed assets shall be entered by Storekeeper in Form eleven.

(l) Particulars regarding payment of salary to officers/employees shall be kept in Form twelve.

(m) Particulars regarding loan given to officers/employees shall be kept in Form thirteen.

(n) Particulars regarding loan given to Mandi Samities and other organizations shall be kept in Form fourteen.

(o) Particulars of grant given to Mandi Samities and other organizations shall be kept in Form fifteen.

(p) Particulars of all properties of Board shall be kept in Form sixteen.

(q) Each term deposit shall be entered in register maintained in Form seventeen.

(r) Particulars of amount invested in Bank or other organizations shall be kept in Form eighteen.

13. Depositing of Amount.--

All such money, which is paid by any person under these rules, shall be deposited according to sub-section (7) of Section 43 of the Adhiniyam. Deposit amounts will be tallied every month with accounts of the Board and Pass Book. Pass Book will be kept up-to-date.

14. Signing of cheques.--

Cheques issued from Marketing Development Fund shall be signed by Managing Director, Additional Director, Chief Accounts Officer and Accounts Officer as per delegation of financial powers. Every payment of more than rupees 500/- shall be made by cheque only.

15. Voucher.--

For expenditure from Marketing Development Fund, vouchers shall be in Form four. Care should be taken to keep sufficient stock of these forms. Payment for miscellaneous purchases shall be made on the basis of bill given by supplier. If such payment is made from cash balance (fixed balance), then bill should be enclosed to supply bill in the form of sub-voucher.

16. Custody of cheque books.--

Cheque books shall be kept in personal custody of drawing officer to office Superintendent or Accountant and when such officer is changed, a remark regarding change shall be entered in Cash Book which shall be signed by both the relieving and reliever officers or employees and in which the number of unused cheques and cheque books mutually handed over taken over will be shown.

17. Precautions to be exercised in keeping cheque books.--

Cheque book in use may be handed over to the Accountant when required but the same will be returned back on the same day before closure of office to the Accounts

Officer. The Accounts Officer shall satisfy himself then and there that all unused leaves are in the book and no leaf therefrom has been removed.

18. Writing of cheques.--

Amount of each cheque issued will be written in words and figures in cheque and counterfoil both and the person signing the cheque will initial in the counterfoil.

19. Cash balance to be kept--

To meet current expenses, cash balance shall be kept in Board Office in the custody of official authorised by the Managing Director to the extent that may be fixed by the Managing Director. Only temporary advance and reimbursement of expenses upto rupees five hundred can be made from the cash balance amount.

20. Expenditure from State Marketing Development Fund.--

(1) Managing Director will be controlling authority regarding Madhya Pradesh State Marketing Development Fund.

(2) Madhya Pradesh State Marketing Fund shall not be spent for purpose other than the purposes mentioned in Section 44 of the Adhiniyam.

(3) Proposal for expenditure towards any other purpose will be sent to the Government for sanction after sanction by the Board and such expenditure can be incurred only after sanction by Government.

21. Bill.--

Each such person who has a claim from funds of the Board will present his bill to the Board/Divisional office. Claimant will invariably sign the bill and put date and affix stamp whenever necessary. Official authorised by the Managing Director shall be competent to sanction the bill.

22. Period of bill for payment.--

Other than travelling and medical bills, arty bill towards claim from the Board shall be presented to the Board within a period of six months from the date the claim falls due. Bills presented after six months cannot be entertained without approval of the Managing Director.

23. Payment of bills other than monthly bills.--

Each bill, other than monthly wage bill, should be presented to Chief Accounts Officer. Chief Accounts Officer shall send it as it is to Accounts Officer or authorised concerned Assistant who, after entering the bill accordingly in Register will check the bill for its acceptability in connection with other documents,

reasonableness of claim and arithmetical accuracy and examine it. If the bill is found correct and in order after such checking and examination, it shall be placed before the competent official for payment.

24. Budget.--

(1) In the month of January each year, estimate of income and expenditure for the next financial year shall be got prepared by Chief Accounts Officer and placed for sanction before the Board, after approval by the Managing Director, in the first week of March.

(2) Budget shall be for the year commencing from 1st April and ending on 31st March.

(3) Budget will contain the under-noted particulars,--

(a) Scales of establishment, salary and allowances,

(b) Proposed construction works to be undertaken during the year,

(c) Loans and grant to be given to Mandi Samities,

(d) Farmers' Road Construction and Agricultural Research and Infrastructure Development Fund,

(e) Fertilizer Business,

(f) Other expenditure of a special nature.

25. Existence period for records.--

After Local Fund Audit, existence period for records are mentioned in column No.

(2) of the following Table; accounts will be preserved for the period specified against each :--

Table

	Record	Period
	(1)	(2)
1.	Cash Book	Permanently
2.	General Account	10 Years
3.	Receipt Book	3 Years
4.	Voucher	3 Years
5.	Individual Account	Permanently

6.	Madhya Pradesh State Marketing Development Fund Account (income received from Mandi fees)	10 Years
7.	Madhya Pradesh State Marketing Development Fund Account (income received from whole income)	10 Years
8.	Farmers' Road Fund Account	10 Years
9.	Agricultural Research and Infrastructure Development Fund Account	10 Years
10.	Stationery Register	3 Years
11.	Fixed Assets Register	Permanently
12.	Wages Register	10 Years
13.	Loan Register	Permanently
14.	Mandi Samiti/other organizations Loan Register	Permanently
15.	Grant Register	10 Years
16.	Property Register	Permanently
17.	Term Deposit Register	Permanently
18.	Investment Register	Permanently

**6.5 The Madhya Pradesh Krishi Upaj
Mandi (Special Licence for More Than
One Market Areas) Rules, 2009**

Madhya Pradesh Krishiupaj Mandi (Special License For More Than One Market Area) Rules, 2009

Notfn. No. D-15-33-2007-XW-3, dated 2-3-2009, Pub. in M.P. Rqj-patra (Asadharan), dated 2-3-2009, p. 162(23). -In exercise of the powers conferred by sub-section (1) of clause (vi) of sub-section (2) of Section 79 read with Section 32-A of Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973) the State Government hereby makes the following rules, the same have been previously published as required by sub-section (1) of Section 79, namely:—

CHAPTER -I

- 1. Short title and commencement.** - (1) These rules may be called the Madhya Pradesh Krishi Upaj Mandi {Special License for more than one market area} Rules, 2009.

(2) They shall come into force from the date of publication of the notification in the official Gazette.

- 2. Definitions.**-In these rules unless the context otherwise requires,—

(a) "Act" means Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);

(b) "Board" means the Madhya Pradesh State Agricultural Marketing Board, established under the Act;

(c) "Section" means a section under the Act;

(d) "Director" means the Director and includes the "Managing Director" of the Madhya Pradesh State Agricultural Marketing Board appointed under the Act;

(e) "Additional Director" means Additional Director of the Madhya Pradesh State Agricultural Marketing Board appointed under the Act;

(f) "Deputy Director" means Deputy Director of the Madhya Pradesh State Agricultural Marketing Board appointed under the Act;

(g) "Notified authority or officer" means such authority or officer as may be notified by the State Government to grant or renew the special license under the Act;

(h) "Commercial transaction" means any transaction made by traders for sale, purchase, processing for ancillary sale, purchase or storage or sale to consumers of agricultural produce within the market yard or out of market yard, within the market area or out of market area, within the state or out of the State, in which the payment of market fees has already been made to any market committee of the State and information pertaining to payment of market fees has been submitted to concerned market committee in prescribed form;

(i) "Form" means a form appended to these rules;

(j) "Misconduct" means willfully not to receive or refuse to receive information sent by State Government, Managing Director, Collector or authorised officer Deputy Director, Market Committee or disobey the order/direction issued by Board, Managing Director or the authorized officer, market committee or non-submission of required information in the time limit or submission of incomplete or incorrect information;

(k) "Specified Market Area" means such area of the market committee which has been declared for business of notified agricultural produce for the licence holder under Section 32-A;

(l) "Specified Purchase Centre" means the purchase centre established by the licence holder in the specified market area for the business of the notified agricultural produce and in case licence holder is an exchange it shall include the facility of an electronic exchange in a market yard;

(m) "Special Licence" means the licence issued by the notified authority or officer under sub-section (2) of Section 32-A for the business of notified agricultural produce;

(n) "Centre Incharge" means the Secretary of the administrative market committee or the officer/employee posted by the Deputy Director, for proper regulation and control of notified agricultural produce at the purchase centre of specified market area;

(o) "Administrative Market Committee" means the market committee constituted under Section 11 which has been vested with full power to control the marketing of agricultural produce in the declared specified market area for special licence holder market functionary under section 32-A;

(p) "Exchange" means a corporate entity which can sue and be sued acting as a Commission Agent as defined in clause (e) of section 2 of the Act, which provides an electronic trading platform for spot trading of notified agricultural produce;

(q) "Spot Trading" means trade in notified agricultural produce between seller and buyer, by an exchange, using an electronic platform, subject to the following conditions—

(1) All such trade shall be based on pre-defined and displayed contract specifications, specifying the quality parameters, including discount and premium for variation in such parameters.

(2) All such trade at the end of the day shall result into compulsory weightment, delivery and payment of the produce.

(3) No carry forward of positions shall be permitted.

(r) The words and expression used in these rules but not defined shall have the same meaning as assigned to them in the said Act.

