



Government of Bombay

Report of the Expert Committee  
on the Review of the Bombay  
Agricultural Produce Markets  
Act, 1939

BOMBAY

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## CHAPTER I

### INTRODUCTION

#### Introductory

The Indian Central Cotton Committee reported in 1919, that the cultivator was heavily handicapped in securing an adequate price for his produce, and that, one of the most satisfactory ways in which his difficulties could be removed was the establishment of regulated market for cotton. The Government of Bombay, therefore, enacted the Bombay Cotton Markets Act, 1927, to control the marketing of cotton in some of the markets to be established under the Act.

2. In the following year, the Royal Commission on Agriculture in India examined the problem of agricultural marketing in greater detail, and came to the conclusion that "the importance of properly organised markets lies not in the obligation they fulfil, but in their reactions upon production." It was particularly impressed by the objects of the Bombay Cotton Markets Act as enumerated in the "statement of objects and reasons", viz., to secure to the cultivator "better prices, fair weightments, and freedom from illegal deductions." The Commission was of the view that "if the establishment of regulated market can secure this in respect of cotton, it can do so equally well in respect of other products." It, therefore, commended the Bombay pattern of legislation, for being extended with minor adjustments to the whole field of agricultural marketing in the country. The idea behind the recommendations was that, to quote the Commission, "until the agriculturists realise that as a seller of produce, he must study the art of sale either as an individual or through combination with other producers, it is inevitable that he should come off second best in his contest with the highly specialised knowledge, and the vastly superior resources of those who purchase his produce." This view was shared by the Indian Central Banking Enquiry Committee, and the Bombay Provincial Banking Enquiry Committee made detailed recommendations on the question of regulation of markets, mainly on the lines of the Bombay Cotton Markets Act (Act XVII of 1927).

3. In pursuance of the recommendations of these committees, the Government of Bombay introduced in the Bombay Legislative Council, and later in the Bombay Legislative Assembly, in 1939, a Bill "to provide for proper regulation of buying and selling of agricultural produce and the establishment of markets for agricultural produce." The legislation was later enacted as the Bombay Agricultural Produce Markets Act, 1939. Since then, the Act and the Rules framed thereunder have been amended from time to time in the

light of their operation, and the recommendations of Professor M. L. Dantwala, who was requested to review the working of regulated markets, ascertain the difficulties experienced in the administration of the Act and recommend changes in the Act and the administrative machinery, if any.

### Appointment of the Committee

4. We were appointed to review the Bombay Agricultural Produce Markets Act, 1939, by the Government of Bombay, Development Department, under their Resolution No. PMA.-7255, dated the 22nd June 1955. The resolution is reproduced below :—

“Government is pleased to appoint an Expert Committee to review the working of the Bombay Agricultural Produce Markets Act, 1939, the Bombay Agricultural Produce Markets Rules, 1941, and the Bye-laws made thereunder, and to suggest amendments to them. The Committee shall consist of the following :—

- (1) Dr. T. G. Shirname,  
Director of Agriculture, Bombay State, Poona—Chairman.
- (2) Shri F. N. Rana, I.A.S.,  
Registrar of Co-operative Societies and Director of Agricultural Marketing and Rural Finance, Bombay State, Poona.
- (3) Shri B. A. Patil,  
Chief Marketing Officer and Joint Registrar, Co-operative Societies, Bombay State, Poona—Member-Secretary.
- (4) Shri G. M. Laud,  
Ex-President, Bombay State Co-operative Marketing Society—Member.
- (5) Shri Arjun Lala, M.L.C.,  
Chairman, Central Advisory Committee of Regulated Markets of Gujerat, Ahmedabad—Member.
- (6) Shri D. S. Desai, M.L.A.,  
Chairman, Central Advisory Committee of Regulated Markets of Maharashtra—Member.
- (7) Shri C. S. Hulkoti, M.L.A., Gadag—Member.

2. The terms of reference to the Committee should be—

(1) To review the operation of the Bombay Agricultural Produce Markets Act, 1939 and the Bombay Agricultural Produce Markets Rules, 1941.

(2) To suggest modifications and additions to the existing provisions of the Act and Rules, if necessary, with a view to making the provisions of the Act and Rules more effective, comprehensive and simple as far as possible.

(3) To examine whether a separate Act is necessary for commercial and non-commercial crops.

(4) To suggest whether it is necessary to bring the terminal markets within the purview of the Act.

3. The Chairman may allow some of the members to visit markets in the Hyderabad State to study the working of agricultural markets there.

4. The Committee is requested to submit its report within a period of three months.

5. The non-official members of the Committee should be entitled to travelling allowance and daily allowance in accordance with scale I in Rule 1(i)(b) in Section I of Appendix XLII-A in the Bombay Civil Services Rules Manual, Volume II, as amended from time to time.

6. The expenditure on this account should be met from the sanctioned grants under '42-Co-operation' during the current financial year."

### **Terms of Reference**

5. We beg to point out that our terms of reference are almost the same as those which were the subject of the previous enquiry except in respect of two important questions, viz., the necessity or otherwise of a separate legislation for commercial and non-commercial crops and the inclusion or non-inclusion of the terminal markets within the purview of the Act. In the main, our enquiry is confined to the processes associated with buying and selling within the market of agricultural produce which is but one link in the long chain of marketing. It is, however, the basis for tackling the larger problems of the agricultural industry. In addressing ourselves to this task, we have taken due note of the intentions of Government behind the legislation. These were ably expressed by the late Honourable Minister, Shri A. B. Latthe, the then Finance Minister of Bombay, while introducing the Bill in the Council. He said, "There are other things which the State can do by legislative measures and the Marketing Bill is the basis on which those efforts of the State to secure the agriculturist better price for his produce, will be based."

### **Programme of Enquiry**

6. According to the Government Resolution regarding our appointment, we were required to submit our report within a period of three months. At the first meeting of the Committee held on the 1st August 1955, we felt that the scope of enquiry was such as to demand more time. Accordingly, we requested Government to extend the

period of our enquiry up to 15th November 1955. Similarly, we felt that it would be necessary to study the regulation of markets in Madras State, so that we should have a complete picture of the three patterns of market regulation. This was considered desirable because the market area in Hyderabad is limited to a few milés, while that in Madras, it extends over a district, with Bombay choosing a golden mean. Government was pleased to accept both of our requests. As the enquiry proceeded, pre-occupation of some of us with their official and legislative duties upset the time-table and we were obliged to seek a fresh extension until 10th December 1955.

7. At our first meeting held on the 1st August 1955, we finalised the questionnaire to be issued to the Chairmen of Regulated Markets, important marketing societies, and traders' organisations working in the areas with a view to ascertaining their views on the working of the legislation and eliciting suggestions for achieving the objectives of the law. The questionnaire has been attached as Appendices 1 and 2. In addition, we sent the questionnaire to prominent persons including the members of the Bombay Legislature, interested in the problem and to officers of the Co-operative Department and to commercial bodies in Bombay State. We also drew a list of individuals and institutions who should be requested to give oral evidence. The lists of persons and institutions who responded to our requests are given in Appendices 3 and 4.

### **Study tours**

8. The Chairman and four members visited Nanded and Nizamabad markets in Hyderabad State, and Villupuram and Tindivanam markets in South Arcot district of Madras State, from 23rd August to 1st September 1955. During this tour, we held discussions with the members of the market committees and Superintendents of Regulated Markets, as well as Officers of the Marketing Departments of the two States and other interests in the Markets and were able to study the progress of regulated markets in the two neighbouring States. We had also discussions with the Chief Marketing Officer of Hyderabad and the State Marketing Officer of Madras State, about the administrative set-up of their departments and about the practical difficulties experienced by them in the administration of the Act. We had also the benefit of the views of the Collectors of Nanded and Nizamabad districts in Hyderabad State and of the former Chief Marketing Officer of the Madras State. Shri B. A. Patil, Member-Secretary, visited the Gulburga market in Hyderabad State and studied the layout of the market yard which has been acknowledged as a model by several committees. Appendices 5 and 6 give a broad idea of the working of the Hyderabad Markets (Amendment) Act of 1950 and the Madras Commercial Crops Markets Act of 1933.

9. On return from Madras, we visited important markets in the Bombay State from 19th September to 4th October 1955. These included Broach, Ahmedabad from the Gujarat Division, Dhulia and Kopergaon from North Deccan, Sangli and Kolhapur from South Deccan and Gadag and Hubli from Karnatak Division. A note on the working of these markets has been given in Appendix 7. At these places we also recorded oral evidence of the representatives of Market Committees as well as their secretaries, traders and other persons interested in regulated markets, in order to supplement the information already elicited through the memoranda. The members also had an opportunity of discussing the problem with the Regional Advisory Committees of Regulated Markets at Ahmedabad and Hubli and with the Collectors at Broach and Kolhapur. Some of the members of the Bombay Legislatures also gave oral evidence on the working of the Act and acquainted us with the problem underlying the future regulation of tobacco trade. Throughout our enquiry, the response from those interested in the market regulation was gratifying and the evidence and information received from them was voluminous. Out of 101 Market Committees to which the questionnaire was issued, 87 responded, while 21 traders' associations acquainted the Committee with their viewpoints.

#### **Meetings.**

10. We met for considering the proposals made to us by individuals and institutions, and to discuss our findings on five occasions between the 14th September to 17 November 1955. The draft report was considered and approved at our meeting held on 21st December 1955. We regret to record that we had not the benefit of advice of our valued colleague, Shri D. S. Desai, M.L.A., who could not attend any of our meetings and accompany us in any of our tours. The report and the recommendations, therefore, do not reflect his views.

#### **Acknowledgements and thanks.**

11. We take this opportunity of expressing our sincere thanks to Shri M. Fariduddin, Chief Marketing Officer, Hyderabad and his staff, especially, Shri D. R. Joshi, Assistant Chief Marketing Officer, Hyderabad, and Shri V. Satgopan, State Marketing Officer, Madras State. We record our warm appreciation of the courtesy and hospitality, extended to us by them in all places which we visited in the course of our enquiry and for the facilities they provided us for the purpose of studying on the spot the pattern and working of the representative regulated markets in their States. We also thank the representatives of the Market Committees, the co-operative organisations, and the merchants' associations and large number of individuals, official and non-official, including the members of the Bombay Legislatures, associated and interested in the regulation of markets in Bombay State who responded to our requests and gave us the benefit of their



views on the problems which were the subject matter of our enquiry. We are also thankful to Shri B. A. Patil, Member-Secretary and Chief Marketing Officer and Joint Registrar, Co-operative Societies, Bombay State, Poona and his staff, more especially; Shri Y. A. Pradhan, Marketing Inspector, attached to his Office for the excellent arrangements they made for facilitating the conduct of our enquiry, and for the supply of voluminous information regarding regulated markets in the State.

12. The members of the Committee wish to place on record their warm appreciation for the way in which the Chairman, Dr. T. G. Shirname, guided the deliberations of the Committee and gave them the benefit of his long experience as the first Chief Marketing Officer of Bombay State, and later, Agricultural Marketing Adviser to the Government of India in the field of market regulation. We also place on record the very valuable assistance rendered by our colleague, Shri G. M. Laud, in preparing the final draft of the report and in making available at every stage of the working of the Committee, his long and valuable experience, in co-operative marketing trade and commerce in terminal markets like Bombay, and journalism.

