

THE PUNJAB AGRICULTURAL PRODUCE MARKETS ACT, 1961
(PUNJAB ACT NO. 23 OF 1961)

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THE PUNJAB AGRICULTURAL PRODUCE MARKETS ACT, 1961
(PUNJAB ACT NO. 23 OF 1961)

(Received the assent of the president of India on the 18th May, 1961, and first published for general information in the **PUNJAB GOVERNMENT GAZETTE (EXTRA ORDINARY)**, Legislative Supplement, of the 26th May, 1961.)

An Act to consolidate and amend the law relating to the better regulation of the purchase, sale, storage and processing of agricultural produce and the establishment of markets for agricultural produce in the State of Punjab.

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

1. Short title, extent and commencement (1) - This Act may be called the Punjab Agricultural Produce Markets Act, 1961.

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

(3) It shall come into force at once.

2. **Definitions** - In this Act, unless the context otherwise requires: -

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

(b) **”Board“** means the Punjab State Agricultural Marketing Board or the Haryana State Agricultural Marketing Board established under the Act for the State of Punjab or the State of Haryana and includes the Administrator of the union Territory of Himachal Pradesh functioning as the Board for the transferred territory and the administrator of the union Territory and the Administrators of the Union Territory of Chandigarh functioning as the Board for the Union Territory of Chandigarh.)

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

(d) **“Committee”** means a market committee established and constituted under sections 11 and 12;

(e) **“Co-operative Society”** means a Co-operative society registered or deemed to be registered under the Punjab Co-operative Societies Act, 1954, [or any other corresponding law for the time being in force} which deals in the purchaser, sale, processing, or storage of agricultural produce, or is otherwise engaged in the business of disposal of agricultural produce;

(f) **“dealer”** means any person who within the notified market area set up, establishes or continues or allows to be continued any place for the purchaser, sale, storage, or processing of agricultural produce notified under sub-section (1) of section 6 or purchaser, sells, stores or processes such produce;

²[(g) **“Director.....(omitted)”**]

(h) **"Godown keeper"** means a person, other than a producer, who stores agricultural produce for himself for sale or stores agricultural produce of others in lieu of storage charges;

³[(hh) **"licensee"** means a person to whom a licence is granted under section 10 and the rules made under this Act and includes any person who buys or sells agricultural produce and to whom a licence is granted as Kacha Arhtia or commission agent or otherwise but does not include a person licensed under section 13;]

(i) **"market"** means a market established and regulated under this Act for the notified market area, and includes a market proper , a principal market yard and sub-market yard;

(j) ⁴[**"Marketing officer"** omitted]

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

⁵(kk) **"member"** includes the chairman of the Board;]

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

(k) (l) **"Prescribed"** means prescribed by the rules made under this Act;

1 *Inserted by G.O.I.S. O. No. 3021, dated 18th July, 1969.*
2 *Omitted vide Punjab Act No. 13 of 1979.*
3 *Inserted by Punjab Act 34 of 1976.*
4 *Omitted by Punjab Act 40 of 1963.*
5 *Inserted by Punjab Act 40 of 1963.*

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

(o) **"Producer"** means a person who in his normal course of avocation grows, manufactures, rears or producers, as the case may be, agricultural produce personally, through tenants or otherwise, but does not include a person who works as a dealer or a broker or who is a partner of a firm of dealers or brokers or is otherwise engaged in the business if disposal of Agricultural produce other than that grown, manufacture, reared, or produced by himself, through his tenants or otherwise, If a question arises as to whether any person is a producer or

not for the purposes of this Act, the decision of the Deputy commissioner of the District in which the person carries on his business or profession shall be final ;

Producer that no person shall be disqualified from being a producer merely on the ground that he is a member of a cooperative society;

Explanation:- The term ‘producer’ shall also include tenant.

(p) ¹[“**region**” omitted]

(q) “**retail sale**” mean sale of agricultural produce not exceeding such quantity as may be prescribed ;

(r) “**secretary**” means the Executive officer of a committee and includes an assistant secretary or a person officiating or acting as secretary ;

(s) “**Trade allowance**” includes an allowances having the sanction of custom in the notified market area concerned and market charges payable to various functionaries.

²[(t) “**transferred territory**” means the territory transferred to the union territory of Himachal Pradesh under section 5 of the Punjab Reorganization Act, 1966 (31 of 1966)].

³[2 A. Construction of certain references in The Act - In the application of the provisions of this Act, -

(1) to the state of Haryana, any reference therein to any expression mentioned in column :-

(1) (1) Of the table below shall be construed as a reference to the corresponding expression mentioned in column (2) of the said Table.

1. Deleted by G.O.I.S.O. No. 3021, Dated 18th July, 1969.
2. Inserted clause (t) by G.O.I.S.O. No. 3021 dated 18th July, 1969.
3. Inserted by G.O.I.S.O. No. 3021 dated 18th July, 1969.

TABLE

State Government Punjab State or state Of Punjab except in section 1 of the Act. State Agricultural Marketing Board.	Government of the State Of Haryana. State of Haryana. Haryana State Agricultural Marketing Board.
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(2) To the territory transferred to Himachal Pradesh any reference therein to any expression mentioned in column (1) of the Table below shall be construed as a reference to the corresponding expression mentioned in column (2) of the said Table.

TABLE

State Government Punjab State or state Of Punjab except in section 1 of the Act. State Agricultural Marketing Board.	Administrator of the Union Territory of Himachal Pradesh. Transferred territory. Administrator of the Union Territory of Himachal Pradesh.
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(3) to the Union Territory of Chandigarh, any reference, therein to any expression mentioned in column (1) of the Table below shall be construed as a reference to the corresponding expression mentioned in column (2) of the said Table .

TABLE

State Government Punjab State or state Of Punjab except in section 1 of the Act. State Agricultural Marketing Board.	Administrator of the Union Territory of Himachal Pradesh. Transferred territory. Administrator of the Union Territory of Himachal Pradesh.
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3. State Agricultural Marketing Board, Constitution, powers and duties. (1)- The State Government may, for exercising powers conferred on and performing the function and duties assigned to the Board by or under this Act, establish and constitute a State Agricultural Marketing Board, Consisting of a Chairman to be nominated the State Government and ¹[Sixteen other members of whom eight] shall be officials and eight non-officials, to be nominated by the State Government in the following manner: -

(a) official members shall include ²[a Joint secretary to the State Government in the Department of finance, The Director of Horticulture , Punjab], ³[the Secretary of the Board and five other officials , one representing the Agriculture Department , the Second representing the Co-operation Department , the third representing the Animal Husbandry Department , the fourth rep[resenting the Colonization Department and the fifth representing the Food and supplies Department ;]

(a) (b) of the non-official members:-

- (i) one shall be a producer member of a Committee ;
- (ii) one shall be from among such person licensed under section 10 as are members of the Committee ;

- (iii) one shall be from among such person licensed under section 13 as are members of a Committee ;
- (iv) one shall be a member of a registered organization of farmers ;
- (v) three shall be progressive producers of the Punjab , one from each division; and
- (vi) one representing the Co-operative Societies ;

Provided that when the non-official members referred to in sub-clauses (i),(ii) and (iii) of clause (b) cannot be nominated owing to all the Market committees being under super session the Board shall consist of all the members, including the Chairman, referred to in this sub-section excepting the members referred to in the aforesaid sub-clauses and the same shall be deemed to be validly constituted Board till such member are nominated by the State Government after the Market Committees are constituted.