CHAPTER-II

3. Notified authority.-The State Government shall notify the Authority or Officer for the purpose of granting, renewing or refusing to grant the special licence.

(2) The person, who intends to do business of notified agricultural produce in more than one market area under Section 32-A, will have to obtain special licence from notified authority/officer.

CHAPTER - III

Issue of Special Licence

4. Grant of special licence.-(1) The special licence may be granted to trader, processor and an exchange as defined in clause (p) of rule 2

(2) Special licence may be granted to such person for carrying out the business of notified agricultural produce in more than one market" area, who in a financial year shall purchase one or more than one agricultural produce out of

the following groups of notified agricultural produce in the minimum quantity mentioned against them from producers including all the purchase centres:—

(a) Vegetables, fruits and flowers	10,000 metric ton
(b) Spices	10,000 metric ton
(c) Fibres (cotton etc.)	25,000 bales
(d) Oil seeds	50,000 metric ton
(e) Cereals and pulses	50,000 metric ton
(f) Forest produce and agriculture medicinal produce	2,000 metric ton.

Provided that in case of an exchange the above mentioned provisions shall not apply.

5. Licence fees.-The fee for special licence shall be Rupees 2,00,000/- (Rupees two lakhs). The licence fee shall be payable after decision has been taken to grant the licence.

6. Security.-(1) After the decision to grant the licence has been taken, for various notified agricultural produce, including all purchase centres, following security shall be submitted by licensee:

(a) Vegetables, fruits and minimum	Rs. 5 lakh per purchase centre flowers but minimum
Rs. 50	Rs. 5 lakh per purchase centre but minimum
	lakh
(b) Spices	Rs. 10 lakh per purchase centre but minimum Rs. 100 lakh
(c) Fibres	Rs. 10 lakh per purchase centre but minimum Rs. 100 lakh
(d) Oilseeds	Rs. 10 lakh per purchase centre

but minimum Rs. 100 lakh

(e) Cereals and pulses Rs. 10 lakh per purchase centre
but minimum Rs. 100 lakh

(f) Forest produce and agri- Rs. 2 lakh per purchase centre
culture medicinal produce but minimum Rs. 20 lakh

In case of licensee being an exchange, security of Rs. 2 lakh per purchase centre, but minimum Rs. 20 lakh, shall be submitted by licensee.

The amount of security shall be in the form of Fixed Deposit Receipt or Bank Guarantee. Fixed Deposit Receipt shall be pledged in favour of Board. The Bank Guarantee must have to be issued by such Scheduled Bank whose branch should be located at Bhopal (Madhya Pradesh). The Bank Guarantee shall be for full five years. The Fixed Deposit Receipt or Bank Guarantee furnished by the applicant shall be kept at the Board headquarter. However, it shall not be necessary, for the undertaking of the State Government, to deposit the security amount for grant of special licence for carrying out the business of notified Agricultural produce in more than one market area, provided that it will be necessary for such undertaking to make payment to sellers of their agricultural produce under the provisions of Section 37 of the Act.

(2) The applicant shall have to furnish with Fixed Deposit receipt or Bank Guarantee towards security deposit to the notified authority/officer along with certificate of security in Form-IV.

7. Application for licence.-(1) Every trader, processor or an exchange who wishes to operate in more than one market area shall submit an application for licence to the notified authority/officer authorized under rule-3 in the specified Form-1. The application form shall be made available by the Board headquarter without any charge.

(2) The applicant shall deposit in the Board headquarter an amount of Rs. 10,000/- (Rupees ten thousand) towards application fee, along with application form.

(3) It shall be necessary for the applicant to enclose following documents along with the application:—

- (i) The receipt towards deposit of Rs. 10,000/- or crossed Bank Draft or above amount drawn in favour of the Managing Director.
- (ii) The list of the market areas for purchase of notified agricultural produce in more than one market area, their layout, storage site, capacity of godown, address of office and the name/father's name of all the workers posted in every market area along with their official capacity.
- (iii) Name of the applicant trader, processor or an exchange and their partners, particulars of immovable property available in the market areas and the attested photocopies of the documents related thereto.
- (iv) Certificate of the competent authority regarding payment of income tax/commercial tax of previous year and photocopies of the returns, balance sheet and audit reports of the accounts by the Chartered Accountant.
- (v) List of Bank Accounts in the specified market areas along with attested photocopies of the Bank Accounts.
- (vi) The information pertaining to available capital for carrying out the business of notified agricultural produce.
- (vii) Declaration in Form-II.

8. Procedure regarding grant of special licence.-(1) The Board shall obtain no dues/no objection certificate from the secretary of the concerned market committee of specified market areas.

(2) Incomplete applications shall not be accepted and the shortcomings or defects will be informed to the applicant in writing within a period of seven days. If the shortcomings or defects shown in the application are not rectified by the applicant within a period of fifteen days, such application will automatically stand rejected and no further action will be taken by the notified authority/officer.

(3) After scrutiny of the application received for special licence by the notified authority/officer, such enquiry may be made, as is deemed necessary regarding mentioned market areas and purchase centres from secretary of concerned market committee and Divisional Deputy Director. The notified authority or officer shall have power to delete or amend any market area or purchase centre from the application of special licence.

(4) The notified authority/officer may grant or renew the special licence in Form-III within the period of 60 days or may refuse to grant or renew the licence for the reasons to be recorded in writing.

(5) In the event of refusal to grant or renew the special licence, after retaining fifty percent amount of application fee, received along with application, remaining amount of Rs. 5,000/- (Rupees five thousand) shall be refunded to the applicant within the period of 15 days.

(6) The special licence shall not be granted for establishing the purchase centre within the minimum distance of three kilometer from the limit of Gram Panchayat or Urban body where market yard or sub-market yard is situated, however this restriction shall not be applicable in case of weak or non-functional market or sub-market and also in case of vegetable, fruits and flowers:

Provided that this provision shall not be applicable to an exchange. In case of an exchange electronic trading facility shall be established in the market yard primarily.

(7) No special licence will be granted for establishing the purchase centre in a place, which is located within a distance of less than one kilometer from the processing plant owned by the applicant, however, in case of vegetable, fruits and flowers, there will be relaxation to establish the purchase centre within the premises of processing plant.

(8) Special licence so granted shall be effective only in the specified market areas and on purchase centres specified in the licence:

Provided that the purchase of notified agricultural produce in the market/sub-market yards of the specified market area by the special licence holder/trader and the purchase-sale of notified agricultural produce under the commercial transaction may be made, like other licence holder trader of the market, under the provisions of the Act, rules and byelaws. The provisions prescribed in the byelaws, shall be equally applicable on the holder of special licence for all such purchase, sale, processing.

(9) On submission of application by licence holder after grant of special licence, for establishing additional purchase centre in the specified market area, the notified authority/officer, after carrying out necessary enquiry, as he deems essential, will grant permission to establish additional purchase centre after getting deposited the

fixed Deposit Receipt or Bank Guarantee towards security amount as specified in Rule-6.

(10) If licence holder does not start the purchase of notified agricultural produce in any specified purchase centre within six months from the date of grant of special licence, the special licence issued for such purchase centre shall automatically become void.

9. Disposal of security.-(1) The amount due to the sellers for their produce and other amount due to the market committee if not paid by the licence holder, shall be recovered together with the interest by the notified authority/officer from the Fixed Deposit Receipt or Bank Guarantee furnished as security. The remaining amount of security deposit in the form of Fixed Deposit Receipt or Bank Guarantee shall be released if demanded by the licence holder, after obtaining no demand/no dues certificate from the secretary of specified market area.

(2) If the licence holder desires to surrender his special licence, then the notified authority/officer after proper enquiry, may take decision to refund or not to refund or to refund partly, the security amount deposited. The decision of the notified authority/officer shall be final and be binding upon the licence holder.

10. Period of licence.-(1) Initially the licence shall be interim and shall be for the period of one year. In the interim licence, there shall be condition that during this period of one year, the licence holder shall create following facilities at the purchase centre,—

- (i) Electronic weigh bridge
- (ii) Suitable arrangement of drinking water
- (iii) Suitable arrangement of light
- (iv) Toilet facility for male/female
- (v) Arrangement for shed
- (vi) Shady resting place for farmers
- (vii) Payment counter
- (viii) Suitable arrangement for parking of tractor-trolley
- (ix) Essential apparatus and trained manpower for determining the percentage of moisture, foreign material and damaged grains.

(1-A) In case of an exchange following additional infrastructure shall be provided in the yard by the licensee:-

- (i) Electronic trading platform;
- (ii) Fully equipped grading, quality testing and certification facility;
- (iii) Delivery centre.

(2) Two months prior to the expiry of period of first year, the Board shall after visiting the purchase centre shall submit a report to the Board regarding creation of facilities by the licence holder as specified in sub-rule (1) and sub-rule (1)(A).

(3) In the event of having created the facilities as specified in sub-rule (1) and sub-rule (1)(A) by the licence holder, the regular special licence for further four years shall be granted.

11. The licence holders, who have been granted special licence under Madhya Pradesh Krishi Upaj Mandi (Special Licence for more than one market areas) Rules, 2003, shall be given information to create the facilities as specified in sub-rule (1) and sub-rule (1)(A) in such purchase centres within a period of one year. On failure by the licence holders to comply with this directive, renewal of licences shall not be done after expiry of the period of such licence.