## CHAPTER II.

## OPERATION OF THE ACT.

**Early History.**

13. Prior to the dawn of the twentieth century, conditions of self-sufficiency prevailed over the greater part of the country. With the advent of the British rule, in India, increasing attention was paid to the establishment of peace within the country, and security on its border as well as to the improvement of communications which stimulated production and facilitated distribution on a wider scale.\* The history records that when the Suez Canal was opened in 1869, India's exports were valued at Rs. 80 crores. In the internal trade, fairs and village bazars, however, continued to play a prominent part in agricultural marketing though a few produce exchanges later came into existence in the more important trade centres. Each market was, however, left free to initiate and develop its own trade practices and the agricultural producers had no voice in their determination even though they were the victims. The establishment of markets and fairs without any regulation was, however, the source of dispute between the owners of the land on which new markets sprang up and these even threatened peace and caused serious inconvenience to the frequenters of such markets and fairs. The Government of Bombay, therefore, enacted in 1862, the Markets and Fairs Act, whereunder no one was allowed to attempt to establish a new market or fair without the permission of the District Magistrate. It might, however, be noted that the Act has nothing to do with the regulation of trade practices, but is purely designed to maintain law and order. The Bombay Municipal Boroughs Act, 1925, empowers the municipalities to regulate markets, sale of food, etc.; but these regulations have been designed mainly from the point of preservation of sanitation and health. Consequently regulation of markets for evolving sound trade practices, fair to the producer and the trader as well as to the consumer, were not evolved by any of the laws, prior to the Bombay Cotton Markets Act, 1927.

14. It was in 1927 that the Government of Bombay enacted the Bombay Cotton Markets Act with a view to regulate the business in cotton. But the real impetus to market regulation was provided by the Royal Commission on Agriculture in India in 1928. "The prosperity of the agriculturists and the success of any policy of general agricultural improvement," observed the Commission "depend to a very large degree on the facilities which the agricultural community has at its disposal for marketing to the best advantage as much of its produce as is surplus to its own requirements." It also described the conditions obtaining in some of the markets in that year. Of particular interest is its reference about the marketing of cotton in Khandesh. According to its report, the commonest method

of sale was in the village to the visiting trader or more rarely to a resident trader often financed by ginneries and by the brokers known as Adayas. A considerable number of cultivators sold their produce in the larger markets, the proportion being much higher in West than in East Khandesh. The system of sales adopted in the markets was everywhere much the same. The carts collected in the morning the broker showed samples to the merchants, bids were made secretly between them under a cloth and the seller accepted the rates fixed. These samples consisted of as much as five to eight seers from each cart, whether invariably regarded as the pre-requisite of the merchant, whether or not, the sale was effected. No memorandum was given to the seller at this stage. The carts were then removed to the ginning factories where weighment and often the real bargaining took place. Allowances were frequently claimed on the ground that cotton was not up to sample or was damp or had a low ginning percentage. Such claims were made after weighment was begun, and the cultivator had usually no option but to accept the new rate. A memorandum of the weight and rate was given to the cultivator and it was on this that payment was made. Sellers in almost all markets were compelled to employ a broker and could not sell direct. In a few markets, brokers acted both for buyers and sellers. The system adopted for paying the men employed to weigh the cotton varied greatly from market to market. The charges levied also differed from market to market. A fixed allowance of five seers per cart was also taken by buyers representing a loss to the seller from Re. 1 to Rs. 2½. The greater use of the market was not made because of the disputes which arose after weighment had commenced in regard to the rate, and because of arbitrary deductions from the weight.

15. The Bombay Provincial Banking Enquiry Committee has dealt with the conditions of agricultural marketing in the State during the thirties in a greater detail. The Committee observes, 'At the most important centres for perishable crops such as Bombay, Poona, Surat and Ahmedabad, the trade is in the hands of merchants and brokers who are efficient but whose methods of business are capable of improvement in the interest of both the consumer and producer. Having a monopoly of business, they are not anxious to make much improvement. Though some of them belong to the agricultural class, their sympathies are with the whole sale or retail merchants rather than with the producer. Fruits and vegetables are the two principal classes which constitute the perishable crop for the farmer. Mango is one of the most important and most extensively used fruit in the Province. The baskets are despatched to Bombay through an agent. They are handled roughly in transshipment and as much as 20 per cent. of the fruit is often found to be damaged. The commission agent sells baskets to the wholesale or retail merchants, price being fixed by negotiations under a cloth. The agent then sends the proceeds realised by him to the contractor,

after deducting his own commission. It is estimated that out of the price the consumer pays for the ripe fruit, nearly two-thirds covers the damage, expenses and the contractor's profits and only one-third is received by the grower. The process for marketing other fruits such as oranges, grapes and figs is not materially different. As regards vegetables, the business is sometimes concentrated in the hands of a few persons. It may be mentioned that at Poona, which is the market centre for potatoes grown in nearly ten thousand acres in the district, the business to sell on commission is in the hands of half a dozen persons only. Prices in the case of potatoes are negotiated between the commission agent and the buyer under cloth. In the case of other vegetables, no uniform practice is followed for fixing the price at different market centres."

16. In regard to the marketing of gul, the Committee states, "The agriculturist brings gul to the market in his own cart and places it in the custody of the commission agent who passes a receipt for the same. It is not customary for the agriculturist to be present at the time of sale. Usually, the agent is the moneylender and frequently a wholesale dealer as well. Agents of the seller and the purchaser may or may not be different persons. Sales are ordinarily effected by public auction, and by cartloads. Shops of certain commission agents are taken up for holding auctions one after another, and the agents of the intending buyers go on fixed days to the shops where the auctions take place. Usually a commission agent gets his turn for auction only once a week. Before auction, there is a rough kind of grading by the agent. After it is sold by auction, the purchaser's agent, whether or not he is a seller's agent also, takes delivery of gul according to the conditions of the bids, and either stocks it locally, or, if the commodity is purchased for an upcountry buyer, arranges to despatch it after packing every lump of gul in a gunny cloth sewn with gunny string. The period of credit allowed to the purchaser varies from 8 to 14 days in different centres. An agriculturist who wants money earlier has to pay interest on their drawings at 12 per cent. If he is a debtor, the sale proceeds of the gul are credited to his account, and the surplus, if any, is given to him in cash. The buying unit of weight also differs, it being 250 lbs. for a palla of 240 lbs. at Kopergaon and Belapur (Ahmednagar district), and 205 lbs. for and Atki of 200 lbs. at Baramati (Poona district) and about 290-7/8 lbs. for a Goni of 290 lbs. at Sankeshwar (Belgaum district). Commission and other charges also vary at different centres; at Kopergaon and Belapur, they are the highest and at Sankeshwar the lowest. At Sankeshwar and Belapur, the gul is sometimes purchased on the agriculturist's field by petty merchants who sell the same in the market."

Legislation for establishment of regulated markets.

17. Encouraged by the recommendations of the Royal Commission on Agriculture, and the Bombay Provincial Banking Enquiry Committee, and fortified by the experience of the working of the Bombay

Cotton Markets Act, 1927, the Government of Bombay decided in 1939 to enact the Bombay Agricultural Produce Markets Act, with the avowed object of securing the best possible price to which the agriculturist was entitled after defraying the legitimate expenses of marketing and after taking into account the price that could be realised for the same quality of produce in the terminal market. The main object of the Act, to quote Shri Latthe, the then Finance Minister, who moved the Bill was, "to see that the agriculturist who takes his produce to the market is dealt with fairly, the dalal or the broker who stands between the agriculturist and the purchaser or the purchaser himself should not gain the unfair advantage over the agriculturist". The Statement of Objects and Reasons explained that "power is taken to exercise control over the purchase and sale of agricultural produce in specified areas. This control will be exercised by the Market Committees constituted under the Act. These Committees are made a body corporate and are given power to levy fees and to form a market committee fund to be used for the purpose defined in the Bill. All trade allowances except those that may be prescribed by rules or bye-laws of the Market Committee are prohibited. Suitable provision has been made for supersession of incompetent or defaulting Market Committees and for the disposal of their assets. Trials of offences under the Bill are also regulated." Shri Latthe also assured the legislature during the discussion that "The Market Committee will refuse to licence people who want to create mischief."

18. The Bombay Agricultural Produce Markets Act was brought into force with effect from 2nd November 1939 and the Rules under the Act were framed and finally promulgated in June 1941. The provisions of the Act, Rules and the Bye-laws have this avowed objective of establishing equity in the bargaining power between the agriculturists and the merchants, promoting mutual confidence, preventing malpractices and giving a fairdeal to the farmers. With these objects in view, the legislation has sought to regulate the various features of agricultural marketing in regulated markets. The broad features are :—

- (1) Clear definition of market charges, reduction of excessive charges and prohibition of unauthorised additions to them ;
- (2) Regulation of market practices ;
- (3) Licensing of market functionaries including buyers, brokers and weighmen ;
- (4) Use of standard weights and measures only ;
- (5) Arrangements for settlement of disputes regarding quality, weighment, deductions etc.;
- (6) Sale by open auction or open agreement ;

- (7) Appointment of Market Committee fully representative of growers, traders, local authorities and Government ;
- (8) Arrangement for the display of reliable and up-to-date market information in the market yard ; and
- (9) Control by the Government over the markets and Market Committees.

### Plan for Market Regulation.

19. Following the enactment of the legislation, the Cotton Markets Act, 1927, was repealed and the seven cotton markets *viz.*, Dhulia, Dondaiche, Jalgaon, Amalner, Bailhongal, Bijapur and Baramati, regulated under this Act were deemed to be markets regulated under the new Act. It was, however, realised that no progress in regulation of markets was possible without undertaking marketing surveys of commodities proposed to be brought within the purview of regulation. Accordingly, preliminary surveys were undertaken by the Marketing Staff under the directions of the Chief Marketing Officer. The time involved in completing these surveys as well as the disturbed conditions during the war period, lack of experience in regulation of markets, and opposition from the vested interests might be mentioned as some of the factors which contributed to the slow progress of market regulation during 1939-46. The Post-War Reconstruction Scheme, however, provided for the establishment of a chain of regulated markets, side by side with the development of co-operative marketing, for a number of agricultural commodities, in major trade centres. The Scheme envisaged the establishment of 33 regulated markets in areas taken up for concentrated rural development, *viz.*, Satara, Sholapur, Poona, Ahmednagar, Ratnagiri, Belgaum and Surat, within the first five-years of the post-war period.

20. The plan was followed up till September 1947, when under the orders of Government it was revised so as to establish a network of regulated markets all over the State. According to the revised plan for the period ending 31st March 1952, it was proposed to bring under regulation as many as 110 major markets as against only 23 as on 1st September 1947. The programme was, however, disturbed by the continuance of shortages of agricultural commodities and the resultant sellers' market and Government controls. Administrative difficulties were further aggravated as a result of the merger of the former princely States in Bombay State. In view of the new problems, Government appointed on the 19th August 1950 Prof. M. L. Dantwala for enquiring into the working of the regulated markets in the State. He recommended that consolidation of the gains accrued under the Act should be given a priority over the expansion of the regulated markets. Government, therefore, passed orders for consolidation of the working of the then existing markets. The post-war plan in the closing stage was, however, dovetailed into the first National Five-Year Plan, and the State's

Five-Year Plan, 1951-1956, contemplates the establishment of 147 regulated markets by 31st March 1956. Government hopes that at the end of the Second Five-Year Plan as many as 171 major assembling markets and about 106 minor assembling markets will be brought within the purview of the Act. This would mean that all the markets which can be regulated on an economic basis will be covered by the legislation. Appendix 8 gives a list of markets which are already regulated, markets which are proposed to be regulated, and others being of an uneconomic size cannot be regulated.