⁴ [(2) There shall be a Secretary of the Board who shall be appointed by the State Government from amongst those members of the Indian Administrative Service, the Punjab Civil service (executive Branch) or the Punjab Agricultural service (class 1) who have put in not less than five years service as such member].

(3) The Board shall be a body corporate as well as a local authority by the name of the State Agricultural Marketing Board having perpetual succession and a common seal, with power, subject to the provisions of this act, to acquire and hold property and shall by the said name sue and be sued.

(4) The term of office of the non – official member of the board shall be three years.

(5) No person shall be eligible to become a member of the board who:-

- (a) does not ordinarily reside within the Punjab state;
- (b) is below twenty- five years of age;
- (c) has been removed under sub-section (7) or section 15;
- (d) is of unsound mind ; or
- (e) Has been declared as insolvent or sentenced by a criminal court, whether within or outside the Punjab state, for an offence involving moral turpitude:

Provided that the disqualification under clause (e) on the ground of a statement by a criminal court shall not apply after the expiry of your years from the date on which the sentence of such has expired.

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

¹[provided that the chairman of the board may resign by tendering his resignation to the state government].

²[7] The state government may, by notification remove any member of the board other than official member, -

- (a) If he has become subject to any of the disqualification specified in sub-section (5); or
- (b) If he is, in its opinion, remiss in the discharge of his duties; or
- (c) If he has without the permission of the chairman of the board and in the opinion of the state government without sufficient cause absented himself for not less than three consecutive meetings of the board, and may appoint another member in his place in the manner provided in clause (b) of sub-section (1) from the category to which the removed member belongs;

Provided that before removing a member the reasons for the Proposed action shall be conveyed to him and his reply' invited within a specified period and duly considered:

Provided further that the term of office of the member so appointed shall on the same date as the term of office of the vacating member would have expired had the latter held office for the period allowed under sub-section (4) unless there be delay in appointing a new member who succeeds the member first mentioned above in which case it shall expire on the date on which his successor is appointed by the State Government.

(8) The state government shall exercise superintendence and control over the board and its officers and may call for such information as it may deem necessary and, in the event of its being satisfied that the board is not functioning properly or is abusing its power or is guilty of corruption or mismanagement, it may suspend the board and, till such time as a new Board is constituted, make such arrangements for the exercise of the functions of the board ¹[and of its chairman] as it may think fit :

Provided that the board shall be constituted within ² [five years & six months] from the date of its suspension.

*(9) The Board shall exercise superintendence and control over the committees.

(10) The state Government or the chairman or the Secretary of the board or any other officer of the board authorised in this behalf by the board may call for any information or return relating to agricultural produce from a committee or a dealer or a godown keeper or other functionaries and shall have the power to inspect the records and accounts of a committee and account of any dealer, godown-keeper or other functionaries for that purpose.

(11) The ³[chairman or subject to his control the secretary of the board] may transfer the secretary or any employee dealing with the accounts of one committee to another committee and they shall exercise such other powers and discharge such other duties as may be prescribed :

Provided that any increase or decrease in emoluments of a transferred employee shall be referred to the state Government whose decision on such reference shall be final.

(12) Subject to the provisions of this Act and the rules and bye-laws made thereunder, the board may employ such persons for the performance of the functions of the board under this Act, and may give them such remuneration, as it may think fit, and may suspend, remove, dismiss or otherwise punish any person so employed.

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

(14) Subject to rules made under this Act, the board may, with the approval of the state Government, frame bye-law for-

- (a) regulating the transaction of business at its meeting;
- (b) the assignment of duties and powers of the board to its chairman, Secretary or person employed by it ; and
- (c) Such other matters as may be prescribed.

(15) ¹[Six] members shall constitute a quorum at a meeting of the board:

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

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

Note: - The powers of the ‘Board ‘ under sub-section (12) of section 3 have been delegated to secretary board vide Govt. Memo No. 11(6) –M- 87/221-spl. Dated 11.8.87.

(17)(i) The state Government may delegate to the board or its ²[Chairman or secretary] any of the powers conferred on it by or under this Act,; and

(ii) The board may ³[with the prior approval of the State Government], delegate any of its powers to its chairman, secretary or any of its officers.

(18) The headquarter of the board shall be located at a place to be determined by the state Government.

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

¹[3-A. The powers of the board in respect of the transferred territory and the union Territory of Chandigarh - Notwithstanding anything contained in this Act, the Administrator of the union Territory of Himachal Pradesh in relation to the transferred territory and the Administrator of the union Territory of Chandigarh in relation to that territory, shall, until other provisions is made by law, be deemed to be the board constituted under this Act, respectively for the transferred territory and the union Territory of Chandigarh and accordingly shall perform the functions, discharge the duties and exercise the powers of the Board in relation to these areas].

4. ²[Advisory Committee.....omitted]

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

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

(2) The State Government if satisfied that in any notified market area a Committee is not functioning ³[or two such areas or parts thereof are to be amalgamated or a part of any such area is to be amalgamated with another such area or is to be constituted into a separate notified market area,] may be notification denitrify any market area notified under sub-section (1) or any part thereof and, when the whole of such area is denotified, cancel a Committee and transfer all with the assets of that Committee which remain after Satisfaction of all its liabilities to the liabilities to the Board. Such assets shall be utilized by the Board for such objects in the area as it may consider to be for the benefit of the producers of that area.

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

Provided that a licence shall not be required by a producer who sells himself or through a bona-fide agent, not being a commission agent, his own agricultural produce or the agricultural produce of his tenants on their behalf or by a person who purchases any agricultural produce for his private use.

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

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

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

8. No private market to be opened in or near places declared to be markets - On and after the date on which the State Government have by a notification under section 7 declared any place to be a principal or sub-market yard, no person or Municipal Committee, District Board, Panchayat or any Local Authority, notwithstanding anything contained in any enactment relating to such Municipal Committee, District Board, Panchayat or Local Authority shall be Competent to set up, establish or continue or allow to be continued any place within the limits of such market or within a distance thereof to be notified in the official gazette in this Behalf in each case by the State Government for the purchase, sale, storage and processing of any agricultural produce;

Provided that a producer shall not be deemed to set up, establish or continue or allow to be continued a place as a market for the purpose of the Purchase, Sale, storage or processing of agricultural produce if he sale his own agricultural produce outside the premises set apart by the Committee for the agricultural produce.