12. Display of licences.-The licence holder shall display the original copy of the licence at the establishment of headquarter of the business and attested photocopy thereof at the associated establishment and purchase centre of the specified market area. The attested photocopy of it shall also be submitted to the concerned market committee of the specified market area.

13. Renewal of special licence. (1) Trader, processor or an exchange who have been granted special licence by the notified authority/officer for carrying out the business of notified agricultural produce, in more than one market area, shall make application in prescribed Form-I to the notified authority/officer for renewal of special licence, 60 days prior to its expiry.

(2) The applicant shall deposit an amount of Rs, 10,000/- (Rupees Ten thousand) as application fee, in the office of the Board headquarter or shall furnish a crossed bank draft of this amount prepared in favour of the Managing Director.

(3) All documents specified in sub-rule (3) of Rule-7, shall be enclosed along with the application by the applicant.

(4) For renewal of special licence, all the necessary procedures specified in Rule-8, shall be carried out by the notified authority/officer.

(5) Immediately after receiving the information regarding decision to renew the special licence, the licence fee of Rs. 2,00,000/- (Rupees two lacs) shall be deposited by the applicant in Board headquarter.

(6) Immediately after receiving the information regarding decision to renew the special licence the applicant shall furnish security deposit as specified in Rule-6 in the shape of F.D.R. pledged in favour of the Managing Director or the Bank Guarantee issued by a Bank whose branch is located at Bhopal alongwith Form-IV. The Bank Guarantee shall be for the entire licence period.

(7) In the event of decision to refuse to renew the special licence, after retaining fifty percent amount of application fee, remaining amount of Rs. 5,000/- (Rupees five thousand) shall be refunded to the applicant.

(8) The renewal of special licence shall be done in Form-III.

13. Suspension or cancellation of special licence, (a) The special licence may be suspended or cancelled by the notified authority or officer, if the licence holder:—

(a) has obtained licence through willful misrepresentation or fraud or any person acting on his behalf, commits a breach or contravene any of the terms or condition of the licence; or

(b) in collusion with other licence holders committing any act by which the marketing of any produce has been abstained, suspended or stopped; or

(c) has become insolvent; or

(d) has been proved guilty for misconduct under the Act, rules and bye-laws; or

(e) behaves against the interest of any market committee, farmers, board; or

(f) has been proved guilty by the Court, Managing Director or the market committee under the rules and bye-laws; or

(g) has not made payment of due market fees, *Nirashrii Shulk* within the maximum period of 30 days together with the interest; or

(h) has not made payment to the farmers/sellers of the specified market area of the agricultural produce, purchased from them within the prescribed period; or

- (i) has made default in payment by not depositing due amount with the Board or administrative market committee within the period mentioned in the notice/demand note; or
- (j) has not submitted prescribed periodical returns in the Board or office of the administrative market committee, as the case may be within the prescribed time limit; or
- (k) has acted against the interests of the Board or the market committee; or
- (l) has engaged unauthorized persons for weighment or ham-mali of notified agricultural produce; or
- (m) has been found involved in weighing the seller's agricultural produce less than the actual weight and causing loss to him; or
- (n) has not purchased minimum prescribed quantity of notified agricultural produce as required:

Provided that before suspending or cancelling any licence reasonable opportunity of minimum fifteen days of being heard shall be given to the licence holder by the notified authority or officer. If within the prescribed time limit the reply of the show-cause notice is not given by the licence holder it shall be deemed that the licence holder has agreed with the charges shown in show-cause notice and the notified authority/officer shall have the power to take the exparte decision.

(2) On receipt of the reply of show-cause notice, it shall be scmtinized by the notified authority/officer. After scrutiny and personal hearing, if licence is suspended or cancelled then the order to suspend/cancel the licence shall be passed by the notified authority or officer by the recording the reasons to clearly in writing. The copy of the order passed shall be sent to the secretaries of all the specified market areas and also to the divisional Deputy Director for compliance.

14. Information of refusal, rejection or suspension of licence.-

The information relating to the order to refuse to grant/renew the special licence or information relating to suspension or cancellation of special licence shall be given to the concerned person/firm/company/ society, by the notified authority/officer in the following manner:—

- (a) by registered post to his registered office; or
- (b) by delivery to his authorized representative.

CHAPTER - IV

Appeal

15. Appeal.-Any person aggrieved by order of refusal to grant special, licence or suspension/cancellation of special licence, may prefer an appeal to the State Government within 30 days from the date of receipt order and the order passed by the State Government, after giving reasonable opportunity of being heard, shall be final.

CHAPTER - V

Conditions of Sale-Purchases of Notified**Agricultural Produce Under Special Licence**

16.Place of sale-purchase. -Sale, purchase of notified agricultural produce may be made by the holder of the special licence only in the market areas specified in the licence and in the market/sub market yards and at the purchase centres' specified in the licence provided that the provisions of proviso to sub- rule (8) of rule 8 shall be applicable on the holder of special licence also.

17.Execution of agreement.-(1) The licence holder shall execute, by signing an agreement in Form-V in triplicate in favour of the seller for the purchase of notified agricultural produce at the purchase centre in the specified market area. One copy of the agreement shall be retained by the purchaser, one copy shall be given to the seller and remaining one copy shall be submitted to the secretary of the market committee or the centre incharge posted by him.

(2)After execution of agreement, the trader/processor/exchange shall get the agricultural produce of the seller, weighed on the electronic weigh-bridge certified and verified by the Department of Food, Civil Supplies and Consumer Protection.

(3)The sale voucher in triplicate shall be prepared by the purchaser in Form-VI in favour of the seller and by making due payment of value of the produce to the seller, his signature shall be obtained as per the agreement.

(4)In case of licence holder an exchange, provision mentioned in clause (1), (2) and (3) shall be complied with, by the exchange on behalf of trader purchaser.

18. Disposal of complaints of seller regarding payment.-If any dispute arises between the holder of the special licence and the seller regarding rates, weight, value and or payment of purchased notified agricultural produce, then a complaint shall be submitted to the secretary of the market committee of the concerned market and its copy shall be given to the Divisional Deputy Director. After proper enquiry of the case, the secretary shall dispose off the complaint within the period of seven days, but in case complaint pertains to the payment of seller, the secretary shall immediately take action and inform forthwith to the Managing Director and the notified authority/officer in writing.

19, Duty of the licence holder.-The purchaser trader, processor or an exchange holding special licence, at the purchase centres of the specified market area, shall:—

(a) establish proper and correct electronic weight-bridge as per requirement for the weighing of notified agricultural produce. The operator of the weighbridge should be licence holder of the market committee.

(b) shall create the facilities as mentioned in rule-10 during the first year of the licence.

(c) fix at least 3' x 3' size signboard in which the name of purchase centre, name of the licence holder firm, licence number and business shall be mentioned.

20. Recovery of market fees and its payment.-The payment of the due market fees, shall be deposited in the office of the market committee and receipt shall be obtained by the holder of the special licence, on the purchase of every notified agricultural produce in the specified market areas.

21. Despatch, sale, processing of notified agricultural produce.-Only after making full payment of the value of notified agricultural produce purchased at every purchase centre in the specified market areas, to the seller and making payment of market fees and Nirashrit Shulk to the market committee, the sale, processing or despatch of notified agricultural produce shall be made by the licence holder. For despatch of the agricultural produce the holder of the special licence shall have to obtain permit issued by the market committee as per provisions of sub-section (6) of Section 19 of the Act.

22. Submission of returns by the holder of special licence.-(1) Periodical returns pertaining to the business of notified agricultural produce, purchased in the specified market areas, shall be submitted by the licence holder in the office of market committee, Divisional Deputy Director and the Board. The licence holder shall submit all records and information, required by the Managing Director and notified authority/officer from time to time.

(2) The fortnightly returns regarding business of notified agricultural produce shall be submitted by the licence holder to the secretary of the administrative market committee in Form-VIL Return for the period from first to fifteenth day shall be submitted up to twenty-fifth day of the month and return for the period from sixteenth to the end of the month shall be submitted by tenth day of the next month. If for nighty return is not submitted in the prescribed time limit, then the permits shall not be issued by the centre in-charge, posted by the secretary of the market committee/Deputy Director. Without making payment of the due market fees on purchase of all notified agricultural produce, the sale, dispatch and processing of agricultural produce, shall be prohibited.

(3) On the end of every financial year complete details of business from first April to Thirty-First March, shall be submitted by the licence holder to the secretary of the market committee upto 30th April, every year.

(4) The particulars of daily purchases of the notified agricultural produce at purchase centre of the specified market area, shall be maintained by the licence holder in a register in Form-VIII. The licence holder shall get the register inspected by the centre incharge posted at the purchase centre by the market committee. The purchase of agricultural produce In the specified market area other market areas and from outside the State and details thereof shall be according to Annexure (1) and the fortnightly return regarding sale/despach as indicated in Annexure (2) shall be signed by the officer or representative of the firm as the case may be.

23. Repeal and savings.-"The Madhya Pradesh Krishi Upaj Mandi (Special licence for more than one market area) Rules, 2007" and all other rules and orders on this subject, in force immediately prior to the commencement of these rules shall stand repealed as from the date of commencement of these rules:

Provided that special licence granted or renewed prior to the commencement of these rules, shall remain in force till the expiry of their duration and thereafter their renewal shall be done under these rules.

FORM – I

(See Rule 7)

**Application for Grant/Renewal of
License for More than one Market Areas**

Application No.....

Date.....