### **Features of the State's Agricultural Economy.**

21. The Bombay State stretches along with West Coast of India from Gujerat in the North to Karnatak in the South and covers an area of 1,11,434 square miles. Though the rich plains of Gujerat flow the Narmada and the Tapi the waters of which have yet to be utilised. To the South of Bombay City, the State is divided by the Western Ghats running parallel to the coast. Above the Ghats are the Deccan districts and further South the Karnatak region. On the Western side of the Ghats is the Konkan which is a rice growing tract. Divided into 28 districts, Bombay is the most urbanised State in the country, and as such, has a relatively larger concentration of the middle and upper income groups, than that in any other State. In spite of these distinguishing features and the industrial development of the two large cities,—Greater Bombay and Ahmedabad, the marketing area is predominantly agricultural. The State has a population of approximately 36 million of which 69 per cent. is rural as against an all-India average of 73 per cent. and though the average per capita income is Rs. 14 more than the national average of Rs. 286, it is mainly because a third of the higher income groups in the country is located in the State. The fact, however, remains that out of an annual output of about Rs. 1,200 crores of the State, as much as 41 per cent. is derived from agriculture, livestock, forestry and fisheries. The bulk of the large scale industry is concentrated in big cities such as Bombay and Ahmedabad, and to a certain extent, Poona and Sholapur; but much of the industrial activity depends on the agricultural production within and around the State.

22. A major factor contributing to the expansion of trade and the development of organised markets, is a fairly efficient system of transport. The area is served by no less than three railways and the State Transport operates on all the national highways of some 1,440 miles in length and hard roads extended over 10,000 miles. It also operates on other roads which connect the villages with the neighbouring markets. Even prior to its entry in the business of transporting cargo, the private carriers had built up an elaborate organisation for transporting goods. Five ocean routes connect the port of Bombay with the world's major market. Greater Bombay is also the centre of coastal shipping and handles more than 40 per cent. of the country's entrepot trade. It is this superiority of the transport system,

accompanied by the establishment and development of organised markets in the upcountry towns, which has contributed to the successful marketing within the State of agricultural produces is not known; but that it is substantial is not denied.

23. The agricultural production of the State during 1951-52 has been estimated at Rs. 342 crores. We have no means to check this figure but it seems to be a reasonable one. Cereals and pulses account for a little over half the volume of the total agricultural output but this is not enough for the 36 million people of the State. Among the cash crops, seeds head the list with groundnut accounting for Rs. 28 crores and others, i.e. rape, mustard, linseed, sesamum and castorseed for about Rs. 4 crores. The next major crop is gul whose production has been placed at Rs. 32 crores, while cotton and tobacco, which are the important crops are valued at Rs. 19 and 16 crores respectively. It might be noted that 90 per cent. of the agricultural production, in terms of value, is claimed, by grain, seeds, cotton, gul and tobacco. They cannot be dislodged from this position even when it is judged on the basis of acreage under different crops. The net area sown in 1951-52 for which the latest data is available was 43.18 million acres.

24. The following table gives particulars regarding the area under different types of crops and their respective output during 1951-52 :—

*Statement showing the acreage under different crops during 1951-52,*

					Acres (in lakhs)	Total
1. Rice	...	...	...	...	310	
2. Wheat	...	...	...	...	159	
3. Jowar	...	...	...	...	11,25	
4. Bajri	...	...	...	...	662	
5. Other Cereals	...	...	...	...	284	
			Total, Cereals	...		25,40
6. Gram	...	...	...	...	74	
7. Mug	...	...	...	...	42	
8. Tur	...	...	...	...	68	
9. Udid	...	...	...	...	54	
10. Horse Gram	...	...	...	...	74	
11. Other Pulses	...	...	...	...	92	
			Total, Pulses	...		404
			Total, food grains	...		2944



					Acres (in lakhs)	Total
12. Cotton	...	...	...	...	384	
<i>Oilseeds—</i>						
13. Groundnut	...	...	...	...	301	
14. Other oilseeds	...	...	...	...	101	
Total, Oilseeds					...	402
15. Tobacco	...	...	...	...		18
16. Fodder	...	...	...	...		377
17. Fruits and Vegetables	...	...	...	...		33
18. Sugarcane	...	...	...	...		24
19. Condiments and Spices	...	...	...	...		38
20. Other crops	...	...	...	...		88
Gross cropped area					...	43,13
Food crops					...	30,52
Non-food crops					...	12,66

### Marketable Surplus.

25. The agriculturist raises food crops mainly for his own consumption. This is inevitable in a State where half the owner cultivators have holdings of less than five acres. But even then he has to satisfy his other daily needs. To finance it, he squeezes the surplus from the crop he raises and disposes it of in the market. In the case of cash crops he sells practically the whole of his produce. Owing to the vagaries of the monsoon which is the only source for watering 93.2 per cent. of the land under cultivation and a combination of other uncertainties, the agricultural output and the marketable surplus vary from year to year for the State as a whole, as between one region and the other and also in respect of individual farmers within a district, taluka or a village as well as individual commodities. As such no firm estimate can be had regarding the marketable surplus of the States' agricultural industry. The office of the Director of Agricultural Marketing has, however, framed certain estimates at our request on the basis of the marketing surveys conducted by its

market research staff in respect of different commodities. The data supplied by it is tabulated below :—

*Statement showing production and marketable surplus during 1951-52.*

Serial No.	Commodity.	Production.		Marketable Surplus		
		Tons in hundreds.)	Rupees (in lakhs.)	Tons (in hundreds.)	Rupees (in lakhs.)	
1	Rice	...	8,106	29,16	2,431	10,00
2	Wheat	...	2,380	8,64	1,428	5,16
3	Jowar	...	13,493	31,24	2,693	6,25
4	Bajri	...	5,538	14,63	1,107	2,92
5	Other Cereals	...	14,810	112,78	6,962	22,55
	Total Cereals	...	14,327	196,45	14,624	46,88
6	Gram	...	3,558	11,00	2,697	8,00
7	Mug	...	419	1,50	315	1,12
8	Tur	...	1,233	5,00	924	3,75
9	Udid	...	611	2,50	459	1,85
10	Horse gram	...	644	1,40	483	1,12
11	Other pulses	...	1,037	2,80	777	2,10
	Total pulses	...	7,502	14,20	5,655	17,94
	Total cereals and pulses	...	71,829	2,20,65	20,281	64,82
12	Cotton.	...	5,477 (bales)	19,47	5,225 (bales.)	18,49
13	Groundnut	...	5,238	28,38	4,453	24,04
14	Other oilseeds	...	507	3,28	431	2,79
	Total oilseeds	...	5,745	31,56	4,884	26,83
15	Tobacco	...	397	15,54	377	14,76
16	Fodder	...	.....	10,50	.....	10,00
17	Fruits and Vegetables	...	.....	.....	.....	.....
18	Sugarcane and sugar	...	6,661	32,37	5,995	29,13
19	Condiments and spices including chillies.	...	.....	9,50	.....	9,00
20	Miscellaneous crops like other fibres, dyes, etc.	...	N. A.	2,00	.....	1,50
of set	Grand Total	...	.....	3,41,79	.....	1,74,53

vat

### Volume of Trade.

26. From the above table it would appear that the marketable surplus in respect of agricultural produce of the Bombay State is not more than Rs. 175 crores per annum. The figure is inclusive of the surplus in respect of fruits and vegetables whose value may not exceed Rs. 10 crores. Thus the aggregate value of the surplus agricultural produce is about half of the State's output. This is made up of groundnut (Rs. 24 crores), Tobacco (Rs. 15 crores), gul (Rs. 29 crores), cotton (Rs. 18 crores), rice (Rs. 10 crores), wheat (Rs. 5 crores), jowar (Rs. 6 crores), bajri (Rs. 3 crores), gram (Rs. 8 crores), fruits and vegetables (Rs. 10 crores), condiments and spices (Rs. 9 crores), and cereals and pulses other than rice, wheat, jowar and bajri (Rs. 35 crores), seeds other than groundnut (Rs. 3 crores), and minor crops (Rs. 2 crores). The volume of trade in agricultural commodities is, however, substantially higher since the State is a major importer of agricultural produce including food and agricultural raw materials. Besides, the abovementioned estimate covers a limited field, inasmuch as, the Bombay Agricultural Produce Markets Act, 1939, defines agricultural produce so as to include "all produce of agriculture, horticulture and animal husbandry specified in the Schedule." If, therefore, the animal husbandry products, were to be taken into account, the total of "agricultural produce" grown and brought in the State, which is sought to be regulated, is worth not less than Rs. 300 crores. It is, however, well known that commodities change hands more than four times before they are sold to the retailer for being disposed of to the consumer; or to the manufacturer for being converted into finished goods or are exported. The problem of regulating the trade in "agricultural produce", which we have been asked to examine, thus affects directly the well being of some two and half crores of people in the State depending on agriculture for their livelihood, and indirectly the agriculturists in other States from which import needs are met. It also affects the traders who are engaged in agricultural marketing at the different stages.

### Progress of Commodity Regulation.

27. In order of importance eight agricultural commodities really constitute the crux of the problem of agricultural marketing, though others are by no means unimportant. The schedule of commodities regulated in 1939 covered 33 agricultural commodities, 11 types of fruits, 5 varieties of vegetables, grass and fodder and 9 animal husbandry products. The schedule was expanded in 1948 when the first expansion programme of market regulation was undertaken by the Government, and was further expanded in the following year. As a result, at present as many as 87 commodities have been brought within the purview of regulation. We are inclined to think that difficulties in connection with the administration of the Act, and its

regulation of markets have been aggravated to a certain extent ; as a result of the inclusion of a large number of commodities which have an insignificant role to play in the field of agricultural marketing. On the other hand, some of the more important crops which have been included in the schedule are not yet regulated. Thus, for instance, Peas are a regulated commodity in Broach market while Tobacco which accounts for nearly one-eighth of the State's marketable surplus has been left unregulated. Similarly, to our knowledge, there is no real market which exists for commodities like sannhemp, ambadi, coconut, ghee, milk, cashewnuts. These commodities are not regulated in any of the markets for the simple reason that there are no facilities for organised trading. Their regulation may be desirable in the larger context ; but it might be kept pending until the more important task of establishing a net-work of regulated markets for the main produce is accomplished.

### Progress of Market Regulation.

28. According to the Census Report, 1951, there are 493 towns in Bombay State of which 235 have municipalities. All the towns cannot be claimed to be suitable as markets nor can the presence of the municipality be considered as a criteria of an around development of a town from the point of agricultural marketing. At best it can be a fair estimate to presume that there can be one market for agricultural produce for every Taluka. Since the number of Talukas in this State is 302, it would be reasonable to assume that the market yards in this State cannot be less than that number. It may be that in certain tracts, there are two or more market yards per taluka ; but such cases are few. On the other hand, there are regions such as the Konkan where one taluka may not be able to support even one market yard. We are, therefore, inclined to accept the Government's estimate of 171 major assembling markets and 106 minor assembling markets worthy of being regulated in this State. So far 104 major market yards and 90 minor market yards have been regulated. From the point of bringing the markets within the purview of the Act, the progress achieved during the first 16 years, therefore, appears to be gratifying.

According to the data furnished by the Marketing Department, the agricultural produce sold in the regulated markets during 1953-54 was valued at Rs. 50 crores. From this, it would appear that whereas nearly three-fifths of the markets have been regulated, the agricultural produce marketed in these markets is only a third of the marketable surplus. The gap underlines the shortcomings of the markets and the Market Committees and the lack of co-operation of the market functionaries in the matter of making regulated markets a success.