9. Authority to whom applications for grant of licences are to be made - The ¹[Secretary of the Board] or any other officer authorised by him in writing in this behalf shall be the authority for granting licences required under Section 6.

10. Applications for licences, fees to be paid and cancellation or suspension of licences - Any person may apply to the authority specified in Sec.9 for a licence which may be granted for such period, in such form, on such conditions and on payment of such fees not exceeding one hundred rupees as may be prescribed:

Provided that if any person carrying on any business of the nature specified in sub-section (3) of section 6 in a notified market area on the date of issue of notification under sub-section (1) of that section, fails to apply for a licence on or before the date specified therein for obtaining licence, the prescribed authority may, before a licence is issued, impose on him such penalty not exceeding one hundred rupees as may be prescribed.

(1) The ²[secretary of the board] may, on being satisfied that there has been a breach of any of the conditions specified in a licence, by an order in writing, cancel or suspend such licence and may also direct that such licence shall not be renewed for such period not exceeding five months for the

first breach and not exceeding nine months for the second breach and not exceeding one year for every subsequent breach, as may be specified in that order:

Provided that the chairman of a committee of the committee of the area concerned may under intimation to the Secretary of the Board suspend a licence for a period not exceeding fifteen days :

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

(2) The ¹ [Secretary of the board] after such enquiry as he may consider necessary, refuse a licence to a person who in his option :-

(a) is a benamidar for or a partner with any person to whom a licence has been refused , or whose licence is cancelled or suspended under sub-section (2) for the period of such cancellation or suspension ; or

(b) is convicted of an offence affecting that said person's integrity as a man of business within two years of such conviction ; or

(c) is undischarged insolvent :

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

(3) Any person aggrieved by an order made under this section may at any time within one month of the making thereof, appeal to the state Government if such order is passed by the ² [Secretary of the Board] and to the Secretary of the Board if such order is passed by the Chairman of the Committee.

³**[10-A. Certain person to be licensees** - Any person to whom a licence is granted under section 10 shall be deemed to be licensee under that section for the purposes of this Act and the rules made there under including that of levy of fees under section 23 on the agricultural produce bought or sold by him in the notified market area, irrespective of the fact whether the business of buying or selling of agricultural produce is specified in his licence or not].

11. Establishment of market committee - The State government shall by notification establish a market committee for every notified establish market area and shall specify its headquarters.

12. Constitution of committees (1) - A market committee shall consist of nine or sixteen members as the State Government may in each case determine, out of whom one may be appointed by the State Government from amongst its officials:

Provided that where in a notified market area there is in-existence a Cooperative Society, the committee shall consist of ten or seventeen members as the case may be. The remaining members shall be elected in the prescribed manner by the following persons as provided hereunder, that is to say,-

- (a) If the committee is to consist of nine members, there shall be elected -
 - (i) five members from producers of the notified market area, by the Panches and Sarpanches of the Gram Panchayats situated within the notified market area,
 - (ii) two members from persons licensed under section 10 for the notified area concerned, by the persons holding licensing under that section; and
 - (iii) one member from persons licensed under sec. 13, by the persons licensed under that section ;
- (b) if the committee is to consist of ten members, there shall be elected, in addition to the members specified in sub-clause (i), (ii) and (iii) of clause (a), one member representing the Co-operative Society, by such Societies;
- (c) if the committee is to consist of sixteen members, there shall be elected,-
 - (i) nine members from producers of the notified market area by the Panches and Sarpanches of the gram Panchayats Situated within the notified market area ;
 - (ii) four members from persons licensed under section 10 for the notified market area concerned, by persons licensed under that section; and
 - (iii) two members from persons licensed under section 13, by persons licensed under that section;

(d) if the committee is to consist of seventeen members, there shall be elected, in addition to the members specified in sub-clause (i), (ii), and (iii) of clause (c) one member representing the Co-operative Societies, by such Societies:

Provided that the producers elected under this sub-section shall be persons who are residents of the notified market area;

Provided further that where, in the case of sub-clause (iii) of clause (a) or sub-clause (iii) of clause (c), there are no persons licensed under section 13 or the number of such persons is less than four, the requisite number of such persons shall be elected jointly by persons licensed under section 10 and section 13 .

(3) The election of members referred to in sub-section (2), shall be made and communicated to the State government within the prescribed in this behalf which shall not be less than two months and there upon the State Government shall notify such election in the official gazette:

Provided that if within the period aforesaid the election is not made and communicated to the State Government or the requisite number of persons are elected and communicated, the state Government may appoint the requisite number of persons to the committee on its own motion and notify the appointment so made.

(4) Notwithstanding anything contained in the foregoing sub-sections and section 16, where a committee is constituted for the first time all the members including the Chairman and Vice-Chairman thereof shall be nominated by the state Government and subject to the provisions of section 17, such members shall hold office for a period not exceeding three years as may be prescribed.'

(5) No act done by the committee shall be called into question on the ground merely of the existence of any vacancy in, or any defect in the constitution of the committee.

(6) Subject to rules made under this act, the disqualifications Specified in sub-section (5) of section 3 shall also apply for purposes of becoming a member of a committee.

¹[12-A. Supression of Nominated Committees -

- (a) all the committees, constituted by way of nomination, whether under sub-section (4) of section 12 or under section 12-d as it existed immediately before such commencement shall stand superseded;
- (b) all the members including the Chairman and the vice-Chairman of every Committee shall cease to hold office;
- (c) during the period of Supersession of the committees, all powers and duties conferred and imposed upon the committee, its chairman and other members by or under this Act, shall be exercised and performed by such gazetted officer as the Government may appoint in that behalf ; and
- (d) All property vested in each Committee shall, until these are re-constituted, vest in the Government.

Provided that vested the Committees shall be re-constituted in accordance with the provisions of ²[Section 12-8] within a period of one year from the date of Supersession.]

¹[12-B Constitution of committees by nomination for fixed period (1) - All the members of a committee shall be nominated by notification by the State Government from amongst the same categories of persons from which they, but for this provision, would have been appointed or elected under section 12.

- (2) The chairman and the Vice-Chairman of a committee shall be nominated by State Government form amongst its members nominated under sub-section (1).
- (3) The term of office of the members nominated under sub-section (1) shall, unless sooner determined by the State Government, be three years from the date on which their nomination is notified in the official Gazette.
- (4) The State Government anything contained expiry of the term specified in sub-section (3) arrange to constitute the committee in accordance with the provisions of section 12.