The Notified Authority/Officer

1. Name of the applicant/firm, address,
who/which desires to do business in market areas.
2. Name of the applicant, father's name
and full address, telephone no.
3. The applicant is other than the individual,
then name and address of the firm/Hindu Undivided Family/
Company/ Society, name of all the workers/partners
directors and full address.

_ Name	Father's Name	Age	Address	Telephone	Name Police Station
(5)	(6)		(1)	(2)	(3) (4)

4. If the applicant firm is a company or is a Co-operative society then registration No. and date

5. Applicant is a trader, processor, exchange (Trader/Processor/Exchange)

6. Previous year's licence No. (if any)

7. Applicant's V.A.T., T.I.N, and Central Excise Registration No.

8. Applicant's Permanent Account No. (PAN) of Income Tax (Please enclose photocopy)

9. The name of the Bank located in Madhya Pradesh where applicant has account

S.No.	Name of	Type of	Account	On the date of
Re-	the Bank/	Account	No.	application
Marks	Branch			deposit amount
				in the Bank
(1)	(2)	(3)	(4)	(5) (6)

(Please enclose photocopy of all the Bank Accounts verified by the Branch Manager as a proof of available fund).

10. Capital invested by the applicant, firm etc., in Madhya Pradesh (Please give details)

Name of the market areas where business is proposed by the applicant

S. No.	Name of the Market area	Name of the concerned market committee	Name and estimated quantity of notified agricultural produce proposed to be purchased in the market area [See Rule 4(42)]
		Name of Agricultural	Estimated quantity to be purchased in

produce

a financial year
(Metric Ton)

(1)	(2)	(3)	(4)	(5)
-----	-----	-----	-----	-----

—

S. No. Name of the Purchase centres
Proposed by the applicant in the shown market area (please
enclose the layout):

—

S.No.	Name of the Market shown	No. and name of the proposed purchase centres in every market area shown
(1)	(2)	(3)

Name of the purchase Centre in-charge/ Manager, address and telephone No.	Name and estimated quantity of agricultural produce proposed to be purchased at the proposed purchase <u>centre in financial year</u> Name of agricultural produce	Remarks Estimated quantity (Metric Ton)
(4)	(5)	(6) (7)

Information of facilities created at the
purchase centre by the applicant
(See Rule 10),—

- (a) Electronic weigh bridge
- (b) Arrangement of drinking water
- (c) Arrangement of proper light
- (d) Payment counter /office
- (e) Essential apparatus and trained manpower to determine the percentage of moisture, foreign material and damaged grains
- (f) Shady resting place for farmers
- (g) Toilet facility for male/female
- (h) Suitable arrangement for parking of tractor trolleys
- (i) Arrangement of shed

In case of an exchange.—

- (a) Electronic trading platform
- (b) Fully equipped grading, quality testing and certification facility.
- (c) Delivery centre.

14. Layout of purchase centres shown in

S. No. 12, No. of godown available and storage capacity (please enclose list and give information of the name etc. of the owner of the godown).

S. No.	Name of the purchase centre	Available Godown Godown	Place of
(1)	(2)	(3)	(4)

Name of the owner of the Godown	Place/ Position	Particulars of the land etc., if the land is available
(5)	(6)	(7)

15. Quantity of notified agricultural produce purchased during previous

year at the approved purchase centre as per S.No. 11 and 12 (enclose the list).

S. No.	Name of the market	Name of the purchase centre	Name and quantity of the agricultural produce purchased Name of the agricultural produce	Value of the produce Quantity purchased (Metric Ton)
(1)	(2)	(3) (6)	(4)	(5)

16. List of the persons/servants authorized to work for the business of notified agricultural produce at all the purchase centres from the applicant firm

S. No.	Name	Father's	Address
(1)	(2)	(3)	(4)

Tel. No.	Allotted work and responsibility (in case of any change in the allotted work manager etc. the information will be given to the administrative	Designation/ capacity/in the signature firm/company/(Two) partner/director/ society as owner/
----------	---	---

	market committee			manger etc.	
(5)	(6)	(7)	(7)	(8)	(8)
17 List of the main places of business, head office, main office and branches of the Company /Firm/Society:					

--					
S. No.	Main place of business	Head-quarter office	Name/Address of branches	Name of branch in-charge, address tel.	Name of head of office address
(1)	(2)	(3)	(4)	(5)	(6)
				nos. of- fice/ residence	Nos. fo fice/ residence

18. Does the applicant wish to purchase in the specified market yard/sub-market yard of more than one market areas? If yes, then give following information:

S. No.	Name of the market committee And the market yard/ Sub-market yard	Particulars of godown/ shop available in sub-market yard
market/		

(1) (2) (3)

19. Is the applicant a licence holder or has been a licence holder in the past of any of the market committees of the state? If yes, then give following details:

S. No.	Name of the firm and the market committee	Licence Year	Type of the Licence	Quantity and value of the notified agricultural produce purchased during last year	fee paid
(1)	(2)	(3)	(4)	(5)	(6)

20. (1) Has the licence been suspended/ cancelled during the past five years by market committee?

(2) Has any penalty been imposed by market committee? If yes, give reasons:

21. Name of the notified agricultural produce for whose business licence is required:

22. Total (estimated) quantity of notified agricultural produce to be purchased in a financial year at every centre/ shown/specified by the applicant:

S. No.	Name of the market area	Quantity of notified agricultural produce proposed to be purchased/	Name of agricultural produce	Quantity proposed to be purchased (in Metric Ton)
(1)	(2)	(3)	(4)	(5)

23. Distance of proposed purchase centres from market/sub-market yard

S. No.	Name of market area	Name of the market yard sub-market area
(1)	(2)	(3)

Name of of purchase proposed processing pur- proces- chase centre	Distance of purchase centre from the limit of Gram Panchayat/Urban body of market yard/sub- market yard (in kilometer)	Distance centre from the plant owned by the sor/trader/exchange ap- plicant (in kilometer)
(4)	(5)	(6)

24. I/We declare that I/we have read and understood the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972, rules and bye-laws framed thereunder. I/We will fully comply with them and they will be acceptable to me/us.

It is requested that by accepting licence fee amounting to Rs. and security Rs for the years.....special licence for doing business in the shown/specified market area may kindly be provided for the year 1st April.....to 31st March

Place:
and Seal

Signature of the Applicant

Date: _____ (including designated capacity)

DECLARATION

1.1/We the applicant hereby solemnly declare that the information submitted above in the application is true to the best of my knowledge and belief and has correctly been recorded and no information is concealed.

2. The application has properly read the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, bye-laws and manual. The business of notified agricultural produce will be undertaken by complying the arrangements provided in them.

3. No case is pending before market committee or any court pertaining to the payment of notified agricultural produce due to the sellers or market fee due to market committee.

4. Licence provided to the applicant will be liable to be suspended or cancelled on contravention of the arrangements provided in the Act, rules, Bye-laws and manual.

5. The applicant assures that the orders/directions issued by the Board or the market committee will be fully complied with.

6. The applicant is submitting the prescribed application fee and documents enclosed with the application for licence.

7. The specified licence fee and security shall be furnished in your office within seven days from the date of receipt of information regarding approval of application of licence.

Enclosure:

- 1
- 2
- 3

Date:
Partners/Director

Place:
Signature of

For office use only

1. Received total rupees(in words) (Rupees.....) as licence fee as per the Money Receipt No dated and entered in Licence Register at Serial No

(Clerk)

(Accountant)

2. The verification of account books produced by the applicant has been done with the Ledger produced by the specified market committee and the market fees Rupees and *Nirashrit Shulk* Rupees has been got deposited on the value of purchases made by the applicant for the whole year.

The applicant has furnished the security amount of Rupees in the form of FDR/Bank Guarantee as per following details for carrying out the business of notified agricultural produce in the specified market area during the year

(a) FDR No..... DateName of the Bank and Branch for Rupees

(b) Bank Guarantee for RupeesName of Bank and Branch valid upto (date).

(Accountant)
Officer)

(Assistant Accounts Officer)

(Accounts

3. No/Date of the order issued regarding rejection of special license or in case of grant, Licence No.

(Dealing Assistant)

(Notified Authority/Officer)

FORM – II

(See Rule-7)

Declaration

1. I/We undertake that the full payment of the notified agricultural produce, purchased by me/us at the purchase centre will be made on the same day under the condition of Section 37.

2. I/We also undertake that in the event of contravention of conditions of Section 37, on the sixth day my/our licence will automatically stand cancelled under clause (c) of sub-section (2) of Section 37 and for next one year no licence will be granted to me /us or to any of my/our relatives under this Act and on being so, I/We will have no objection.

3. I/We undertake that incase the undertaking given as above and the provisions of the Act, rules and the bye-laws are contravened by me/us, then the administrative market committee and the notified authority/officer, will have power to cancel my/our licence in which I/we will not have any objection.

4. I/We also declare that on the date of application, following movable/immovable property is available in Madhya Pradesh on my/our name on which my/our ownership is legal:—

1. Movable		Name of the Bank	Account	
Property		and Branch	Number	Estimated Amount
(1)	(2)	(3)	(4)	(5)
(a) Deposit amount in current account				
(b) Deposit amount in saving account				
(c) Amount in Fixed Deposit				
(d) Other deposit amount				
Total.....				
2. Immovable Property		Place	Area	
Estimated				
(1)	(2)	(3)	(4)	

- (a) Land
 - (b) Building/Shop/Factory/
Godown
 - (c) Other property
-

3. I/We hereby declare that on the date of application, following movable-immovable property is available on my/our name on which my/our ownership is legal.