### Market.

29. Though the Act is applicable to the whole of the market area, the regulated market functions only in the market yard and sub-yards. A good portion of the agricultural produce is sold in the villages and at the factories; but by and large there has been no control over these sales. Even within the market yards and sub-yards we found that the sales are not regulated as effectively as they should have been. The general policy has been to recognise the established market as the market yard with the result that in the case of several towns the market yard covers a very extensive area in which the merchants have enclosures and buildings, residential as well as for shops. According to the statement furnished to us, out of 180 market yards and sub-yards, only 10 can be considered to be market yards in the real sense of the term. Elsewhere it has not been possible for the Market Committee to supervise the operations of the market functionaries effectively or to keep a check on the processes involved in agricultural marketing. It is, therefore, no wonder that in most of the markets amenities for the benefit of the cultivators or traders are few, and there has been no appreciable improvement since the Act was brought into force. To this general statement there are certain notable exceptions. Thus, for instance, cattle trade at Patan and Shahada has been well regulated. Similarly, we were impressed by the working of the vegetable market at Ahmedabad. Regulation of trade in both these commodities is most difficult because of the nature of the trade. The State can, take legitimate pride in being a pioneer in regulating the trade in cattle, vegetables and fruits in the country. There are a few other market yards such as the one in Sangli which are functioning fairly efficiently. These individual successes only underline the potentialities of the benefits which a regulated market can bring to the producer as well as to the trader. On the other hand, there are extreme cases such as that of Broach, where a spacious market yard has remained deserted for the use of the cattle as a grazing ground.

### Methods of Sales.

30. One of the major objects of the Act is to regulate the methods of sales in regulated markets, specially in market yards. Rule 60(4) prescribes, that the price of agricultural produce brought into the market for sale shall be settled by open auction or by open agreement and not by secret signs; and no deductions shall be made from the agreed price of the consignment except for any authorised trade allowances. We, however, found that this rule is not scrupulously observed in every regulated market. The method of sale differs from market to market. In the case of Gul and Cereals, the sale is done by open auction; but in the case of groundnut and cotton, which are the most important crops, the method leaves much to be desired. The cotton market at Dhulia was the first one to be regulated.

the Bombay Cotton Markets Act, 1927, and has been in existence for well over 25 years. But we were shocked to find there that sales of cotton and groundnut are effected by the Hatta system. In the vegetable market at Ahmedabad the sales are no doubt effected by the system of open auction; but in the process, the essentials are sacrificed inasmuch as the bids are first struck by the Hatta system and are then followed by the open auction. Prof. Dantwala was apparently impressed by the fact that "the system of Hatta followed by open auction reduces the strain on the vocal chords of the brokers and their men, shortens the time in effecting sales and yet leaves opportunity for open bidding." We are, however, inclined to think that no trader would like to outbid the other when he knows that the bargain is almost struck.

31. In most of the markets in Karnatak, the method of sale is by open agreement and by sample. The system of open agreement has, however, given an opportunity to traders to combine and arbitrarily fix the prices at lower levels, thereby defeating the very purpose of a regulated market. We are of the view that whereas the Hatta system is dangerous to the smooth and efficient working of the market, the system of open agreement is not immune from the disadvantages which are associated with the former system. There are also other methods of sales which are in vogue in many of the regulated markets. We have been informed that in 15 markets, Moghum sales are carried on whereas N-sales are effected in as many as 19 markets. The report received from 28 markets confirms that forward sales are flourishing in the market areas. We are not, therefore, surprised that there is no check on the issue of sale slips to the agriculturists, or any scrutiny of such slips by the Market Committee. It is true that in certain major markets such as Kolhapur, Sangli and Gadag where the arrivals are very heavy, it is impossible to finish the sales on a particular day of the auction. The remedy lies, in our opinion, not in circumventing the sound rule of effecting sales by open auction, but in adjusting the technique which ensures speedier sales.

### **Weighment.**

32. Weighment is done usually in the market yards in respect of gul, cereals, vegetables and pulses. But in respect of cotton and groundnut, more often than not, this is done in ginneries and oil-mills on the ground that market yards are too small to permit weighment therein, and that weighment on the yard adds to the marketing cost which is ultimately to be borne by the producer. There is an element of truth in both the arguments; but it is equally true that this advice gives an opportunity to the buyer to circumvent the direct supervision of the Market Committee over the weighment and the ultimate settlement of the bargain. Several witnesses stated that the cultivator had practically no opportunity to complain against the dubious

methods when they were adopted after the goods reach the factories. Rule 67 requires that only licensed weighmen can weigh the produce. This is observed in all markets. These licensed weighmen work in rotation in order that one group of weighmen may not be permanently attached to one shop. We are, however, informed that in Broach the advantage was taken of the loophole in Rule 67(9) which seeks to debar persons in the service of another person from holding a weighman's licence. The court, however, interpreted the rule so as to mean that such a person can function as a weighman without holding a licence. Besides, the malpractices complained in respect of weighment, we understand, other types of malpractices also prevail in few markets. Thus, for instance, in Dhulia, according to some of the witnesses, the left-over after weighments is taken over by the buyer without paying for it, while in Baramati half a seer is added for every two Bhelis as an ex-gratia allowance.

### **Trade Allowances.**

33. Section 17 of the Bombay Agricultural Produce Markets Act prescribes that no trade allowance shall be permissible, except as prescribed by rules made under the Act or byelaws of the Market Committee. In several markets, however, no definite trade allowance has been fixed and traders have established their own practices in this respect. For instance, in Bagalkot, trade allowance is granted both for driage and moisture in respect of groundnut. In West Khandesh, several types of allowances are allowed in respect of quality, weights, and wrapping and the disputes in these respects are settled arbitrarily to the disadvantage of the producer.

### **Account of Sale and payment.**

34. Rule 61 prescribes that the Market Committee shall maintain a record of the account of each consignment of the agricultural produce brought in the market for sale. This record is generally maintained but its quality and usefulness leave much to be desired. The byelaw of the Market Committee prescribes that the payment must be made to the agriculturists as soon as the produce is weighed and the transaction completed. The evidence recorded gives an impression that this byelaw is generally observed. We, however, found that most of the payments are not made in cash but are adjusted against the accounts of the sellers which are stated to be running accounts. In other words, the byelaw is circumvented in good many markets by making book entries showing cash payments on the debit side and deposit receipts on the credit side. In not a few markets interest is charged if cash payments are made promptly. In the majority of markets, the sale proceeds are adjusted against the loans taken by the producer from the merchants. The main reason for circumventing the byelaw is that the commission agent has to extend credit to the buyer. The Act and the Rules do not provide for the regulation.

of payment either to the producer or against transactions between traders themselves and the bye-law insists on the payment being made in cash promptly to the agriculturists leaving the traders to decide between themselves the period of credit. Apart from a variety of conventions and understanding in respect of credit facilities which a trader can claim from another trade, their non-regulation has contributed to over-trading and imparted instability to the market and has, at the same time, given an impression, rightly or wrongly that the regulation is confined only to those aspects of the market which affect the producer directly.

### Market Charges

35. The principle of regulating market charges has been laid down in Rules 68 and 74, while the bye-laws of the Market Committee prescribe the details of the market charges payable by the seller. Prior to the enactment of the Act and establishment of regulated markets, merchants had evolved their own practices in this respect and the producer had no means of knowing the cost of marketing his produce. By and large, this practice had disappeared from the regulated markets in this State. The recognised market charges cover taxes and tolls, cess, commission or brokerage, cost of handling and weighing and expenses in respect of other items associated with the process of marketing. The unauthorised charges which are now eliminated in most of the regulated markets and have been drastically cut down in others ranged from Dharmadaya, Goshala, Temple Charges and educational charges to Karda, quality allowance, dhalta, weighmen allowance, sample charges and baisari, i.e., a certain quantity to sit upon for weighing the rest, etc. It is, however, not possible to frame an accurate estimate of the benefits accrued to the producer as a result. The evidence has, however, been produced by almost every Market Committee to prove that the burden of market charges has been reduced by anything between 20 and 50 per cent. as a result of the legislation. Appendix 9 gives a statement showing the details of the market charges payable by the seller and the buyer prior to the regulation of the market and now, in respect of three markets, one each from the three divisions in the State. This statement can by no means be considered representative, but is a fair indication of the probable benefits which the Act has conferred on the agriculturists. We are not, however, in a position to say whether this benefit has been offset by lowering the price in order to make good the loss by way of unauthorised charges in respect of those who were affected by the regulation of the market.

### Market Committee

36. At present the State has 104 regulated markets. The Market Committees manage 104 principal market yards and 90 sub-yards and are responsible for the management and supervision of regulated



markets subject to the provisions of the Act and Rules and their respective bye-laws. Section 6 of the Act prescribes that each Market Committee shall have 15 members, but Rule 4 gives the discretion to the Collector to fix the number of members. Out of the 15 members, 7 represent the agriculturists, 4 traders including one reserved for co-operative societies, and the remaining representatives of the local authorities and the Government.

37. The precise role of members nominated by the Government has not been defined, but we note from the statement of Honourable Shri Latthe in the Bombay Legislative Assembly during the discussions on the Bill, that the object was to enable the Committee "to prevent the combination of the traders". We are afraid that the objective has not been served by the present system of nomination. Normally the Government nominee is the Mamlatdar and the Marketing Inspector. Where a third representative is nominated, he is generally an influential non-official interested in rural development activity. The Marketing Inspector has, no doubt, been taking active interest in the affairs and the activities of the Market Committee, but his influence is limited by virtue of his subordinate position. The Mamlatdar, as a member of the Committee, has been found very useful where the person has been energetic and has the time to devote to the affairs of the Committee. In most of the Markets, however, it has been found impossible for the Mamlatdar even to attend the meetings of the Committee. Complaints were received by the Committee from the representatives of the several Market Committees that even where the Mamlatdar attended the meeting, he did not participate in the discussion or vote on any proposition. In effect the influence of Mamlatdar was only indirect and the decisions are generally taken by the elected representatives.

38. Even though the representatives of agriculturists have a majority, some of them are won over by the traders. Consequently the Market Committees have been generally found to be weak. In the case of 21 Market Committees traders' representative happens to be the Chairman and naturally such a person is likely to have a bias in favour of the market functionaries. Where the growers' representative is elected as a Chairman, he has been found to be generally weak for reasons which are obvious. On the top of this, the powers vested in Market Committees are limited and the procedure for bringing the offenders to book is so complicated that they are not generally inclined to take recourse to it. Where the Market Committees are strong, their relations with the traders are not cordial and the latter have resorted to strikes and boycotts resulting in total suspension of business for a period extending up to a month. A statement of the strikes resorted to in the various Markets since the promulgation of the Act has been given in Appendix 10. Another device adopted by traders to question the

authority of Market Committees or to impede their work otherwise is to resort to Court proceedings. Several provisions in the Act and the Rules have been challenged on grounds ranging from the citizen's right to trade under the Constitution of the legal impropriety, apart from suits challenging the competence of the Market Committee to take a particular decision. To avoid these consequences, the Market Committees have, as a rule, adopted a policy of effecting compromises and even the authorities are obliged to bless or initiate these settlements. We note with regret that the spirit of compromise on the part of the Market Committees and the Government authorities, is promoted mainly by their weakness; and as such it has failed to evoke the necessary co-operation from traders, who have only used the position in most cases to gain their own ends by threats and collective action.

39. This fundamental weakness of the machinery concerned with the administration of the Act and the day-to-day regulation of the Market has been primarily responsible for the shortcomings of the Regulated Markets in the Bombay State. Some of these have been referred to earlier, others have been dealt with in the following chapters. It might, however, be recorded here that the very essence of a regulated market, viz., the adoption of particular methods of sales and the settlement of disputes through the Market Committee, is by and large absent. While enacting the legislation the Government hoped that "the Market Committee will refuse the licences to persons who want to create a mischief". But we have come across a very few instances; almost negligible, where such an action was taken. We are not surprised at this, because in a Market Committee of 15, composed of organised representatives of financially strong traders, vacillating and weak representatives of the agriculturists, the apathetic representative of Municipality and the Government representatives adopting a neutral attitude it is almost impossible to have two-thirds majority of the total members to carry such a resolution. Even when it is carried, there is no guarantee that the Collector will approve it. And when this is done after going through the laborious process the suspension of the licence is not effective because the trader, who is penalized, can continue his unauthorised vocation without being penalized adequately.