(5) Notwithstanding anything contained in section 17, whenever any member nominated under sub-section (1) dies, resigns, ceases to reside permanently in the notified market area or becomes incapable of acting as a member or any vacancy occurs as a result of removal in accordance with the provisions of section 15 or otherwise, the State Government may fill up such vacancy in accordance with the provisions of such section (1);

Provided that the term of office of the member so nominated shall expire on the same date as the term of office of the vacating member would have expired had the latter held office for the period specified in sub section (3) .]

²[12-C. Supersession of Nominated Committee

- (a) (4) section 12 or under section 12-B, in existence immediately before such commencement , shall stand superseded;
- (b) all the members, including the Chairman and the Vice Chairman of every such Committee, shall cease to hold office;
- (c) during the period of supersession of such Committees, all the powers and duties all the Committees, constituted by way of nomination, whether under sub-section, conferred and imposed upon the committees, their Chairman and other members by or under this Act. Shall be exercised and performed by such gazetted officers as the State Government may appoint in that behalf ; and
- (d) all property vested in every such committee shall, until it is re-constituted in accordance with the provisions of section 12, vest in state Government.

Provided that such reconstitution shall be made within a period of ¹[four years & six months] from the date of supersession.]

²[12-d. (1) All the members of a committee shall be constitution of nominated by notification by the state Government committees by from amongst the same categories of persons, would have been appointed fixed period, or elected under section 12

(2) The Chairman and the vice-Chairman of a committee shall be nominated by the state Government from amongst its members nominated under sub-section (1).

(3) The term of office of the members nominated under sub-section (1) shall, unless sooner determined nominated by the state Government, be three years from the on which their nomination is notified in the official Gazette.

(4) The state Government shall, before the expiry of the term specified in sub-section (3), arrange to constitute the committee in accordance with the provision of section 12.

(5) Notwithstanding anything contained in section 17, whenever any member nominated under sub-section (1) dies, resigns, cease to reside permanently in the notified market area or become incapable of acting as a member or any vacancy occurs as a result of removal in accordance with the provision of section 15 or otherwise, the state Government may fill up such vacancy in accordance with the provision of sub-section (1).

Provided that the term of office of the member so nominated shall expire on the same date as the term of office of the vacating member would have expired had the latter held office for the period specified in sub-section (3)].

13. Duties and powers of committee (1) - It shall be the duty of a committee-

(a) to enforce the provisions of this act and the rules and the bye-laws made thereunder in the notified market area and, when so required by the.¹***] board, to establish a market therein providing such facilities for persons visiting it in connection with the purchase, sale, storage, weighment and processing of agricultural produce concerned as the ²***] board may from time to time direct;

(b) to control and regulate the admission to the market, to determine the conditions for the use of the market and to prosecute or confiscate the agricultural produce belonging to person trading without a valid licence ;

(c) to bring, prosecute or defend or aid in bringing, prosecuting or defending any suit, action, proceeding, application or arbitration, on behalf of the committee or otherwise when directed by board³ [***].

(1) Every person licensed under section 10 or section 13 and every person exempted under section 6 from taking out licence, shall on demand by the committee or any person authorised by it in this behalf furnish such information and return, as may be necessary for proper enforcement of act or the rules and bye-laws made thereunder ;

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

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

Provided that nothing in sub-section (3) and (4) shall apply to person carrying on there business of warehouseman who is licence under the Punjab act, 1957 (Punjab) act no . 2 of 1958).

14. **Term of office of members** - Subject to the provisions of section 17, every member of a committee other than a committee constituted under sub- section (4) of section 12 shall hold office for a period of three years from the date of his appointment.

15. **Removal of members** - The State Government may be notification remove any member if, in its opinion, he has been guilty of misconduct or neglect or duty or has lost the qualification on the strength of which he was appointed :

Provided that before the State Government notify the removal of a member under this section, the reason for his proposed removal shall be communicated to the member concerned and he shall be given an opportunity of tendering an explanation in writing.

16. **Election of chairman and vice-chairman - (1)** Every committee shall elect from among its members a chairman and a vice-chairman.

¹[provided that no official member of a Committee shall be entitled to be elected as or to take part in the election of its chairman or Vice-Chairman]

(2) The Committee may be a majority of two thirds of the total members, at a meeting specially convened for the purpose, pass a resolution for the removal of any of the office bearers and any resolution so passed shall be subject to confirmation by the ²[***] board.

17. **Filling of vacancies (1)** - Whenever any member dies, resigns, ceases to reside Permanently in the notified market area or becomes incapable of acting as a member of a committee or any vacancy occurs through transfer or removal in accordance with the provision of section 15 or otherwise, the State Government may appoint a member to fill in such vacancy in accordance with the provision of section 12:

Provided that the term of office of the member so appointed shall expire on the same date as the term of office of the vacating member would have expired had the latter held office for the full period allowed under section 14 unless there be delay in appointing a new member to succeed the member first mentioned above in which case it shall expire on the date on which his successor is appointed by the State Government .

(2) Should the State Government decide to raise the number of members of an existing Committee from 9 to 16, the additional vacancies shall be filled in accordance with the provision of sub-section (1) and the term of office of the additional members appointed shall be the unexpired portion of the term of the existing members of the committee.

¹[**17-A. Election petition. (1)** - Any person who is a voter for the election of a member may, on furnishing the prescribed and on such other conditions, as may be prescribed, within twenty days of the date of announcement of the result of an election, present to the prescribed authority, an election petition in writing, against the election of any person as a member, vice- chairman or chairman of the Committee.

(2) The prescribed authority may -

- (a) (a) If it finds , after such a inquiry as it may deem necessary , that a failure of justice has occurred or any corrupt practice has been committed by a returned candidate or his agent or by any other person with the consent of a returned candidate or his agent , set aside the election, and a fresh election, shall thereupon be held;
- (b) (b) If it finds that the petition is false, frivolous or vexatious dismiss the petition and order the security to be forfeited to the committee

(3) Except as provided in the section, the election of a member, wise-chairman or chairman shall not be called in question before any authority or in any court.]

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

Provided that no committee shall permanently transfer any immovable property except in pursuance of a resolution passed at a meeting specially convened for the purpose by a majority of not less than three-fourth of the members of the committee and with prior approval of the chairman of the board.

19. Appointment of sub-committees and joined committees and delegation of powers
- A committee may appoint, one or more of its members or other to be sub-committee or to be a joined committee or to be an adhoc committee for the administration of the sub-market yards , for the conduct of any work or for reporting or any matter and may delegate to such committee or any one or more of its members such of its powers or duties as it think fit :

Provided that when any such committee is to consist of, or the power of the committee are delegated to, one member the resolution shall operate only after it is duly approved by the ¹[***] board.