Place: _____ Signature of Authorized
 Person
 Date: _____ Designation/Capacity Full
 address.

OFFICE OF THE NOTIFIED AUTHORITY/OFFICER MADHYA
 PRADESH STATE AGRICULTURAL MARKETING BOARD
 26, AREARA HILLS, BHOPAL

FORM-III
 (See Rule 8)

**Special Licence for Business of Notified Agricultural
 Produce in More Than One Market Area**

Licence No.....

Date....

1. The provisional/regular special licence is granted/renewed on.....
 day..... month to Shri/Smt./Ku./Miss for carrying out the business of notified

agricultural produce more than one market area, as noted below, under Section 32-A of the Act:—

S. No.	Name of notified agricultural produce for whose business special licence is granted	Name of the specified market areas for which special licence is granted/renewed
(1)	(2)	(3)

Name of the concerned market committee/committees	Name of the approved purchase centres under the specified market area	Place of the business address of the office	Name of the designation and address of the head of office
(4)	(5)	(6)	(7)

2. It will be compulsory for the licence holder under this licence to purchase the following notified agricultural produce in the minimum quantity as noted below inclusive of all the purchase centres in a financial year:—

S. No.	Name of notified Agricultural produce	Minimum quantity to be purchased in a financial year
(in		Metric Tone) [See Rule 4(2)]

(1)	(2)	(3)
-----	-----	-----

3. The licensee will create following facilities at each specified purchase centre within period of one year from the date of grant/ renewal of this licence:—

- (i) Electronic weigh bridge
- (ii) Suitable arrangement of drinking water
- (iii) Suitable arrangement of light
- (iv) Toilet facility for male/female
- (v) Arrangement for shed
- (vi) Shady resting place for farmers
- (vii) Payment counter
- (viii) Suitable arrangement for parking of tractor trolley etc.
- (ix) Essential apparatus and trained manpower for determining the percentage of moisture, foreign material and damaged grains.

In case of an exchange:—

- (a) Electronic trading platform;
- (b) Fully equipped grading, quality testing and certificate facility;
- (c) Delivery centre.

On failure in creating above facilities by the end of first year in any of the specified purchase centres, the provisional special licence granted for one year, shall not be regularized for following year for such purchase centre.

4. The special licence shall be effective from the date to 31st march but in contravention of provisions of the Act, Rules and bye-laws made thereunder, it may be suspended or cancelled at any time.

5, This licence may be suspended or cancelled on the following main grounds:—

- (i) On not making due payment of agricultural produce to the farmers in the specified market area;

- (ii) On not making payment of the market fees and Nirashrit Shulk as per the provisions and within the specified time limit under the Act, rules and bye-laws;
- (iii) On having been found evading the market fee, maintaining the forged permit, receipts or other forged market records and producing or getting produced forged documents;
- (iv) On having been found to be defaulter by not making payment of amount due to the market committee or the board as per notice within the time limit;
- (v) On not producing the prescribed periodical returns within the time limit fixed by the Act, rules and bye-laws made thereunder;
- (vi) On having been found disobeying the directions issued by the Board, market committee;
- (vii) On not purchasing the minimum prescribed quantity of notified agricultural produce.

Seal of the Issuing
Authority/Officer

Notified

FORM - IV

(See Rule 6)

Certificate Regarding Security

It is certified that Shri/Smt./Ku..... son/wife/daughter of
Shri.....firm/company/society
wishes to function as trader in the specified market area as under and for this purpose
he/she/it is hereby applying to the notified authority/officer:—

S. No.	Name of the market committee of the specified market area
(1)	(2)
<p>(1) List of purchase centres to be established has been enclosed with the application for purchase of the notified agricultural produce, in the shown/specified market areas by the applicant.</p>	

(2) An account payee demand draft of Rs. 2,00,000/- (Rs. Two Lakhs) drawn in favour of the Board is enclosed herewith towards licence fee bearing No dated

(3). It is certified that a FDR/Bank Guarantee of an amount of Rs.

..... prepared by me/us in favour of the Board bearing No.

..... dated as security amount is enclosed.

(4). It is also certified that if the full payment of notified agricultural produce purchased at the purchase centre is not made to the seller on the same day by the applicant, then the power will rest with the secretary of the administrative market committee to make payment of due amount to the seller from the FDR/Bank Guarantee.

(5). It is also certified that as a result of deposit of amount of FDR/Bank Guarantee, sellers do not have risk of payment of their agricultural produce to be purchased by the applicant.

Place:

Date:

Designation/

Capacity

Signature or authorized person

Name of the applicant

FORM-V

[See Rule 17)

Agreement Form

Pertaining to Special Licence for Purchase of Notified Agricultural Produce in

More Than One Market Areas (Under the provision of Section 37 read with bye-law 25)

Name of the purchaser trader/processor/exchange

holding Special Licence.

Special Licence No. Agreement Form No, Issue Date

1. Name of the specified market area..... Name of the purchase centre.....

2. Name of sellerAddress

3. Name of agriculture Produce.....Type (If any)Estimate
Quantity/Bags/Bales

4. Rates as per agreement/Rate per Quintal Bale Rs.

Signature of Seller
authorized

Signature of

representative of purchaser

trader/

processor/exchange

Name.....

Actual weight/quantity of agricultural produce mentioned in agreement form.

1.No. of stuffing.

2.No. of Bags/Bales

3.Total Weight/Quantity (Weight/Quantity in words.....)

.....

Signature of Weigh man/Operator

Conditions.-(1) Agreement is made that for the agricultural produce mentioned above, the purchaser is bound to purchase and the seller is bound to sell. Denial will not be made to accept the agricultural produce of the seller directly, by the purchaser. In case of denial to accept, action will be taken under the provisions of bye-laws. The licence of the purchaser will be liable to be suspended or cancelled on contravention of the agreement.

(2) On the same day of weighment, the payment of the agricultural produce will be made to the seller as per agreement. In case the payment is not made on the same day, from the next day, at the rate of one percent, per day, additional payment will be made to the seller within five days.

(3) In case the payment is not received on the same day, the seller will inform the market committee. After five days the compliant will not be entertained. In case the payment is not received on the same day, the seller will inform the market committee. After five days the compliant will not be entertained.

FORM -VI

[See Rule 17(3)]

Sale Voucher

Payment or Value of Notified Agricultural produce, purchased in the specified Market Areas

Book No..... Sale Voucher No Date of issue.....

1.Name of the purchase under.....Name of the market area.....

2.Name of the seller Address

3.Executed Agreement Form No.....

Name of the agricultural produce	Actual weight/Qty. after weighing as per agreement form	Rate, as per agreement form (Rs per.....)	Valueof the agricultural produce
(1) _____	(2) _____	(3) _____	(4) _____

Additional payment in case of delayed payment (Rs.)	Amount of Hammali/ weight recovered as per bye-laws (Rs.)	Net payment made to the seller
(5) _____	(6) _____	
(7) _____		

(Signature of authorized representative of purchaser trader/processor/exchange)

Signature of Seller

Note.-It is necessary to make payment to the seller on the same day under section (2) of Section 37 and in case of delay, at the rate of one percent per day of the value, additional payment will have to be made necessarily by the purchases under clause (b) of sub-section (2) of Section 37.

FORM-VII

[See sub-rule (2) of Rule 22]

Purchase of Notified Agricultural Produce(s)

Name of the Licence Holder Firm/Trader/Processor/Exchange

Licence..... No. [Period of report, from (date) to
(Date).....]

s. No.	Name of the specified market area	Name of the agricul- tural produce	Opening stock of the fortnight Wt./Qty.
(1)	(2)	(3)	(4)

In the fortnight from different sources

Purchase form Market/sub market yard	Purchase at pur- chase centre	Purchase in specified market area on bills
Wt./Qty. Value	Value	Wt./Qty. Value
(5)	(6)	(7)
(8)	(9)	(10)

In the fortnight from different sources-Continued-----

Purchase from out of market area on permits	purchase from out of the state on bills	Total purchase (5+7+9+11+13)
Wt./Qty. Value	Wt./Qty. Value	Wt./Qty. Value
(11)	(12)	(13)
(14)	(15)	(16)

Due market fees	Purchased as Market fees paid	Market fees deposited
-----------------	----------------------------------	--------------------------

State	Wt./ Qty.	Value on which market fees is due	Wt./Qty. on which market fees has been paid	Value on which market fees has been paid	Amount (Rs.)	Receipt no. date
(17)	(18)	(19)	(20)	(21)	(22)	(23)
Dispatch/Use/Sale						
Sale on Blance bill to stock Traders during in to the specified fortnight market Wt./Qty. area	Own use for process- ing/ despatch/ sale area		Sale/ despatch on per- mit out of market state	Sale on per- mits out of the +26+27)	Total/ sale/ Dispatch during the fortnight Wt./Qty. (24+25) (17- 28)	
(24)	(25)	(26)	(27)	(28)	(29)	(30)

Note.-1. For column No. 9, 11, 13 list pertaining to the Name, Address, Bill No., Date, Name of the Agricultural Produce', Weight/Quantity including total, of Seller Trader will have to be enclosed necessarily.