### **Administrative Control**

40. The administrative control is divided between the Director of Agricultural Marketing and the Collector. In the day-to-day affairs of Market Committees, the Collector has got a greater voice than even the Director of Agricultural Marketing who is responsible for the success or failure of the legislation. As a rule, the Collector is overworked and has insufficient staff. Consequently he is not able to devote as much attention to the working of regulated

markets in his jurisdiction as he should have. Where he is enthusiastic, he has found himself in a helpless position because of the shortcomings of the legislation and the local influence, political and otherwise. Thus the hope that the highest authority in the district would, by its influence, association and powers, impart strength to the Market Committee has been frustrated, at the same time, the staff at the disposal of the Director of Agricultural Marketing has been so small, both in the districts and at the headquarters, that the official supervision of, and guidance to, the Market Committees, have left much to be desired.

### Resources

41. The Market Committee derives its income from the cess on agricultural produce, fees for licences issued to the market functionaries and other minor sources. The cess on agricultural produce, according to section 11, can be levied on produce "bought and sold by licensees in the market area". The rule 53, however, extends the facility of the levy to "produce brought and sold in the market area". As the law stands, this cess is payable by the agriculturists; but the trader acts as a collecting agent though there is no obligation on him to pay it to the Market Committee. As a result of this anomaly, there has been evasion of cess apart from the non-collection of cess on the produce sold outside the market yards. In regard to licence-fees, the evasion is confined to those engaged in unauthorised trading. This is, however, not to say that traders are willing to pay the fees. Some of them have, in the past, challenged the quantum of fees in courts. It was represented to us that the fees are excessive in as much as the receipts therefrom are higher than sales; but the reason for the anomaly is large-scale evasion of the cess and not the exorbitant licence-fees.

42. During the year ended August 31, 1954, 95 Market Committees had an income of Rs. 19,43,570 and an expenditure of Rs. 12,61,631, leaving a surplus of Rs. 6,84,920. Only 3 markets, which were started recently, worked at a deficit. This does not, however, mean that adequate expenditure is incurred by every Market Committee on their legitimate activities. The budget of every Market Committee is strictly controlled by the Chief Marketing Officer, who is the next Officer to the Director of Agricultural Marketing, and we found that while approving the budget, the approach is to ensure that each Market Committee manages its affairs within its means. The financial considerations have, therefore, set a limit to the ability of each Market Committee to provide amenities in the market yard. For the purpose of capital expenditure, the Market Committees are, no doubt, free to borrow from the Government, but the quantum of finance made available so far has been inadequate. During the past 16 years the amount of funds made available by the Government as loans to the Market Committees has been only Rs. 15,23,000 repayable in easy instalments and carrying 4½ per cent. interest

charges. In the current year, however, the position has improved appreciably and a sum of Rs. 17 lakhs has been sanctioned for the same purpose. These loans are meant for acquiring sites, construction of roads, buildings, etc. The details of such loans are given in Appendix 11. It might be noted here that in all cases, the payment of the annual instalment on account of the Government dues, has been regular. Equally satisfactory feature is that there has been no known case of misappropriation of funds of any Market Committee during the past 16 years.

#### **Amenities.**

43. The amenities to be provided by the Market Committee have been laid down in the Rules. These range from regulation of trading and the establishment of market yards to storage of agricultural produce, regulation of advances to agriculturists, provision of adulteration of agricultural produce, grading and standardisation, maintenance of daily lists of prices of different varieties of agricultural produce in respect of which the market is established. A statement on this subject appears in Appendix 12. From its perusal, it would appear that few markets have got even their own office buildings and still fewer have been able to provide the basic amenities. The only amenity that is provided by every Market Committee is light and water though the quality of both leaves much to be desired. Only five Market Committees have maintained a sale hall, while four have provided resting accommodation for the benefit of the agriculturists. In only eight market yards there is a cattle shed, but open space is provided for the parking of carts in all the yards. Six Market Committees have provided storage facility; but elsewhere the agriculturists, as a rule, depends on his commission agent for storing his produce pending its disposal.

44. The Market Committees display the prices prevailing in their markets and the terminal markets, on the Board in the market yards. We are, however, informed that the cultivators have not been able to take appreciable advantage of these facilities partly because of their ignorance and illiteracy, but mainly because they have no means to know the parity of prices prevailing between their market and terminal markets or the neighbouring ones. The Market Committees maintain records of the arrival of produce in their market yard, but not all of them display the data on the notice board, and in the markets we visited, we did not find the basic data regarding the acreage under the cultivation of a particular crop or about other factors, which influence the price in the market.

#### **Achievements and Shortcomings.**

45. The Act has been in force for the past 16 years; but some of the cotton markets were established prior to the enactment of the Bombay Agricultural Produce Markets Act. The two tangible

benefits, which the Act has conferred on the cultivator, are that he knows the exact price that he gets for his produce and the charges, which he has to pay as the cost of marketing. They are also satisfied that the weighments of their produce are now more fair. Trade allowances are fairly regulated and the tendency to adulterate is very much less. The monetary value of these benefits cannot be accurately assessed. From the data furnished to us by the Market Committees, we are inclined to concede that the farmer saves Rs. 3 per Rs. 100 worth of produce sold by him in a regulated market. The total annual sales in these markets amount to Rs. 50 crores. On this basis we estimate that the Act puts Rs. 150 lakhs more in the pocket of the grower each year. Yet another gain which has accrued to the farmer is that generally he gets the cash against sales if he insists on it. As a result of these benefits, there has been a greater awakening among the agricultural producers, who have become conscious of the benefits of regulation and are now more favourably inclined towards bringing their produce to regulated markets, especially market yards, where they have better opportunities for getting competitive and fair prices than elsewhere including the villages. We have also noticed that traders, as a class, have become conscious of their obligations under the Act, though they have not fully reconciled to the discipline imposed on them, as a result of the market being regulated. The general tendency among them has been to stick to the letter of the law, so long as there is no escape from it, but to evade or oppose it where that is possible by taking recourse to legal proceedings or by means of threats, strikes and boycotts. In the circumstances, the farmer is still not quite sure that his produce will be marketed in the market yard on a fair basis though the Act requires that no sale can be effected in the market proper at any place other than the market yard. The indiscipline and opposition to regulation, have been accompanied by connivance of evil practices and the anxiety on the part of Market Committees to effect compromises rather than face the opposition of the unsocial elements. Consequently, the Market Committees have failed to inspire confidence and create a feeling of authority in the markets. And on these weaknesses has been superimposed, the legally rigid, but ineffective, in practice, control and inefficient supervision on the part of the authorities, mainly for reasons beyond their control, of which the division of the authority between the Director of Agricultural Marketing and the Collector is one facet.

### A Sample.

46. A broad idea of the position can be had by having a glance at the working of the regulated market at Dhulia, which has been in existence for the last 25 years. It is one of the biggest Marketing Centres in the State for cotton and groundnut, and the Act has been applied to groundnut, cotton, wheat, jowar, bajri, udid, mug.

chola, chillies, gul and live-stock. The regulation of live-stock trade has not, however, been enforced so far. The market area is the whole of the Dhulia taluka; but the principal market yard is at Dhulia. The original market yard was acquired on lease in mid-1939 and additional land adjoining the yard was secured in February 1950. We, however, found that beyond the office and a small sale hall, there has been no construction on the yard, which has remained on open space without any shed for the cattle or resting place for the agriculturist. Even the land has not been developed and it remains marshy during the Monsoon. The carts start arriving at the market yard at night and dealings in cotton are done by Hatta system. In the case of groundnut the system of open agreement is resorted to, whereas in respect of other commodities, which are of minor importance open auction takes place. The system of weighment and delivery in market yard is enforced only in respect of minor commodities while an attempt is now being made for extending it to groundnut. But weighment and delivery of cotton, which is the main crop, are done in the compounds of ginneries. We are informed by the Chairman of the Market Committee that the marketing cost has been reduced by Rs. 4-6-6 per Rs. 100 worth of cotton and by Rs. 7-10-9 per Rs. 100 worth of groundnut as compared to the rates prevailing prior to regulation. Cotton and groundnut are stored, when they are not sold, in the compounds of the ginning factories and oil-mills, respectively. On an average about five per cent. of the cotton crop and about one per cent. of the groundnut crop have to be stored during the season for the lack of remunerative prices. No rent is charged for storage, but we are told that, the trader, in whose godown, the goods are stored, gets preference over others at the time of sale, because other traders are not generally inclined to encroach on his privilege. Storage facilities for food-grains are not available at all and the farmer is compelled to sell them as soon as he brings the produce to the market yard.

47. Facilities for transport of goods by road are fairly adequate, but the cost is higher, on the other hand, considerable difficulty is experienced in respect of securing wagons from the Railway. The market is served by eight banks, namely, the State Bank of India, four Joint-stock Banks, the Bombay State Co-operative Bank and two local urban banks. The rates of cotton and groundnut seed as well as oil, are obtained from Bombay by telegram and radio, and are posted on the Notice Board together with the local rates of the previous day. The daily arrivals are also displayed. The local Dailies and Weeklies also publish the market rates. Amalner and Malegaon markets, which are adjacent to Dhulia, also make available the prevailing rates on the telephone. Similarly, rates from Satana and Nardana Markets are obtained by post. All this information is made available both to the producers and the traders, either on the loud-speakers or by placing it on the notice board. The facilities provided in the market yard include wire fencing of the

yard, supply of electric light and services of a night-watchman, water-supply and latrines. According to the Committee, it has planned to construct more roads, improve the arrangement for drinking water, the supply of shed for weighment and storage, build godowns and instal electric motor pump for pumping water; but we find that no provision has been made so far for expenditure on some of the items.

### **Conclusions.**

48. Thus, though there has been a considerable improvement in the field of agricultural marketing from the intolerable and chaotic conditions obtaining in the State prior to the regulation of markets, there remains a big gap between what has been achieved so far and what the Act seeks to achieve. This gap is the sum total of the shortcomings to which we have referred to in the previous paragraphs. These arise mainly from (1) the establishment of ill-equipped markets under the Act, (2) the constitution of the Market Committees in a manner which leaves very little power and initiative in order to enable them to function effectively, provides insufficient resources in relation to the services expected of them, and assures of very little or no guidance from the Government or the much needed support in their effort to bring the recalcitrant element to book, (3) the presence of market functionaries who, accustomed to unrestricted freedom, have not yet reconciled to the spirit of the Act and still hope to counteract its repercussions on the strength of their collective influence, power and resources, (4) the loopholes in the Act, the Rules and the Bye-laws and the exclusion of the more important commodities and markets from their scope during the past 16 years, and (5) the division of administrative control between the Director of Agricultural Marketing who is assisted by inadequate staff to look after it and the Collector who, though already overburdened with multifarious duties, is expected, as the Government representative on the spot, to judge certain important actions of the Market Committee and bless or condemn them. We propose to discuss these aspects of the problem which is the subject-matter of our enquiry in the following chapters and make appropriate recommendations in the light of our findings.

### **Approach to the problem.**

49. Before undertaking this detailed examination, we wish to affirm here our faith in the legislation for the establishment of regulated markets, whose results can by no means be considered disproportionate to the effort made or in the context of the difficulties in the working of such a piece of complicated measure. At the same time, we feel it our duty to record that if the Act were to serve its purpose fully, it will have to be remodelled so that the State can have a net-work of healthy and well organised regulated markets managed efficiently by Market Committees so as to make

them fit in the larger policies and programmes of the Government for the agricultural development of the State and the prosperity of the countryside. To come up to this expectation, it would be necessary to create the necessary conditions both within the market and outside, especially in the office concerned with the supervision over them.