20. Appointment and salaries of officers and servants of committees (1) Every committee shall have a person as its secretary , appointed by the board as its servants , and lent to the committee subject to such terms and conditions and as the board may prescribe .

(2) A committee may, with the previous approval of the ²[secretary of the board], employ such other officers and servants as may be necessary for the management of the market and may pay such officers and servants salaries as fixed by the board for different grades and shall have power to control and punish them :

Provided that where the basic pay of an employee is less than ³[five hundred rupees] the previous approval of the secretary of the board for the appointment will not be necessary :

Provided further that if after examining the records obtained from the committee or otherwise the ⁴[board] is satisfied that any officer or servant of the committee is negligent in the discharge of his duties the committee shall on the requirement of the ⁵[board] suspend or otherwise punish him, and if the ⁶[board] is satisfied that he is unfit for employment the committee shall dismiss him or terminate his services .

(3) (i) A committee shall in the case of any other officers or servant of the board whom it employs , pay such pension and other contribution , gratuity and allowances as may be required by the conditions of his service under the board.

(ii) A committee may also, in the case of any of its officers and servants provide for the payment to them of such leave or other allowances , pensions or gratuities as it deems proper. And may contribute to any provident fund which may be established for the benefit of such officers and servants .

(iii) A committee shall, in case of Government servant whom it employs , pay to the state Government such contributions towards the pension and leave allowances of such servant as may be payable under any regulation in force for the time being .

(4) The services of the secretary or any employee dealing with the accounts of a committee shall be transferable within the same ¹[state].

(5) The secretaries in the service of market committees constituted under the Punjab Agricultural produce markets Act, 1939 and the Patiala Agricultural produce markets Act, 2004 B.K. shall be deemed to be the servants of the board and their emoluments and the other conditions of service shall be such as may be determined by the Board .

(6) The powers conferred by this section on a Committee shall be exercised subject to such rules as may be made in this behalf by the State Government .

21. **Persons who are to be deemed public servants within the meaning of section 21 of Indian penal code** - Every member and officers or servant of the Board or a committee shall be deemed to be public Servant within the meaning of section 21 of the Indian Penal Code.

22. **Execution of contracts (1)** - Every contract entered into by Committee shall be in writing and shall be signed on behalf of the Committee by the Chairman or if for any reason he is unable to act, by the Vice- Chairman, and ²[one other member and the Secretary] of the Committee and shall be sealed with the common seal of the Committee .

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

23. **Levy of fees** - ¹[A committee shall subject to such rules as may be made by State Government in this behalf , levy on ad-valorem basis –

- (i) Fees on the agricultural produce bought or sold be a licensee in the notified market area at a rate not exceeding two rupees for every one hundred ;and
- (ii) Also additional fees on the agricultural produce when sold by a producer to a licensee in the notified market area at a rate not exceeding one rupee for every one hundred rupees.]

Provided that –

- (a) No fee shall be leviable in respect of any transaction in which delivery of the agricultural produce bought or sold is not actually made ; and

(b) A fee shall be leviable on the parties to a transaction in which delivery actually made.

²[**23-A. Saving of excess fee charged - (1)** - Notwithstanding any thing contained in any judgement. Decree or order of any court, it shall be lawful for a Committee to obtain the fee levied and collected by it from a licensee in excess of that leviable under section 23, if the burden of such fee was passed on by the licensee to the next purchaser of the agricultural produce in respect whereof such fee was levied on collected.

(2) No suit or other proceedings shall be instituted, maintained or continued in any court for the refund of whole or any part of the fee retained by a Committee under sub-section (1) and the question is whether the burden of such fee was.

(3) If any dispute arises as to the refund of any fee retained by a Committee by virtue of sub-section (1) and the question is whether the burden of such fee was

(4) If any amount of fee retainable by a committee under sub-section (1) has been refunded to any licensee, the same shall be recoverable by the Committee in the manner indicated in sub-section (2) of section 41.

(5) The provisions of this section shall not affect the operation of section 6 of the Punjab Agricultural produce markets (Amendment and validation) Act, 1976.

24. Octroi not payable on certain agricultural produce - Notwithstanding anything to the contrary contained in the Punjab Municipal Act, 1911 (and any other corresponding law for the time being in force), the state Government may by notification direct that in respect of such agricultural produce, notified under section 6, brought or received within a notified market area, as may be specified in the notification no octroi shall be payable by any person to Municipal committee from such date as may be specified therein .

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

(2) ² [All expenditure incurred by the Board shall be defrayed out of such fund which shall be operated upon in such manner as may be prescribed.]

26. Purposes for which the Marketing Development Fund may be expended - The Marketing Development Fund shall be utilised out of following purposes:-

- (i) better marketing of agricultural produce;
- (ii) marketing of agricultural produce on cooperative lines;
- (iii) collection and dissemination of market rules and news;
- (iv) grading and standardisation of agricultural produce;
- (v) general improvements in the markets or their respective notified market areas;
- (vi) maintenance of the office of the board and construction and repair of its office buildings, rest-house and staff quarters;
- (vii) giving aid to financially weak committees in the shape of loans and grants;
- (viii) payment of salary, leave allowance, gratuity, compassionate allowance, compensation for injuries or death resulting from accidents while on duty, medical aid, pension or provident fund to the persons employed by the board and leave and pension contribution to Government servants on deputation;
- (ix) travelling and other allowances to the employees of the board, its members and members of Advisory Committees;
- ¹[(x) propaganda, demonstration and publicity in favour of agricultural improvements;]
- ²[(xi) production and betterment agricultural produce;]
- (xii) meeting and legal expenses incurred by the board;
- (xiii) imparting education in marketing ³[or agriculture;]
- (xiv) construction of godowns;
- (xv) loans and advances to the employees;
- (xvi) expenses incurred in auditing the accounts of the board;
- (xvii) with the previous sanction of the State Government, any other purpose which is calculated to promote the general interests of the board and the Committees ⁴[or the national or public interest.