2. Regarding Column No. 24, 25, 26 & 27:—

(a) The list of local sale within the market area in which name of purchaser, trader, bill no., date and total of quantity issued by trader firm and total of quantity issued by trader firm, and

(b) Permit No./Bill No., date, name of purchaser trader, place and quantity including total regarding despatch/sales of the market area or the state, be enclosed compulsorily, without it the report will not be accepted and the information submitted will be treated to be incomplete which will be the reason for taking action under sub-rule (2) of rule 32.

3. To enclose a verified photocopy of the processing register with report as above is also necessary in the case of own use for processing regarding column .25.

It is certified that above information is based on the certified, true and correct accounts and documents available with the firm and is given by scrutiny/reconciliation is fully correct.

Place:

Signature of the representative of
the trader/processor/exchange

Date:

Name.....
Designation.....

FORM - VIII

[See sub-rule (4) of Rule 22]

Register of Daily Purchases at the Purchase**Centre in the Specified Market Area**

Name of the Holder of Special Licence Name of purchase

centre.....Date..... name of the incharge of purchase centre

Designation/Capacity

S. No.	Name of Seller	Address	Name of the produce purchased	Quantity Weight
(1)	(2)	(3)	(4)	(5)

Rate state (Rs.)	Value of the Agricul- tural produce	Amount (Rs.)	No. Date of voucher
(6)	(7)		(8)

Date of the sub- agricul- Mission of sale- pur- Voucher to the Administrative Market committee till	Quantity of the agricultural produce purchased at the pur- chase centre during this year till previous	Value of the tural produce chased at the purchase centre during this year Previous day
(10)	(11)	(12)

Signature of Manager/Incharge

of

Purchase

Centre Name.....

Designation/Capacity.....

...

Aimexure-I

(Name of the Trader/Processor/Exchange)

Purchase of Agricultural Produce in the Specified Market

Area, Other Market Areas and From Outside the State

(Concerned with Column 2, 3, 4, 5 of Form VI Fortnight Report)

S. No.	Name of the agricultural produce purchased	Value of
(1)	(2)	(3)
(4)		

Name of the seller trader	palce	Bill/Permit	Date of
Who sold the produce		No.	
Bill/Permit			
(5)	(6)	(7)	(8)

Certified that the information given above is based on the accounts and documents of the trader firm duly examined and is correct.

Date:

Signature of the representative
of trader/processor/exchange

Name:

.....

Capacity:

Annexure-II

(Name of the Trader Processor/Exchange)

**Fortnightly Return Regarding Sale/Despatch of Notified
Agricultural Produce from Specified Market Area**

(In Reference to Q: Column No. 5, 7, 9, 11 and 13 of Sale/Despatch)

S. No.	Name of the Agri-cultural produce	Name of the purchaser trader to whom the produce is sold	Place
(1)	(2)	(3)	(4)

Issued Bill No.	Date	Quantity of the produce	Value of the produce
(5)	(6)	(7)	(8)

Certified that the information given above is based on the basis of accounts and documents available with the trader firm duly examined and is correct.

Date:
representative

Signature of the
of trader/processor/exchange
Name:.....
Designation:.....

**6.6 Madhya Pradesh Krishi Upaj Mandi
(Allotment of Land and Structures) Rules,
2009**

Madhya Pradesh Krishi Upaj Mandi (Allotment of Land and Structures) Rules, 2009

Notfn. No. D-15-01-09-XTV-3, dated 25-5-2009, Pub. in M.P. Raj-patra (Asadharan), dated 25-5-2009, p. 394(8). -In exercise of the powers conferred by sub-section (1) and clause (xiii), (xxxii) and (xxxiii-a) of sub-section 2 of 79 read with sub-section (2) of Section 7 and sub-section (2) of Section 9 of Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973) the State Government hereby makes the following rules, the same have been previously published as required by sub-section (1) of Section 79, namely:—

1. Short title.-These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Allotment of Land and Structures) Rules, 2009.

2. Definition.-In these rules, unless the context otherwise requires,—

(a) "Act" means the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);

(b) "Board" means the Madhya Pradesh State Agricultural Marketing Board, established under the Act;

(c) "Land" means any land vested in, owned by or held by a market committee;

(d) "Licensee" means a person holding a licence for land and or structure under these rules;

(e) "Managing Director" means the Managing Director of the Madhya Pradesh State Agriculture Marketing Board appointed under the Act;

(f) "Market Committee" means a committee constituted under Section 11 of the Act; ,

(g) "Secretary of market committee" means the Secretary of market committee appointed under Section 27 of the Act.

(h) "Structure" means any building or structure in the market yard or sub market yard and includes a shop, shop-cum-godown, godown, warehouse, cold storage, shed, weigh bridge, platform, chabutara, toilet, petrol/dieselpump, rest house, canteen, soil- testing laboratory and clinic held or owned by market committee;

(i) The words and expressions used but not defined in these rules shall have the same meaning as assigned to them in the Act.

3. General principles of allotment.-(1) No land or structure of a market committee shall be allotted except the manner as provided in these rules.

(2) Any land or structure shall be allotted only for a purpose which is conducive to marketing of agricultural produce or desirable for the convenience of agriculturists or for a purpose ancillary thereto, such as a shop, shop-cum-godown, godown, warehouse, cold storage, shed, way bridge, platform, chabutara, toilet, petrol/diesel pump, rest house, canteen soil testing laboratory and clinic. The decision of the Managing Director on an issue whether any purpose falls in this category or not, shall be final.

(3) Allotment of land or structure shall be made on licence' generally for a period of 30 years and not on lease.

(4) No person shall be allotted more than one plot or structure.

(5) Allotment of land or structure for a shop-cum-godown or a godown shall be made only to a person who holds a licence, as the case may be, as a trader/processor or warehouseman under the Act.

(6) The system of auction or invitation of offers in sealed covers/envelops shall be followed for allotment of land or structure:

Provided that for any Department of State/Central Government or semi-government Body such as Corporation/Board/Co-operative Societies registered under Madhya Pradesh Co-operative Society Act, 1960, the allotment of plots or structures will be made after prior approval from the Managing Director on the price or value fixed by the Collector, however only State Government will be empowered to allow for allotment on concessional price /value.

(7)(a) In the event of transfer of market yard to a new market yard, traders, who possess licence under Section 32 of the Act, who are allottees of land or structure in the old premises and are continuously trading for five years, prior to the date of auction, shall be given preference for allotment of plot or structure in the first auction. However all licensee traders shall be allowed to participate in the subsequent auction.

(b) In the event of establishment of market yard for the first time after notification or establishment of a Section of yard for the purpose of marketing of any specified produce, preference will be given for allotment of plot or structure in the auction to such traders who are licensee under Section 32 of the Act and who have been engaged in the previous years for trading of that specified produce.

4. Reservation of Plots and Structures for certain categories.-

(1) Of the plots and structures proposed to be allotted, 10% plots and structures shall be reserved for persons belonging to scheduled castes and scheduled tribes.

(2) Persons belonging to scheduled castes and scheduled tribes shall be eligible for allotment of plots and structures reserved for them.

*Explanation.-*In the determination of the number of reserved plots and structures, fraction of less than half shall be ignored and that which is equal to half or more than half shall be rounded off to the next whole number.

5. Publication of advertisement.- (1) The market committee shall get an advertisement published in two prominent local Hindi dailies at least 15 days prior to the date of auction/scrutiny of the offers. The advertisement shall contain information about the particulars of the land or structures to be allotted, the date, time and venue of auction/scrutiny of offers, and the main terms and conditions of auction/offer.

(2) Copies of the advertisement shall be displayed at conspicuous places in the market yard and affixed on the notice boards of the market committee and local Municipal Corporation/Municipal Council/Nagar Panchayat, Janpad Panchayat and Tahsil office.

6. Supply of Form of Offer.-Simultaneously with publication of advertisement, proper arrangements shall be made for supply of the following documents on demand to any person, in the office of market committee, during working hours, up to the last working day immediately preceding the date of auction or scrutiny of offers, namely:—

(i) Particulars of the conditions of auction/offer.

(ii) Form for submission of offer (Only in case the allotment is to be made through offers).

The market committee may charge reasonable fee for supply of the form of offer.

7. Earnest money.-(1) Only a person who has deposited money as specified in sub-rule (2) in the office of market committee upto the last working day preceding the date of auction/scrutiny of offers, shall be eligible to bid in auction/make an offer.

(2) The amount to be deposited as earnest money, shall be as follows:—

(a) **For an existing structure.**-Ten percent of the 'present estimated value' of the structure, together with the 'reserve price of land' on which it is constructed, rounded off to the nearest hundred rupees.

(b) **For a structure proposed to be constructed.**-Ten percent of the 'estimated cost of construction' of the structure, together with the 'reserve price of land' on which it is to be constructed, rounded off to the nearest hundred rupees.

(c) **For allotment of Plot.**-Ten percent of the 'reserve price' of land rounded off to the nearest hundred rupees.

The earnest money may be deposited in cash or by bank draft or bankers cheque, for which a receipt shall be issued to the payee, therefor.

In case of allotments to be made through invitation of offers, the offer-form, duly filled in by the person making the offer, alongwith a photocopy of the receipt of deposition of earnest money, shall be presented in the office of the market committee in a sealed cover/envelop upto the last working day preceding the date of scrutiny of offers. Offers received afterwards shall not be considered.

Explanation.-For purposes of these rules,—

(1)'Reserve price of land' means the price estimated on the basis of rates as applicable at that time as per 'Para 23 of Revenue Book Circular, Part Four-Number-1', and

(2)'Estimated present value' of an existing structure means the value as determined by an Engineer or Valuer authorised by the Managing Director, on the basis of guiding principles given in "Madhya Pradesh Works Department Manual".