50. Though the detailed recommendations designed to create these conditions have been made in the following pages, we think that these would be properly appreciated if we deal here broadly with the approach with which we have addressed ourselves to the task. We are convinced that the success or failure of the Act and its ability to produce the desired results depend mainly on the Market Committee which is entrusted with the day-to-day regulation of the market. To raise it to this standard, the Committee must be strong and must be armed with powers necessary for enabling it to impose the discipline on those making use of the market. The administrative control over the Market Committee must be to the extent of ensuring that it does not misuse the powers to the detriment of one or the other section of the market. Furthermore, it must be such that the shortcomings of the Market Committee are made good by the authorities entrusted with the administration, by rendering to it timely advice and guidance and by providing the resources. It is only then that the imposition of discipline can be accompanied by the provision of the adequate services without which agricultural marketing cannot be arranged efficiently. This would involve a series of amendments of the Act and the Rules and the strengthening of the administrative machinery at the Government level as well as the provision of adequate funds for the development of the markets.

51. We are also of the view that the optimum results can be produced by this legislation, only when all the markets in the State including the terminal markets, (but not the retail markets) are brought within the scope of the Act. This must also be accompanied by standardisation and grading of the agricultural produce marketed in the different markets, including the villages, adequate facilities for the storage of goods, transport, communications and dissemination of market intelligence and by strict measures to impose discipline on all those making use of the market including the arrangements for payment and receipts on account of the dealings in the markets through the Market Committees. Some of these desirable steps may not be within the range of the practical possibility in the immediate future, and will, therefore, have to await a more favourable climate. But even for achieving limited results, it would be necessary to tighten the grip of the Market Committee and the administration at every stage of agricultural marketing, so that the agriculturist is no more held to ransom by those who can combine to conspire against him.



52. We are convinced that the strong link of traders, where it operates to the detriment of the primary producer, cannot be smashed even by strengthening the Market Committees or by legislative measures, so long as trading is a monopoly of a handful of persons, as is the case with the cotton market in Broach. The legislation can be effective only when a second force is created against such vested interests. The need for creating such a force is not so much to send the established trade channels to the wall, but to foster the growth of fair practices, for which healthy competition amongst traders is a pre-requisite. Such a force capable of neutralising the superiority of the powerful, organised and self-centered body of private commission agents and large scale buyers can only be had when there is a network of strong co-operative marketing organisations operating effectively in the villages, primary markets in the taluka towns, wholesale markets in the districts and in the terminal markets engaged in inter-State and export trades. The question as to how this can be done and how the different units within the co-operative marketing sector, can be best linked, in order to have the much desired, powerful, and strong machinery as a counterforce to the established trade channels is outside our terms of reference, except to the extent they operate like any private trader as licence-holders in regulated markets. We have refrained from dealing with this subject in its wider context, but we urge that its examination should not be postponed any more.

## CHAPTER III.

## REGULATION OF MARKETS.

**Market defined.**

53. The term 'market' is one of the most loosely used word in the marketing literature. The oxford Dictionary defines 'market' as 'gathering for sale of commodity or live-stock, space or building used for it, seat of or facilities for trade'. Section 2, sub-clause (4) of the Bombay Agricultural Produce Markets Act, 1939, has defined 'market' as 'a market established for the purposes of the Act'. Rule 2, sub-clause (8) further explains that 'market' includes 'market proper', a principal market yard and a sub-market yard, if any. These definitions are based on the usage or expediency. The more exact way to describe the 'market' would be to state that it is a trading area in which substantially homogeneous conditions of supply and demand are encouraged. This definition presupposes (1) free mobility of the product within a given area so that when the price in one part of the market is out of gear in relation to the other, there will be a movement into, or out of, that part from and to other parts and (2) easy communications among the potential buyers and sellers in the area so that each one of them has an access simultaneously to the market information etc. In other words, the law of one price must under normal conditions, operate throughout the area, subject of course to factors such as cost of transport. Within the market, i.e., the area comprising the market in the sense we have used the word, there may be different types of markets such as the local markets which are next to the door of the grower, primary wholesale markets where the commodity is brought in bulk and bought and sold in bulk and the retail markets where the commodity is sold to the consumer. Markets may also be classified according to the destination of the sale, i.e., the consumer, the local merchant and the processor, the wholesale buyer within the area who buys for export or despatch to the other state, or the consumer and the retail merchants in the terminal market.

**Markets in Bombay State.**

54. The markets in Bombay State fall in all these categories. The organisation operating in 1930 has been well described by the Bombay Provincial Banking Enquiry Committee and virtually the same pattern is obtained today. The Committee says: "The term 'market' is popularly applied only to village bazars and to village, town or city centres where crops of all kinds or of any particular kind are brought for sale. The weekly bazars or markets held at villages and towns, which are a common feature of the Deccan, the Karnatak and the Konkan are governed almost wholly by custom. If a weekly market is to be held in a new place, the District Magistrate's approval is necessary under the Markets and Fairs Act

(Bombay Act of 1862). At such bazars, sales are made direct to the purchasers and for cash. In some places, such as Poona, there is a special market for cattle, while markets for fodder, often well organised, are to be found in several towns. In Gujerat, there are generally no weekly bazars or organised markets. All the towns or villages, having ginning factories, serve as cotton markets. Sales of cotton take place in the compounds of ginning factories or in railway station yards. At most centres, there are no market places where buyers, brokers and sellers can meet; nor are their Market Committees or licensed brokers, regulations regarding conduct of sales, customary levies and such other matters. There are at certain places, associations of traders, brokers, etc., which try to see that the market practices and customs approved by them are enforced. The agriculturists are not represented on these Committees and associations". As regards the produce other than cotton, in the case of gur, the locality in a town or a city where the shops of wholesale merchants dealing in a particular commodity are situated constitute a market for that commodity. For other produce, there are special sites assigned for marketing. Commission agents negotiate with prospective buyers, samples are shown, prices fixed and bargains struck. "Sometimes agriculturists sell their standing crop of cotton, but such sales form a small percentage ..... Most of the transactions appear to be of the nature of forward sales, undertaken practically without any knowledge of the position of the cotton crop of the prices current in this country or in other parts of the world. Such sales are undertaken at times because the cultivator is in want of money and at times merely for the sake of speculation. As a rule, agriculturist sells seed cotton (kapas). In North Gujerat, in some cases, individuals agriculturists or groups of agriculturists sell their cotton after getting it ginned. The agriculturist generally likes to sell his cotton in the village rather than take it to a market".

#### **Case for regulation.**

55. The object of these markets is, and even traders do not deny it, to facilitate the marketing activity by providing fair opportunities both to the buyers and the sellers to strike the bargains and to complete transactions. The promotion of this object should, therefore, be as much the duty of the merchants as of the agriculturists. Where one is unable for one reason or the other to discharge his responsibility and where the other is anxious to exploit his rival's ignorance and helplessness, it is the avowed duty of the State to intervene and control unfair business and facilitate the fair one. The means with which the State can effectively intervene are the regulations under which those using the market are required to behave themselves and perform their functions and under which an authority is created to ensure that these regulations are strictly observed. Even in an unorganised market, traders have felt the need for evolving uniform practices for the conduct of their business, while in well organised markets in the more important cities they have felt the

need, in the absence of their inclusion within the scope of the Act, to adopt a set of rules for the conduct of their business under the auspices of their association.

56. We refer to this particular aspect with the object of emphasising that even the traders would not like to have the chaotic conditions in the market where under the weakest among them can easily be exploited by the strong and unscrupulous. To avoid this, they have voluntarily seized the initiative for imposing restrictions on themselves and in surrendering their freedom to their association which is expected to hold an even scale between the various sections of the traders. During the past decade, these traders in organised markets have gone a step further in submitting the working of their own association to the supervision and control of Government. This is because they have found by experience that an association run on a democratic basis is liable to be controlled by one section or the other of the traders and might, in that event, act in a manner prejudicial to the interests of the minority. The intervention of the impartial authority at the highest level for the purpose of holding scales even has, therefore, become an accepted practice in this country and more especially in the Bombay State.

57. If the case for Government supervision and control is considered strong by traders in markets where they have to deal between themselves only, it becomes all the more stronger in markets where traders have to deal with non-traders. In the primary markets, the agriculturists bring the produce for sale and it is here that the conflict of interest between the producer as seller and the trader as a buyer becomes acute. This conflict is superimposed on the conflicting interest of the different types of traders themselves. In these markets, therefore, the need for the creation of an agency which can create confidence among both the traders and the agriculturists, promote fair practices and assure a square deal to all the users of the market, becomes obvious. Such an agency must not only have the authority but must also be supervised and controlled by the Government under whose directions it has to work if it were to come up to all these expectations.

58. The appreciation of these requirements is necessary, in our opinion, because, the traders in these markets have not yet fully reconciled to the Act, have spared no efforts to find the loopholes in the legislation in order to escape from the obligations instead of accepting the spirit underlying it. Our attention has been drawn to several cases which have been filed in the courts by traders challenging the validity of the Act on the ground that it is opposed to the fundamental rights as laid down under Article XIV to XIX of the Constitution of India and that it is discriminatory. Similar complaints have also been made by traders in other states. The Madras Commercial Crops Markets Act, 1933, was recently challenged by certain

traders on similar grounds, and it was contended by the applicants that the Act and the Rules encroached on the right of the citizens to carry on trade and were opposed to Article 286 and 301 of the Constitution. Some of the cases are subjudice and while we refrain from commenting on their merits, we have come to the conclusion that it is no use leaving the regulation of the markets to the good sense to those who make its use. *We, therefore, recommend that the necessary precaution should be taken while amending the legislation and the Rules and these should be strictly enforced.*

### Objectives.

59. In providing the machinery for regulation and choosing the method of regulation, certain essential features will have to be taken into account. Firstly, marketing is a complicated business which can only be handled by experts and until the agriculturists are able by their own individual efforts, or through the combination, to handle this delicate business, the effort must be directed towards making the existing market functionaries function to the greater advantage of the producer rather than driving them out of the trade. Even in a perfect market, controlled by the producers, it may be necessary to retain many of the existing functionaries unless and until the social order is itself changed radically. The conception of market regulation has, therefore, to be based on this fundamental truism. Secondly, the agricultural marketing covers a variety of stages from the time the commodity leaves the field to the stage when it reaches the consumer. If the market were to function smoothly and efficiently, it must have a firm grip over the wide range of the activity covering all these stages. A logical corollary of this is that the market must provide facilities for trading, regulate them on an equitable basis, facilitate the settlement of disputes arising from the trading activity without driving the parties to protracted litigation in the courts and place at the disposal of the buyer and the seller a mechanism with which bargains can be made and completed without causing any loss to one or the other. Thirdly, the market should be in a position to provide ancillary facilities such as godowns, communication, transport and credit and where it has not the means or power to make them available, it must try to secure them from, or with the help of, other agencies.

60. The idea underlying the regulation of markets is, therefore, even wider than the conception of a normal market. The Royal Commission on Agriculture pertinently observed : " Well regulated markets create in the mind of the cultivator a feeling of confidence and of receiving a fairplay and this is the mood in which he is most ready to accept the new ideas and to strive to improve his agricultural practice. Unless the cultivator can be certain of securing adequate value for the quality and purity of his produce, the effort required for an improvement in these will not be forthcoming." Moreover,

“the establishment of properly regulated markets should act as a powerful agent in bringing about a reform which is much needed primarily in the interests of the cultivator and secondarily in that of all engaged in trade and commerce in India”. It also thought that “the regulated markets should prove a most useful channel for the propaganda work of the Agricultural Departments..... We think that a valuable stimulus to thrift would be given if, in every important market, an office of a co-operative credit society receiving deposits or, where this is not feasible, a branch of post-office savings bank were opened..... The possibilities offered by regulated markets for the extension of banking business generally will no doubt receive due attention from the joint stock banking companies.”