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

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

(2) (a) Every Committee shall, out of its fund pay to the board as contribution such percentage of its income derived from licence fee, market fee and fines levied by the courts as is specified below to defray expenses of the office establishment of the board and such other expenses incurred by it in the interest of the Committees generally and also pay to the State Government the cost of any special or additional staff employed by the State Government in consultation with the Committee for giving effect to the provisions of this Act

¹ [(i) if the annual income of a committee does not exceed Rs. 20,00,000 ;	Twenty per centum
(ii)if the annual income of a committee exceeds Rs.20,00,000/-,	
(a) on the first of Rs.20,00,000/-	Twenty per centum.
(b) on the next Rs.20,00,000/-	Forty per centum
(c) on the remaining income	Fifty per centum]

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

28. **Purposes for which the Market Committee Funds may be expended** - Subject to the provision of section 27, the market Committee Funds shall be expended for the following purposes:-

- (i) (i) acquisition of sites for the market;
- (ii) (ii) maintenance and improvement of the market;

(iii) construction and repair of buildings which are necessary for the purposes of the market and for the health, convenience and safety of the persons using it;

(iv) provision and maintenance of standard weights and measures;

(v) pay, leave allowances, gratuities, compassionate allowances and contributions towards leave allowances, compensation for injuries and death resulting from accident while on duty, medical aid, pension or provident fund of the person employed by the Committee;

(vi) payment of interest on loans that may be raised for purposes of the market and the provisions of a sinking fund in respect of such loans;

(vii) collection and dissemination of information regarding all matters relating to crop statistics and marketing in respect of the agricultural produce concerned;

(viii) providing comforts and facilities, such as shelter, shade, parking accommodation and water for the persons, draught cattle, vehicles and pack animals coming or being brought to the market or on construction and repair of ¹[link roads] approach roads, culverts, bridges, and other such purposes;

(ix) expenses incurred in the maintenance of the officers and in auditing the accounts of the Committee;

²[(x) propaganda in favour of agricultural improvements and thrift ;]

³[(xi) production and betterment of agricultural produce;]

(xii) meeting any legal expenses incurred by the committee.

(xiii) Imparting education in marketing ⁴[or agricultural;]

(xiv) Payments of travelling and other allowance to the members and employees of the Committee , as prescribed;

(xv) Loans and advances to the employees;

(xvi) Expenses of and incidental to elections; and

(xvii) With the previous sanction of the Board, any other purpose which is calculated to promote the general interests of the Committee or the notified market area ⁵[or with the previous sanction of the State Government, any purpose calculated to promote the national or public interest.]

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

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

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

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

(3) The person against whom an order under sub-section (1) or sub-section (2) is made may, within one month of the service of such order , appeal to the State Government which shall have the power of confirming , modifying or disallowing the surcharge.

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

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

31 Bar of suit in absence of notice. (1)-No suit shall be instituted against the Board or a Committee or any member or employee thereof or any person acting under the direction of any such Committee, member or employee for anything done or purporting to be done under this Act, until the expiration of two months next after a notice in writing, stating of two months next name and place of abode of the intending plaintiff and the relief which he claims, has been, in the case if the board or a committee delivered to him or left at its office, and the case of any such member, employee or a person as aforesaid, delivered to him or left at his office or usual place of abode, and the plaint shall contain a statement that such notice has been delivered or left .

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

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

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

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

33. **Power to call information, inspect, enforce attendance and to suspend action, etc. of Committees (1)** - When the affairs of the Committees are investigated or the proceedings of such Committee are examined by the ²[Chairman or secretary of the Board] or any other officer to whom the powers have been delegated under the sub-section (17) of section 3, all officers, servants and members of such Committee shall furnish such information in their possession in regard to the affairs or proceeding of the Committee as the ³ [Chairman or secretary of the Board] or such officers may require.

(2) The ⁴[Chairman or secretary of the Board] or any officers authorised by him general or special order shall have power to inspect or cause to be inspected the accounts of a Committee or to institute an enquiry into the affairs of the committee and to require the Committee to do a thing or to desist from doing a thing which he considered necessary in the interest of the Committee and to make a written reply to him within a reasonable time stating its reasons for not desisting from doing it or for not doing such a thing.

(3) An officer investigating the affairs of a Committee or examining the proceedings of such Committee under sub-section (1) shall have the power to summon and enforce the attendance of officers or members of the committee and to compel them to give evidence and to produce documents by the same means and as far as possible in the same manner as is provided in the case of a Civil Court under the Court of Civil procedure, 1908 .

(4) (i) The ⁵ [] Board may, by order in writing, annul any proceedings of a Committee or sub-Committee or Joint Committee or ad hoc Committee which it considers not to be in conformity with law or with the rules or bye-laws made. Thereunder and may do all things necessary to secure such conformity, or may suspend any resolution which it considers likely to cause injury or annoyance to the public or is likely to affect adversely the interest of the Committee or of producers or dealers or any class of functionaries working in the notified market area concerned .

(ii) The ¹[] Board may , by order in writing , suspend the execution of any resolution or order of a Committee or sub-committee, or joint Committee or ad hoc Committee, or prohibit the doing of any act which is being done or is about to be done in pursuance of or under cover of this Act or any rule or bye-law made thereunder , if

in its opinion, the resolution, order or act is in excess of the powers conferred by law, or is likely to cause injury or annoyance to the public or is likely to affect adversely the interest of the Committee or of producers or of dealers or of any class of functionaries working in the notified market area concerned.

(iii) When the ²[] Board makes an order under the sub-section, he shall forthwith forward a copy thereof, with a statement of reasons for making it and the explanation, if any, of the Committee concerned, to the State Government who may thereupon rescind the order or direct that it shall continue in force with or without modification, permanently or for such period as it thinks fit.

(5) The ³[* * *] Secretary of the Board shall also have the power to suspend or cancel the licences of market functionaries issued under section 13.

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

- (a) willfully neglects or refuses to furnish any information;
- (b) willfully furnishes a false information;

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

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

¹[33-A. Power to order production of accounts and powers of entry, inspection and seizure (1)- Any officer empowered by the Board in this behalf may, for the purposes of this Act, require any dealer to produce before him the accounts and other documents and to furnish any information relating to the stock of agriculture produce or purchase, sale, storage and processing of agricultural produce by such person and also to furnish any other information relating to the payment of fee levied under the Act by such person.

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

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

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

(5) The provision of section 100 of the code of criminal procedure 1973, 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, quotation, rates, receipt to 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 the matters, transactions and accounts purported to be therein recorded .]

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

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

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

35. **Supersession of Committees** - (1) if, in the opinion of the State Government, a Committee is incompetent or persistently makes default in performing the duties imposed on it by or under this Act, or abuses its powers, the State Government may, by notification, supersede the Committee:

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

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

(a) All the members including the chairman and Vice –chairman of the Committee shall, as from the date of such publication, be deemed to have ceased to be members of the Committee .

(b) All assets of the Committee shall vest in the Board and the Board shall be liable for all the legal liabilities of the Committee subsisting the date of its supersession up to the limit of the said assets;

(c) The State Government may, in its discretion, by order constitute either a new committee as provided under section 12 or such other authority for the carrying out of the functions of the Committee ¹[and of its Chairman and other members] as the State Government may deem fit.

(3) (a) When the State Government has made an order under clause (c) of sub-section (2), the assets and liabilities defined in clause (b) of sub-section (2) vesting in the Board at the

date of such order shall be deemed to have been transferred on the date of such order to the new Committee or authority constituted as aforesaid.