(3)The 'Estimated cost of construction' means the cost of a structure proposed to be constructed as estimated by an Engineer authorised by the Managing Director, on the basis of guiding principles given in 'Madhya Pradesh Works Department Manual'.

8. Constitution of auction committee and conduct of auction. -

(1) Conduct of auction or scrutiny of the offers received, as the case may be, shall be done by an auction committee, which will have following members, namely:—

- (i) Chairperson/Officer-in-charge of the Chairperson market committee
- (ii) Collector or his representative, who shall Member not be below the rank of
Deputy Collector
- (iii) Deputy Director of the concerned regional Member office of the Board or his representative,
who shall not be below the rank of Assistant Director.
- (iv) Executive Engineer of the concerned Member regional office of the Board or his representative, who shall not be below the rank
of Assistant Engineer.
- (v) Secretary of the concerned market com- Member-
mittee. Secretary.

In the absence of the Chairperson/Officer-in-charge of the market committee, the auction committee shall be presided over by the Collector or his representative and in case he is also absent, the Deputy Director of the regional office of the Board or his representative shall preside over the meeting.

(2) Notices shall be sent to the members of the auction committee at least 7 days prior to the date fixed for auction/scrutiny of offers.

(3) Presence of at least three members as specified in sub-rule (1), shall be necessary at the time of auction/scrutiny of offers otherwise the proceedings shall be adjourned.

(4) If no person belonging to a scheduled caste or scheduled tribe comes forward for allotment of reserved plots/structures, then such plots/structures shall be treated as unreserved and disposed of accordingly.

(5) The member-secretary of the auction committee shall prepare minutes of the proceedings, immediately after the conclusion of auction/scrutiny of offers, which shall be signed by all the members present.

(6) On the basis of minutes, earnest money deposited by all the participants, except the first two highest bidders, shall be refunded to them expeditiously.

9. Acceptance of bid/offer.-(1) A meeting of the market committee shall be called within 10 days of the conclusion of auction/scrutiny of offers, for taking a decision in the matter.

(2) The market committee shall give sanction for the highest bid/offer only if the same is not below the 'upset price' otherwise it shall be rejected.

Explanation 1.-For purpose of these rules 'upset price' means,—

(i) **For an existing structure.**-The 'estimated present value' of the structure together with the price of the land on which it is constructed.

(ii) **For a structure proposed to be constructed.**-The estimated cost of construction of the structure together with the reserve price of the land on which it is to be constructed.

(iii) **For Plot.**-'Reserve price of land'.

Explanation 2.-The 'upset price' for an existing structure or for one proposed to be constructed, on the first floor and above, shall be taken to be 5 percent less than the amount estimated as above.

10. Deposition of the amount of bid/offer.-(1) The person making highest bid /offer will be required to deposit the following amount within 30 days of receipt of written intimation from the Secretary of market committee that his bid/offer has been accepted by the market committee, namely:—

(i) **For an existing structure and plot.**-full amount of bid/offer, in which the amount of earnest money will be adjusted.

(ii) **For a structure proposed to be constructed through the Board/Market Committee.**-50% of the amount of bid/offer, in which the amount of earnest money shall be adjusted.

(2) If the successful bidder has been permitted to construct the structure himself, then the earnest money deposited by him shall not be refunded and shall remain deposited with the market committee.

(3) As soon as the person making the highest bid/offer deposits the amount specified in sub-rule (1), the earnest money of the second highest bidder shall be refunded to him.

(4) In case the person making the highest bid/offer does not deposit the amount specified in sub-rule (1) within the prescribed period, his earnest money shall be forfeited and the market committee may accept the second highest bid/offer, provided the same is not below the 'upset price'.

If the person making the second highest bid/offer also does not deposit the amount specified in sub-rule (1) within 15 days of receipt of notice from the market committee in this behalf, his earnest money shall also be forfeited.

(5) In the case of an existing structure, the entire amount deposited under sub-rule (1) and in the case of a structure which is to be constructed by the successful bidder himself, the amount deposited as earnest money, shall be treated as security deposit and shall remain

with the market committee for the entire duration of the licence and no interest shall be payable on it.

(6) In case no bid/offer is accepted, the market committee, shall take action for auction/invitation of offers again. In the event of non-acceptance of the bid/offer received even in the second attempt, the market committee shall take action for third time auction/invitation of offers.

(7)(i) In case the highest bid/offer received in third-time auction/ invitation of offers, falls short of 'upset price', the market committee shall take further action according to one of the following options, namely:—

(a) if the highest bid/offer received is less than the upset price, but is within 25 percent thereof; to recommend to the Managing Director to give permission for its acceptance; or

(b) to direct the secretary of the market committee to initiate action for allotment of structure on rental basis (Only in case of existing structures).

(ii) The Managing Director may, on the recommendation of the market committee permit acceptance of the bid/offer received in the third time auction/invitation of offers, if the highest bid/offer received is within 25 percent of the upset price.

11. Execution of Agreement.—Upon the acceptance of the bid/ offer by the market committee, the person concerned shall be given a form of the agreement to be executed, which he shall get executed and registered within 15 days, at his own cost

and deposit a copy thereof in the office of the market committee. On this being done, a licence for 30 years shall be issued to him.

12. Construction of Structures.-(1) Generally the construction of a proposed structure shall be done by the Board/market committee but on the request of a successful bidder, duly endorsed by the market committee, the Managing Director may permit him to undertake the construction himself, in accordance with the layout and building plan approved by the Board/market committee. Such permission may also be given to a group or an association of traders/processors for construction of shops-cum-godowns for their members. However, in the event of allotment of plot, the market committee will issue permission for construction of structure alongwith layout and building plan for proposed structure and the licensee allottee will construct the structure according to such permission.

(2) For any construction work to be done through the Board/ Market Committee, the successful bidder shall be required to pay, besides the amount already deposited under rule 10, the balance amount, as follows:—

- (i) 25% of the sanctioned — Within 7 days of the
bid/offer amount receipt of notice that the
work has been completed
upto lintel level.
- (ii) 25% of the sanctioned — Within 7 days of the
bid/offer amount receipt of notice that the
roof has been cast.

Late fee at the rate of 16 percent per annum shall be payable for delay in the payment of aforesaid instalments.

(3) If the Board/Market Committee is not able to complete the construction work within the sanctioned amount of bid /offer, then the additional expenditure, if any, thereon shall be borne by the Board/ Market Committee.

(4) **Issue of no objection for availing finance for construction of structure to the licensee.**-The marking committee will issue a no objection certificate for availing the loan to the allottee licensee ensuring that in the event of failure to repay the loan to the financial institution by the licensee, the financial institution may auction the land or structure under the provisions and procedures of these rules to a licensee trader.

13. Licence fee.-(1) The market committee shall levy the following minimum annual licence fee for licenses granted under these rules.

Grade of Market Committee	Annual licence fee (Rs. per square metre)
A	40.00
B	30.00
C	25.00
D	20.00

No change will be made in the licence fee fixed originally/because of any change in the classification of a market committee after the grant of licence.

(2)The market committee shall revise the rates of fee specified in sub-rule (1) after every five years and the rates shall be increased by at least 10 percent.

(3)The annual licence fee shall be paid by the licence in advance every year in the first week of April and surcharge at the rate of 16 percent per annum shall be levied for delay in payment.

14. Terms and Conditions of Licence.-(1) The licensee shall use the allotted land/structure only for the purpose for which it has been allotted. Use of land/structure for any other purpose or business of activity shall be strictly forbidden.

(2)The licensee shall not let out the allotted land/structure or any part thereof, to any person on hire or contract, nor shall permit its use in any other manner.

(3)The licensee shall not transfer the land/structure to any person without the permission of the market committee.

(4)The licensee shall be necessary facility to the officers of the Board or market committee to inspect the allotted land/structure at any time during the working hours.

(5)The licensee shall be responsible for maintenance of the allotted structure and shall always keep the allotted structure neat and clean. In the event of remissness in maintenance, the market committee may direct the licensee to carryout necessary repair and maintenance works within two months. On his failures to do so, the market committee may carryout on its own the necessary

repair and maintenance works and recover the expenditure incurred therein from the licensee.

(6) The licensee shall be responsible for regular payment of the charges for electricity, water and other services to the concerned authority.

(7) The licensee shall not use the available open land outside the plot/structure allotted to him for his personal convenience and shall not cause any obstruction in the free flow of traffic by keeping his vehicles, goods etc., there.

(8) In case a licensee is desirous of getting his licence renewed, he shall submit an application along with the fee prescribed by the market committee for renewal, in the office of the market committee at least 30 days prior to the date of expiry of the licence.

(9) The licensee shall hand-over vacant possession of the land/structure to the Secretary of the market-committee within 30 days of the expiry or cancellation of licence or surrender of licence.

15. Transfer of Licence. (1) The market committee may on an application of a licensee transfer the licence, subject to the following conditions, namely:—

(a) the licensee should owe no dues to the market committee and he should be agreeable for transfer of 'security deposit' in the name of the person whom he wishes the licence to be transferred; and

(b) the person; in whose name the licence is to be transferred, should be eligible for grant of licence under these rules.

(2) In case permission is accorded by the market committee for transfer of licence, the security deposit of the transferor shall be deemed to have been transferred in the name of the transferee.