### Choice of Markets.

61. A point on which the opinion is divided relates to the nature of the market. Conflicting views were expressed on the question as to whether a particular market should cover all commodities or whether there should be separate markets for different commodities. As a policy it would be conducive to the efficiency of the market if all regulated commodities are subjected to the control of one and the same market authority. But the technique of marketing and the agencies engaged both in selling and buying the commodities may not be the same. This may not cause any hardship to any particular section of the users of the market so long as there is no conflict between them. There are, however, commodities in respect of which such a contingency is likely to arise. Thus, for instance, the problem of regulation of a cattle market or a vegetable market is not the same as the one in respect of food-grains and cash crops. Even among the cash crops, the marketing methods in respect of tobacco call for a separate treatment which might not be suitable for other crops. The question regarding the regulation of specialised commodities such as animal husbandry products, forest products, vegetables and fruits and tobacco has, therefore, been discussed separately in Chapter VI. We, however, wish to record here that the market established under the Act is a market for particular commodities which are notified for the purpose of regulation. In that sense, it is a market with functions restricted to specific commodities. On this ground there should be no legal objection for the establishment of two markets having the jurisdiction over the same area provided the commodities to be regulated are not the same. This does not, however, mean that we favour multiplication of markets for different commodities within the same area. On the contrary, we believe that it would be conducive to the efficient regulation of a market if it covers as many agricultural commodities as can be conveniently grouped together. *We, therefore, recommend that ordinarily there should be one market in any given market area for the purpose of trading in agricultural commodities regulated under the Act; but there should be no legal*

*bar to the establishment of a separate market within the same area or a part thereof provided the Government is satisfied that trading in a particular type of agricultural produce can be regulated only if and when an independent market for the purpose is established and that the market already functioning is unable to provide facilities for regulated trading in that commodity and provide representation to the interest because of its peculiar nature.*

### **Retail Markets.**

62. From an ideological view-point, control over all types of markets must be uniform and by one single authority. In a given area, there may be more than one market such as village bazars and fairs, processing factories, primary wholesale market in the taluka town, the wholesale market in the district town, and a chain of retail markets in the different localities. The problems of retail market are, however, quite different from those of the other markets where purchases are made almost wholly and in bulk with the object of selling the goods at a profit. In the case of retail market, it is the consumer who needs to be protected from the machinations of the retailer in respect of the price charged and the quality and weight of supply. These problems can best be tackled by the local authority of the area. The administration of the Bombay Prevention of Food Adulteration Act, 1925, is vested in the local authorities. Similarly, they have been vested with certain powers under the Weights and Measures Act, 1932, in order to ensure that correct weights are used in the market. The Bombay Municipal Boroughs Act, 1925, vests powers in the Municipality to regulate the use of places for sale of animals and produce "for the proper and cleanly conduct of business therein". We, therefore, agree that retail markets should be excluded from the purview of the Bombay Agricultural Produce Markets Act. This has been done under section 4(2)(A) at present. Our attention has, however, been drawn to the large scale evasion of the provision of this Act by taking advantage of this exception. The regulation of retail sales has been made under section 4(2)(A), 2(1) and bye-laws 35(i) (b). In the absence of a precise definition of the retail trader, we are informed, many traders have been claiming immunity from the Act even though the intention of the law is to exclude only that section of the traders which sell in small quantities to the consumers.

### **Market Area.**

63. We have defined in paragraph 53 the market as an area in which there is or should be one price subject to adjustments for transport cost etc. The question is what should be the size of such an area. In the Bombay State, the market area is generally the jurisdiction of the taluka. But there are markets whose jurisdiction extends to more than one taluka and there are others, viz.,

in the Nadiad taluka of Kaira district; there are two markets located at Nadiad and Umreth, in one taluka. The latter feature is an exception. In Madras, we found that the whole district is treated as a market area. When the legislation was undertaken in 1933, Madras had confined the market area to the municipal area, but later extended it to the taluka and, after gaining initial experience, it has now found that the larger unit, viz., the district is more advantageous from the point of administrative efficiency. In the course of our discussion both with the State Marketing Officer and the Secretary of the South Arcot Market Committee, we were told that it was their experience that in a small area, the trade tended to move out of regulated markets and got dispersed, whereas regulation could easily be enforced when it embraced an extensive but compact area. The other extreme of the standard has been adopted by the Hyderabad State. Here, the market area is confined to five miles from the Collector's office and we were assured by the Chief Marketing Officer of Hyderabad State that this size had been found extremely suitable and the smallness of the market area has not resulted in moving the trade away from the regulated market.

64. Superficially, it looks strange that what is considered good in one state in the light of its experience of two decades should be considered bad by the other whose contribution to the regulation of agricultural marketing is equally significant and of almost the same duration. The reason for this conflicting opinion is to be found mainly in the diverse economy of the two states and the extent of regulation. The Madras Act is confined only to commercial crops the marketing of which requires special facilities which can be better provided in a market yard. Besides, the marketing of commercial crops is usually done in bulk and can develop successfully in a place where there is a keen competition among buyers, to buy and, among sellers, to sell. On the other hand, the success of the Hyderabad pattern is to be attributed to the fact that both traders and farmers were accustomed prior to the merger of the State to a method of administration where the official directions could have the sanctity of law. Furthermore, the lack of adequate marketing facilities outside the market area might also be a sufficient deterrent for the growth of mushroom or ill-organised markets beyond the market area in Hyderabad State.

65. Though the Hyderabad pattern has been commended by several experts, we think that no rigid standard can be laid down for the purpose of determining the market area since the conditions differ from taluka to taluka, district to district and division to division in the Bombay State. While we are opposed to any rigidity in this respect, we recommend that before determining the market area for any regulated market, care should be taken to ensure that such an area is contiguous so as not to promote diversion of trade, assures of sufficient produce to be marketed and ensures adequate



resources for the Market Committee in order to enable it to provide reasonable facilities for orderly marketing of the agricultural produce.

66. In this market area, the control of the Market Committee may be direct where possible and indirect where inevitable, depending on the proximity of the Committee's office and the staff at its disposal, but that control must operate throughout the market area, is the very essence of the success of the regulated market within that area. We have found that at present in most of the markets, this control is confined only to a market yard. It is this restricted coverage which has been primarily responsible for the diversion of trade to areas outside the market area and to development of unauthorised markets. While urging that the control should be comprehensive and cover the whole market area, we do not, however, suggest that all the agricultural produce should be brought to the market yard only. What is sought to be desired is that, whereas every effort should be made to persuade the agriculturist by creating necessary conditions and propoganda for bringing the produce to the market yard, simultaneous effort should be made to bring to him the benefits of the regulated market even though he is, by force of circumstances, compelled to sell the produce outside the market yard.

#### **Market Proper.**

67. Within the market area, there can be several types of markets which are but parts and parcels of the regulated market. The control over the market proper, i.e., market yard and the place around it will have to be direct. This is really primary wholesale market to which goods are received from the agriculturists directly and from the merchants who might have purchased them elsewhere for being marketed. Section 4-A makes it obligatory for every Market Committee to have at least one market yard, while 'the market proper' has nowhere been defined in the Act itself. Rule 51-E, however, lays down the 'market proper' as 'any area including all land with the buildings thereon within such distance of the market yard, as it thinks fit to be market proper'. Rule 60 further requires that all agricultural produce brought into the market must pass through the market yard. In actual practice, only the agricultural produce brought into the market proper is subject to this regulation. These contradictions have created anomalous conditions. Apparently the object was, and should be, to insist that agricultural produce to be marketed in the market proper should be marketed in the market yard only.

68. Conflicting views on this subject were expressed before us. The opponents pointed out that such compulsion restricts the freedom of those agriculturists who happen to reside within the market proper to sell their produce in the manner they consider

convenient. There is no doubt some force in this argument inasmuch as small producers have to take the trouble of carrying the produce to the market yard even though they would like to sell it at their doors or the village itself. On the other hand, we may point out that the facilities offered by the market yard are far superior to those, or at any rate, this should be so, than those which are available to the producer in the village where the strength of the trader is pitched up against the weakness of the agriculturist without any direct control from the Market Committee or any other authority. Secondly, the market proper is the area covering only a few square miles around the market yard. The cost of transportation or the trouble of coming to the market yard should not, therefore, be a sufficient deterrent to the producer for taking advantage of the yard. We believe that if the agriculturist wants to sell his produce in the village itself, he does so because of sheer practice to which he is accustomed and not because of any disadvantage of going to the yard. *We, therefore, recommend that no sale of any produce in the market proper should be allowed at any place other than the market yard. This is the present intention of the Government; but to support it, Rule 60(1) should be suitably amended.*

#### **Market Yard.**

69. Under section 4 it is obligatory for every Market Committee to maintain at least one market yard for the area. There can also be one or more sub-market yards within the area. This section also lays down that the principal market yard for the market area shall be one, "out of the enclosures, buildings or localities declared to be the market yards before the commencement of the Bombay Agricultural Produce Markets (Amendment) Act, 1954". The latter provision has been made in order to regularise the market yards established under Rule 51(A). As a matter of convenience and in order to avoid the delay for the establishment of a regulated market, it is customary to declare the locality in which trading is conducted as a market yard for the purpose of the Act. In doing so, it is, however, hoped that the Market Committee concerned will be able to acquire a suitable site for a new market yard and provide the services associated with such a yard. Though the Act has been in operation for 16 years, only 47 market yards, principal and subsidiary, have permanent sites out of a total of 183 yards as on August 31, 1955. Consequently the majority of market yards has inherited the disadvantages which were associated with the trading centres prior to the application of this Act. We are of the view that the properly planned market yard is one of the first pre-requisites for the establishment of a well regulated market. Such a market yard should be able to provide certain minimum facilities for the purpose of trading. Thus, there must be a sale hall and facilities in respect of good roads, lighting, sanitation, cattle shed and water supply as

well a resting place for the agriculturists bringing produce to the yard. Furthermore, facilities in respect of post and telegraph and banking must also be available for the traders and the office of the Market Committee must be located in the yard itself, so that the officers of the Committee can exercise the necessary supervision on the operations of the market functionaries and trading in the yard.

70. During our visit to the two markets in Hyderabad, we were particularly impressed by the manner in which the yards have been built. The market yards of Hyderabad have been acknowledged as a model for the whole country and the Marketing Sub-Committee of the Policy Committee on Agriculture, Forestry and Fisheries of the Reconstruction Committee of Council as well as the Government of India have commended the lay-out of these yards for adoption to the other States. A feature of these yards is that they are built according to the standard plans prepared by the Government. Furthermore, each yard is an absolutely closed and compact area with sufficient space for public auctions, parking of the carts, collection of the produce and for other amenities. The four sides of the yard are surrounded by shops behind which are the godowns—all within a well built compound. This question has been discussed further in Chapter VIII. We, however, wish to mention here that unless and until Government takes an initiative in the matter of construction of market yards of standard types, of course, at the cost, and on behalf of, the Market Committees, the State cannot have a net-work of such yards nor will the Market Committees be able to enforce the provisions of the Law and the Rules efficiently even within the market yards.

71. One of the major difficulties in the construction of such yard is the opposition of traders to shift the market from one place in which it is already established to a new place which may be developed in course of time. The opposition partly emanates from the vested interests on the present sites. This is either in the form of ownership of the plot and buildings in the locality or facilities for circumventing the provisions of the Law and the Rules. To enforce their views, the traders have resorted to boycotts and strikes and also to litigation. The efforts to establish such a market yard of the model type at Sangli were challenged last year in the Bombay High Court under Article 19(1)(a)(g) on the ground that unreasonable restrictions had been placed upon the petitioners' right to carry on the business and to hold their property. Giving the judgment, the Chief Justice of Bombay observed, "None of the rights to freedom enumerated in article 19 as an absolute right. That right must be viewed as appreciated in the social context..... In our opinion,..... if any restriction which the petitioners complain of is restricted in the interest of the producer, that must be a reasonable restriction". The suit was dismissed, but the protracted proceedings certainly delayed the development of the new market yard. We, however,

hope that the traders will become increasingly conscious of the social objectives of the country and will be alive to their responsibilities in achieving them. The enforcement of the Bombay Agricultural Produce Markets Act can also be effected in a manner which will make them conscious of their duties towards the market.