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

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

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

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

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

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

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

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

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

37. **Penalties (1)-** Whoever contravenes the provision of section 6 or section 8 shall, on conviction, be punishable with simple imprisonment which may extend to one month or with fine which shall not be less than fifty rupees but may extend to five hundred rupees or with both, and in the case of a continuing contravention with a fine which in addition to such fine as aforesaid, may extend to thirty rupees for every day after the date of first conviction during which the contravention is continued.

(2) Whoever contravenes the provisions of sub-sections (2) and (4) of section 13, shall, on conviction, be punishable with fine which shall not be less than ten rupees but may extend to fifty rupees and, in the case of a continuing contravention, with a fine which, in addition to such fine as aforesaid may extend to two rupees for every day after the date of first conviction during which the contravention is continued .

(3) Whoever contravenes the provision of section 30, shall, on conviction, be punishable with fine which shall not be less than fifty rupees but may extend to two hundred rupees.

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

39. **Trial of offences (1) -** No offence made punishable by this Act or any rule or bye-law made there under shall be tried by a court inferior to that of a magistrate of the first class.

*(2) Prosecutions under this Act may be instituted by any person duly authorised by a resolution passed by the Board or a Committee in this behalf.

40. **Appeal -** Any person objecting to an order passed by a Committee under section 13 or by the ¹[* * *] Secretary of the Board under sub-section (5) of section 33 may appeal to the board in the manner prescribed and the board's decision on appeal shall be final.

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

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

²[41-A. **Powers of State Government to issue direction to Board** - The State Government may issue to the board such directions as in its opinion are necessary or expedient for carrying out the purposes of this Act and Board shall give effect to all such directions.]

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

43. **Power to made rules (1)** - The State Government may be notification 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) the appointment or election and mode of election, as the case may be, of members of the Board,¹[---] and committees and their removal;

²[“ (ia) the definition of practices al elections held under the provisions of this Act which are to be deemed to be corrupt and the ground or grounds which will constitute failure of justice;

(ib) The investigation of allegation of corrupt practices;

- (ic) prescribed the authority by which question relating to the matters referred to in section 17-A shall be determined and the powers to be exercised and the procedure to be followed by it in the trial of election petitions;
- (id) prescribing the security to be furnished with an election petition and other conditions on which such a petition may be presented.”]
- (ii) the powers to be exercised and the duties to be performed by the board or committees and their officers and servants;
- (iii) the election of the chairman and vice-chairman of committee, their powers and term of office;
- (iv) the filling of casual vacancies in the office of members or in the office of chairman or vice-chairman of committees;
- (v) the time, place and manner in which a contract between buyer and seller is to be entered into, continued and carried out and the money is to be paid to the seller;
- (vi) generally for the guidance of the board or committee;
- (vii) management of the Market, maximum fees which may be levied by a committee in respect of the agricultural produce bought or ³[sold by licensees or sold by producer] in the notified market area, and the manner and the basis thereof, and the recovery and disposal of such fees;
- (viii) the issued by a committee of licences to brokers, weighmen , measures, surveyors, godown keepers or other functioneries , the form in which, and the conditions under which, such licences shall be issued or renewed and the fees, if any, to be charged thereof;
- (ix) the issued by the ¹[secretary of the board] of licences to dealers, the form in which , and the conditions under which, such licences shall be issued or renewed and the fees, if any, to be charged thereof;
- (x) the place or places at which agricultural produce shall be weighed, the kind and description of bardana to be used and the quantity of the produce to be filled and of the scales, not being hand scales (Takri) , weights and measures which alone may be used in transactions in agricultural produce in notified market area;

- (xi) the inspection, verification, regulation, correction and confiscation of scales, weights and measures in use in a notified market area;
- (xii) the trade allowance which may be made or received by any person in any transaction in an agricultural produce in a notified market area;
- (xiii) the provisions of facilities for the settlement by arbitration or otherwise of any dispute between a buyer and a seller of agricultural produce or their agents, including disputes regarding the quality or weight of the article, the price or rate to be paid, allowances for wrappings, dirt or impurities or deductions for any causes;
- (xiv) the prohibition of brokers from acting in the same transaction on behalf of both the buyer and the seller of agricultural produce;
- (xv) the provisions of accommodation for storing any agricultural produce brought into the market;
- (xvi) the preparation of plans and estimates for work proposed to be constructed partly or wholly at the expenses of the board or a committee, and the grant of sanction to such plans and estimates;
- (xvii) the form in which the accounts of a committee shall be kept, the audit and publication of such accounts, the charges, if any, to be made for such audit;
- (xviii) the management and regulation of provident funds which may be established for the benefit of the employees of the board or committees;
- (xix) the preparation and submission for sanction of an annual budget and the reports and returns to be furnished by the board or committee;
- (xx) the investment and disposal of the surplus funds of the board or committees;
- (xxi) the manner in which auctions of agricultural produce shall be conducted and bides made and accepted in any market;

(xxii) any matter in respect of which fees shall be payable under this Act, and fixing the amount of such fees and the mode of payment and recovery thereof;

(xxiii) exemption of clauses of person from the obligation of obtaining licences under section 6;

(xxiv) the authority to which application for obtaining licences shall be made;

(xxv) the realisation of disposal of fees recoverable thereunder or under any rules or bye-laws made under this Act ;

(xxvi) the travelling and other allowance that may be ¹[paid to the Chairman, members and employees of the Board], ²[...] and Committees;

(xxvii) the settlement of any question as to whether any person is a producer or not'
³(xxvii-a) operation of Marketing Development fund]

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

(xxix) the penalties to be imposed upon the employees of the board and committees including the manner if imposing such penalties and the right of appeal against such penalties;

(xxx) nature and status of the servants of the board and Committees.

(xxxi) imposing on persons licences under this Act, the duty of making returns to committee at regular intervals of transactions of sales, purchase, storage and processing affected by them or at their places of business and of producing accounts for inspection and furnishing information, when called upon by on authority duly empowered, and prescribing the from and mode of verification of, and the particulars to be entered in, such returns as well as the nature of such information;

(xxxii) the regulation of advances, if any, given to producers by brokers or dealers;

(xxxiii) the prevention of adulteration of the agricultural produce.

(xxxiv) The grading and standardization of the agricultural produce.

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

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

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

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

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

*(3) (a) Notwithstanding anything contained in this Act or the rules or by-laws made thereunder, if the ¹[***] Board considers that and amendment , alteration ,rescission or adoption of a new bye-law is necessary or desirable in the interests of such committee, he

may, by an order in writing to be served on the committee by registered post, require the committee, to make such amendment, alteration, rescission or adopt a new bye-law within such time as may be specified in such order.