(3) The market committee may charge such fee, within a limit of rupees ten thousand, as it may determine from time to time for transfer of licence.

16. Renewal and Surrender of Licence. (1) The market committee shall, on an application of a licensee, ordinarily grant permission for renewal of licence if:—

(a) there are no dues outstanding against him; and

(b) he has not violated any condition of the agreement. However, the market committee may on each occasion of renewal of licence incorporate in the agreement such new conditions which in its opinion are necessary for the

development and proper management of the market yard. The decision of the market committee in this behalf shall be final and binding on the licensee.

(2) In case a licensee desires to surrender the land/structure, allotted to him before the expiry of the licence, he may do so by giving a notice of two months to the market committee.

(3) In the event of non-renewal of licence or cancellation of licence for any reason or surrender of license and upon delivery of vacant possession of land/structure by the licensee to the market committee, his security deposit shall be refunded to him after adjustment of the dues against him. If the structure has been constructed by the licensee himself, then he shall also be paid the estimated present value of the structure.

17. Cancellation or suspension of Licence.-(1) The market committee may cancel or suspend a licence granted under these rules on the following grounds namely:—

- (i) Violation of any of these rules or of any condition of the agreement executed under rule-11;
- (ii) Delay of more than 6 months in the payment of annual licence fee;
- (iii) Cancellation of the licence held by the licensee as a trader, processor, warehouse man etc. under the Act or the rules or bye laws made thereunder and;
- (iv) Non-conduct of any business continuously for a period of more than 6 months in the allotted structure:

Provided that a licence shall not be suspended or cancelled without giving the licensee an opportunity to show cause against such suspension or cancellation.

18. Allotment of existing structures on rental basis.-(1) In case the market committee takes a decision under rule 10, to rent-out an existing structure the Secretary of the market committee shall take action for its allotment by auction or invitation of offers, as the case may be and follow the same procedure with necessary modifications *{mutatis mutandis}* as is laid down in these rules for allotment of existing structure on licence.

(2) For eligibility to bid in the auction/make an offer, the earnest money to be deposited shall be calculated according to the provision of sub-rule (2) of rule 7 and its deposition shall be necessary.

(3) The earnest money deposited by the successful bidder/offer shall be treated as 'security deposit' and remain with the market committee till the expiry of the agreement and no interest shall be payable on it.

(4) Subject to the approval of the market committee, the structure shall be allotted to the person offering highest rent and after getting the minimum monthly rent fixed by the Collector as per the present norms, the offers/bids shall be invited and structure will be allotted to the person offering highest rent.

(5) The agreement for rent shall be for a maximum period of 3 years and shall be renewable.

(6) The agreement shall have provisions in regard to reasonable increase in rent at the time of renewal, prohibition of transfer without permission of market committee, suspension or cancellation of the agreement on violation of the conditions of agreement etc.

(7) On expiry of the agreement, the security deposit of the tenant shall be refunded to him after adjustment of the dues outstanding against him.

19. Appeal.-(1) Any person aggrieved by an order passed under these rules may prefer an appeal to the Managing Director within thirty days from the date of receipt of the order.

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

(3) The order passed by the Managing Director shall be final and binding on both the parties.

20. Exemption.-(1) Notwithstanding anything contained in these rules, these rules shall not apply to:—

(i) Structure to be constructed under B.O.T. (Build, Operate and Transfer) Scheme. For such structures, the terms and conditions of licence and agreement shall be determined by the market committee separately, with the prior approval of the Managing Director.

(ii) Assignment of operation of certain facilities like canteen or electronic weigh bridge on contract, canteen, electronic weight bridge, agri-clinic, public utility toilet, farmer's rest house and STD/PCO, however the decision of the Managing Director shall be final in regard to deciding this category.

(2) These rules shall apply to allotment of land or structures in a market yard being developed at a new site for relocation of an existing market yard with such modifications as the State Government may notify. Such modifications shall however remain in force only for such limited period by the permission of Managing Director.

21. Repeal and Savings.-The 'Madhya Pradesh Krishi Upaj Mandi (Allotment of Land and Structures of Market Committee/Board) Rules 2007' and all other rules and orders on this subject, in force immediately prior to the commencement of these rules shall stand repealed as from the date of commencement of these rules:

Provided that in respect of land or structures allotted on rent, licence or lease, prior to the commencement of these rules, these rules shall come into effect only on the expiry of the present agreements relating to them.

**7. The Madhya Pradesh Krishi Upaj Mandi
(Lok Sabha Tatha Vidhan Sabha Sadasya Ki
Mandi Samiti Me Sadasyata Tatha Pratinidhi
Ka Namnirdeshan) Niyam, 2010**

The Madhya Pradesh Krishi Upaj Mandi (Lok Sabha Tatha Vidhan Sabha Sadasya Ki Mandi Samiti Me Sadasyata Tatha Pratinidhi Ka Namnirdeshan) Niyam, 2010

Notfn. No. D-15-13-08-XIV, dated 23-12-11, pub. in M.P. Rajpatra, Pt. IV (Ga), dated 6-1-2012, P. 8 -In exercise of the powers conferred by sub-section (1) and clause (xxxii) of sub-section (2) of Section 79 read with clause (d) of subsection (1) of Section 11 of the Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973) the State Government hereby makes the following rules the same have been previously published as required by sub-section (1) of Section 79 of the said Act namely:-.

1. Short title.--

These rules may be called the Madhya Pradesh Krishi Upaj Mandi (Lok Sabha Tatha vidhan Sabha Sadasya Ki Mandi Samiti Me Sadasyata Tatha Pratinidhi Ka Namnirdeshan) Niyam, 2010.

2. Definitions.--

(1) In these rules, unless the context otherwise requires,

(a) "Act" means the Mahdya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (No. 24 of 1973);

(b) "Form" means form appended to these rules;

(c) "Market Committee" means a committee constituted under section 11 of the Act;

(d) "Meeting" means a Meeting of the Market Committee;

(e) "Representative" means the person nominated by a member of the House of People or the Legislative Assembly of the State under clause (d) of sub-section (1) of Section 11 of the Act to represent him in the Market Committee;

(f) "Section" means the section of the Act;

(g) "Voter List" means the electoral roll or the list of voters of a constituency of Market Committee.

(2) The words and expressions used but not defined in these rules shall have the same meaning as assigned to them in the Act.

3. Selection of market committee by the Member of the House of People for membership and nomination of representative.--

(1) The Collector shall, as soon as possible, after the declaration of the result of election of Chairman and Members of Market Committees of his district, issue a letter in Form 1, to a member of the House of the People, in whose constituency;

(i) at least fifty percent population as per the published figures of last census resides in rural areas; and

(ii) there is more than one market committee, to request him

(a) to give an option for the market committee of which he desires to be a member in Form 2, which shall be appended with the letter; and

(b) to nominate, if he so desires, any such person, who possess qualification prescribed in rule 5 as his representative for the purpose of attending the meeting of the committee so selected, in Form 4, which shall be appended with the letter.

(2) On receipt of the option/nomination of the representative under sub-rule (1) from the member of the House of People, the Collector shall forward an authentic copy thereof to the Secretary of the market committee concerned.

4. Nomination of representative by Member of State Legislative Assembly.--

(1) The Collector shall as soon as possible, after the declaration of the result of election of Chairman and members of market committee of his district, issue a letter in Form 3, to a Member of the State Legislative Assembly, in whose constituency at least fifty percent population as per the published figures of last census, resides in rural areas, to request him to nominate, if he so desires, any such person, who possesses qualification prescribed in rule 5 as his representative for the purpose of attending the meeting of market committee in Form 4, which shall be appended with the letter.

(2) On receipt of the nomination of the representative under sub-rule (1) from the Member of the State Legislative Assembly, the Collector shall forward an authentic copy thereof of the Secretary of the market committee concerned.

5. Qualifications for the Representative.--

(1) A person shall be qualified to be nominated as representative under rule 3 or rule 4 if,

(a) his name is included in the voter list of the market committee concerned;

(b) he is qualified to be elected a Chairman or member of the market committee;

(c) he has no direct or indirect pecuniary interest in any agreement, contract or employment with, by or on behalf of the market committee; and

(d) he is not a defaulter of any dues of the market committee.

(2) Any objection relating to the qualification of a representative shall be referred to the Collector and if upon enquiry thereon, the Collector finds that such person was not entitled for nomination, his nomination shall be deemed to have ceased automatically.

6. The position of representative.--

(1) The representative shall be entitled to participate in the discussion and express his views in the meeting but shall not be entitled to vote on any issue.

(2) The representative shall not be entitled to receive any traveling allowance, honorarium or any kind of fee from the market committee for attending any meeting.

(3) The representative shall not cause any obstruction in the proceedings of the meeting and shall comply with the direction of the Chairperson of the meeting,

(4) Subject to the provisions of rule 3 and 4, the member of the House of People or the Member of State Legislative Assembly may, nominate any time, a new representative in place of the representative nominated earlier.

7. Repeal and Saving.--

As from the date of commencement of these rules, the Madhya Pradesh Krishi Upaj Mandi (Vidhan Sabha Sadasya Ke Mandi Samiti Ke Gathan Mein Sadasyata) Niyam, 1975 shall stand repealed:

Provided that any action taken- under the rules so repealed, shall, unless such action is inconsistent with any provision of these rules, be deemed to have been taken under the corresponding provision of these rules.