(b) if the committee fails to make any such amendment, alteration or rescission or to adopt the new bye-law within the time specified by the ²[***] Board in his order under clause (a), the ³[***] board may, after giving the committee an opportunity of being heard,

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

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

(e) A certified copy of the amendment of the bye-laws registered by ⁴[***] board under clause (b) shall, subject to the result of an appeal, if any, under clause (c) be conclusive evidence that the same has been registered, and such amendment, alteration, rescission of such new bye-laws, and issue certified copy thereof shall be deemed to have been made by the Committee.

(4) No bye-law or rescission of a bye-law or its alteration or amendment shall take effect until it has been confirmed by the ⁵[***] board and notified in the official gazette.

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

46. **Power to compound offences (1)** - With the previous approval of the Chairman of the Board , a Committee or with the authorisation by a resolution of a Committee , its Chairman , may accept from any person against whom a reasonable suspicion exists that he has Committed an offence under this Act or any rule or bye-law made there under, a sum of money by way of composition by such offence.

(2) On the payment of such amount of money to the Committee or to its Chairman, as the case may be, the suspected person, if in custody shall be discharged , and no further proceedings shall be taken against such person.

47 Repeal and savings - The Punjab agricultural produce Markets Act, 1939, and the Patiala Agricultural produce markets Act, 2004 B,K, are hereby repealed;

Provided that such repeal shall not effect-

- (a) the previous operation of any Act so repealed or anything duly done or suffered there under ; or
- (b) any right, privilege, obligation or liability acquired or incurred under any Act so repealed ; or
- (c) any penalty, forfeiture or punishment incurred in respect of any offence Committee against any Act so repealed; or and any such investigation, legal proceeding or remedy may be instituted , continued or enforced, and such penalty,
forfeiture or punishment may be imposed, as if this Act had not been passed;
- (d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid; and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed, as if this Act had not been passed.

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

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

Provided further that the Market Committee functioning immediately before the commencement of this Act shall be deemed to be constituted for the first time under subsection (4) of section 12 and their members including the Chairman and vice-chairman shall hold office until new Committees set up under this Act are notified¹[***].

THE SCHEDULE

1. Wheat (Kanak)
2. Barley (Jau)
2. 2. Maize (Makki)
3. 3. Great Millet (Jowar)
4. 4. Siked Millet (Bajra)
5. 5. Paddy and Rice (Dhan and Chawal)
6. 6. Green and Kabli Gram (Chana Kala and Safaid))
7. 7. Green Gram (Munga)
8. 8. Black Gram (Mash)
9. 9. Phaseolus aconitifolius (Moth)
10. 10. Lentil (Massur)
11. 11. Indian Cloza (Sarson)
12. 12. Indian Rale (Toria)
13. 13. Rochet (tara Mira)
14. 14. Cotton Seed (Banaula)

15. 15. Ground-nut (Shelled and unshelled (Muna Phalli)
16. 16. Cotton (Ginned and unginned) (Kapas and Rui)
17. 17. Gluster Bean (Guara)
18. 18. Dry and Green Dooder (Suka and Subaz Chara)
19. 19. Potato (Alu)
20. 20. Sweet Potato (Shakarkandi)
21. 21. Onion Dry (Piaz Khushak)
22. 22. Arum (Arvi)
23. 23. Cauli Flower (Phull Gobi)
24. 24. Cabbage (Band Gobi)
25. 25. Carot (Gajjar)
26. 26. Radish (Muli)
27. 27. Turnip (Shalgam)
28. 28. Tomato (Tamatar)
29. 29. Brinjal (Baingan)
30. 30. Lady Finger (Bhindi)
31. 31. Peas Green (Matar Hara)
32. 32. Garlic Dry (Lashan Khushak)
33. 33. Orange (Malta)
34. 34. Chillies (Dry and Green) Mirach
35. 35. Gur
36. 36. Shakkar
37. 37. Khandsari
38. 38. Dry Peas (Mattar Khushak)
39. 39. Water Melon (Tarbuz)
40. 40. Wool (Oon)
41. 41. Bottle Gourd (Lauki)
42. 42. Pampkin rond (Ghia Kadu)
43. 43. Squash or Red gourd (Halwa Kadu)
44. 44. Bitter Gourd (Karela)
45. 45. Cow peas (Lobia)
46. 46. French Beans, Ramaha and soa Beans
47. 47. Long Melon (Tarr)
48. 48. Elephant Foot (Zimikand)

49. 49. Cucumber (Khira)
50. 50. Chappan Kadu
51. 51. Turmeric (Halid)
52. 52. Musk Melon (Kharbooza)
53. 53. Manot (Aam)
54. 54. Mandarin (Sangtra)
55. 55. Lime (Nimboo)
56. 56. Lemon (galgal and Khata)
57. 57. Apple (Saib)
58. 58. Guava (Amrud)
59. 59. Pear (Nashpati)
60. 60. Aar
61. 61. Sweet Lime (Mitha)
62. 62. Apricot (Khurmani)
63. 63. Plum (Alu Bukhara and Alucha)
64. 64. Peach (Aru)
65. 65. Litchi
66. 66. Sapota (Chikoo)
67. 67. Loquat
68. 68. Castaud Apple (Sharifa)
69. 69. Sag (Palak and Saron)
70. 70. Ginger (Adrak)
71. 71. Heena (Mehndi)
72. 72. Goat Hair
73. 73. Camel Hair
74. 74. Sesamum (Til)
75. 75. Baanana (Kela)
76. 76. Knnow
77. 77. Sweet Orange (Mousmbi)
78. 78. Amla
79. 79. Grampes (Angoor)
80. 80. Papaya (Papita)
81. 81. Musk Melon (Khakri)
82. 82. Ber

- 83. 83. Jaman
- 84. 84. Spong Gourd (Ghia tori)
- 85. 85. Rat-Til Radish (Moongre
- 86. 86. Fenu Green (Mathi)
- 87. 87. Colocasia (Kachalu)
- 88. 88. Bhean
- 89. 89. Beet-Root
- 90. 90. Onion Green
- 91. 91. Coriander Green (Hara Dhania)
- 92. 92. Gram Rawa (Chholia)
- 93. 93. Mint (Podina)
- 94. 94. Sweet Peper (Simla Mirch)
- 95. 95. Pigenopea (Arhar)
- 96. 96. Linseed (Alsi)
- 97. 97. Maize Cob (Makki di Chhali)
- 98. 98. Egyptian clover (Barseem)
- 99. 99. Indian clover (Serji)
- 100. 100. Indian Mustard (Raya)
- 101. 101. Cress/Gardencress (Hallon
- 102. 102. Oats (Javi)
- 103. 103. Sunflower Seed