72. During our visits to the various markets, our attention was drawn to the difficulties in connection with the acquisition of new sites for market yards. The minimum time that is taken between the submission of the proposal by the Market Committee for the acquisition of a site and the possession of the land, is 3 years, but we were told that there were cases where the time taken was as much as 5 years. The normal procedure is to issue a notification under the Land Acquisition Act after the Government approves the proposal for the purpose of inviting objections and the Market Committee is asked to deposit the probable cost of the land. Then follows the Government's decision after which proceedings for the actual acquisition of the land are launched. We were informed by some of the Committees that in certain places the Collectors insisted on the cost being deposited even before the proposal was entertained. As a result, apart from the delay involved, the funds of the Market Committee lie with Government without earning any interest, while it has to bear interest charges on the very funds because they are raised out of the loans taken from Government itself. We, however, note that in certain cases interest charges have been waived by the Government but the method itself leaves much to be desired. We were informed that the Market Committee at Byadgi deposited the probable cost of the land to be acquired as early as in January 1953, but so far the land has not come in its possession. Instances of this type are not exceptions but rather the rule. The Market Committees are corporate bodies, the utilisation of whose funds are controlled by the Government. In the case of developing market yards, the funds are usually raised as loans from the Government itself. We, therefore, recommend that the procedure should be revised in order that the Government should not make available the loan until the cost is payable and the cost should not be payable even as deposit until the possession of the land is given. Similarly, we recommend that measures to expedite the proceedings in connection with the acquisition of lands for the purpose, should be taken, and normally urgency clause under section 17 of the Land Acquisition Act should be applied.

73. Two other specific requests that were made to us by the Market Committees relate to the exclusion of the market yard from the Town Planning Scheme and permission to use the lands for non-agricultural purposes. We, therefore, recommend that N. A. permission should be granted expeditiously by the Collector. As regards the implications of the suggestions for the exclusion of the market yard from the Town Planning Scheme, we are unable to

express any definite opinion but recommend that the suggestion might be examined by the Government in consultation with the Local Self-Government.

74. The construction of market yards involves a heavy capital outlay whereas it takes a long period for Market Committees to build up the necessary resources for financing the construction of yards. If a well-planned programme of constructing market yard of the modern type is to be undertaken and fulfilled, the necessary resources must be provided from outside. We think that these resources should be provided by the Government by way of long term loans carrying interest which should not exceed one per cent. above the Bank rate. The State Government loans at present are given at  $4\frac{1}{2}$  per cent. interest which happens to be one per cent. above the present Bank rate. *We have no idea whether the level of the lending rate has been linked with the Bank rate and, therefore, recommend that it should be done.* Secondly, according to the present practice, the loan is repayable in 15 instalments. If this condition were to be observed, it would be possible only for well developed and major markets to have modern market yards. On the other hand, we are confident that the establishment of a well organised market yard will be followed by the development of regulated market. *We, therefore, recommend that the period of loan should be extended in respect of those markets which offer potentialities of development as a result of the construction of modern yard 5.*

75. In making this recommendation, our approach is in conformity with that of the State Government. The Government itself was aware of the need of such a type of help when it framed the legislation. During the debate on the Bill, the Hon'ble Shri Lathe stated on behalf of the Government that "we cannot lay down a general rule but, as far as possible, Government will come forward to give as much assistance as possible in the form of grant of free land." Further, he observed, "Though it may look clear that I am talking about the future (the ministry was to resign in few days), I would assure the House that at least so far as present Ministers are concerned, it is our intention to spend as much amount as possible for the purpose of providing necessary facilities for marketing." At the same time we share the Government's view that, to quote Shri Lathe, "The bill contemplates marketing and marketing is not a charity business. Marketing organisation should be self-supporting as far as possible."

76. A question was put to us as to whether the Government should choose the site or the Market Committee should do it. Under section 16 the Government has the power to acquire land for a market yard as soon as the market is established but even before the Market Committee is appointed. The use of this power has not been made so far but there is a danger that Market Committee

subsequently appointed may not consider the land thus acquired a suitable for its purpose. Apart from the question of cost in such a case, we are of the opinion, it would not be fair to impose such a land on the Market Committee. At the other extreme we have come across cases where the Market Committees shifted their choice from one place to another and the acquisition proceedings had consequently to be dropped. A pointed case in this respect may be mentioned as that of the Barsi Market Committee which changed its unanimous decisions on not less than three occasions. Such an indecision is neither creditable to the Market Committee even though it might be convenient on political grounds and necessary owing to local pressures nor can the Government tolerate an awkward position in which it is placed. *We, therefore, recommend that once the proposal is made by a Market Committee, it should not be open to that Committee to withdraw it and that the Government should have the freedom to decide.*

### Processing Factories.

77. Where the agricultural produce requires to be processed, it is customary for the producers to sell the produce to the processors directly. Thus, especially in the case of cotton and oilseeds, a large portion of the marketable surplus is sold directly to the cotton ginneries and oil millers. These agencies may, or may not, be within the market proper. The legal opinion is divided over the regulation of purchases by processors who are consumers under the Act. All that the processors are required to do is to conform to Rule 53(3) which grants them exemption from cess in respect of agricultural produce brought from outside the market area into the market area for their use. We are informed that this rule has provided a loop-hole for enabling some of the unscrupulous processors to exploit the agriculturists since goods purchased from them are passed on as brought from outside the market area. We are further informed that the direct sales to processing factories by the agriculturists work out to as much as 20 per cent. of the total marketable surplus. The exclusion of these sales from regulation would provide a stimulus for the continuation of malpractices in agricultural marketing which the Act seeks to eliminate. There has been the evidence to conclude that when the producer takes his produce to the processing factory for disposal, the buyer is in a strong bargaining position and can dictate his own prices and other terms both before fixing the price and taking the delivery. Unless, therefore, these sales are regulated, an important purpose of the Act will be defeated.

78. As early as in 1928, the Royal Commission on Agriculture found that disputes in regard to cotton most frequently arose after the cotton reached the ginneries and, therefore, recommend, "It would be necessary for us to define the limits of the market proper as to include within them all ginneries within a reasonable distance

of the market yard." The idea underlying this recommendation was that the transactions on the premises of these ginneries should be brought within the scope of the regulated markets Act. If at that time it did not extend the scope of regulation to factories outside the market proper, that was probably because the country had not gained sufficient experience of the working of the Act nor had many processing factories sprung up far beyond the area developed economically or from the point of agricultural marketing. Conditions have, however, changed today and if the Commission felt the urgency 25 years ago of regulating the purchases by the ginneries within their premises in the market proper, there is more justification today for bringing all processing factories engaged in the processing of any regulated commodity within the scope of the Act. In Madras State, the Collector has the power to license persons within the notified area for the purpose of setting up, establishing or using and continuing such a place for the storage, weighing, pressing or processing of any notified commercial crop. Such a licence is similar to the one issued to a trader for trading within the market area and is in addition to the licence which he has to take under the Factories Act.

79. Several witnesses have testified before us that this measure would be conducive to the efficient regulation of the market.- At the same time we recognise the force of the argument that the condition of licensing all processors will hamper the legitimate activity of the small man such as the Teli who has to carry his activity on a modest scale. In order to safeguard the interest of persons with small means who are not liable to exploit the agriculturists and, at the same time to ensure proper control over the activities of those who are in a position to act against the interest of the cultivator, *we recommend that all ginning, pressing and processing factories which are required to be registered under the Factories Act should be compelled to take out a traders' licence in order to enable them to carry on the activity of buying agricultural produce in their premises.* Where such a factory buys agricultural produce directly in a larger volume, the factory premises might be recognised also as a sub-yard. In such cases, and following the recognition as a sub-yard, the control of the Market Committee will be direct and the supervision will be as meticulous as is expected in the principal market yard. We hope that along with the issue of the licence, steps will be taken by the Market Committees to inspect periodically the buying methods of such factories as well as the methods adopted in regard to the weighing and payment as well as in respect of their other obligations which will be similar to those of a merchant or commission agent.

#### Village Bazars.

80. The other important market where the producer sells his produce is the bazar held on fixed days in a convenient village for the benefit of the surrounding villages. These bazars as well as the

street markets in the villages provide an easy access to the agriculturists for contacting the prospective buyers. It is estimated that approximately a third of the total agricultural output, is sold in these markets. In the course of our visits to the different markets in the State, evidence was laid by several witnesses to support their contention that the sales in these markets carried with them the abuses which act to the detriment of the producer. It was pointed out particularly that though the villager was generally offered a price better than that he could get in the market yard from the trader who was himself a seller in the market yard, this was not done out of any philanthropic motive but was merely a bet to the producer to sell in a market where there was no control over the buyer. The trade has the opportunity to deceive the farmer in weight and thereby compensate himself more than what he loses in the price. A plea has, therefore, been made to us that village sales should be totally banned.

81. We share the view of the Dantwala Report that such a blanket prohibition will cause considerable hardship to many small producers who would have to carry their produce to the market yards far away from the place of their residence. Apart from this, village sales have still one important advantage over market yards. In his village, the small grower can refuse to sell if the price is unattractive; but if he takes it to the market yard, he cannot afford to wait for a better buyer and has to sell it at once or leave it, at his risk, to the care of his adatyā. The reform will have to wait until the farmer is convinced of the benefits of the market yard or their produce is pooled by their society for sale in the yard. It is true that in the Navapur market (West Khandesh), village sales have been banned, but we are informed both by officials and non-officials in that tract that the prohibition has remained a dead letter and street markets in the villages of that taluka are in as flourishing a condition as they were before the imposition of the ban. Both on this ground and also because such a ban will be unreasonable and even impracticable, we are of the view, that these markets should not be closed down. Instead, an attempt should be made to regulate them so that the grower can have the best from the nearest market. For this purpose, it would be enough to provide that the purchase of agricultural produce in these markets can be done only by a person who has a valid licence for the purpose from the Market Committee and that the conditions of licence should be such which would expect the licensee to behave in a proper manner. In order to ensure that the terms on which these licences are granted are observed, it would be necessary for the Market Committee to employ an inspectorial staff for the proper supervision of trading in these markets. Where the bazars are held on fixed days, the Market Committee's inspector should be present to supervise the operations. Where street bazars function, it might be sufficient, at least in the initial stage, if the inspector pays a periodical visit and keeps contacts with the village society and farmers in order to get information.



regarding the traders' activity. We are aware that the maintenance of the inspectorial staff for this purpose will involve additional expenditure, but we are definitely of the view that the Market Committee will be more than compensated for the expenditure so incurred by way of additional income from the cess which is not collected at present and which is an important factor contributing to the development of these markets.

### **Regulation of Commodities.**

82. The usual procedure for regulating a market is first to undertake a survey of the market with a view to ascertaining the probable volume of the agricultural commodities to be marketed in the proposed regulated market. Even while determining the commodities to be regulated, the criteria of sufficient volume of trading in it is applied or rather should be applied. We are of the view that it is no use clubbing together several minor commodities for the purpose of regulation by a Market Committee since the efforts will not be commensurate with the benefits that it is expected to produce. One of the arguments for the inclusion of these minor commodities along with the major ones is that the regulation of the former will lead to an additional market to which the traders might give a preferential treatment while making their purchases at the cost of the regulated market. We recognise the force in this argument but are of the view that such a danger may not arise firstly because no trader would like to waste his energy on a purpose which does not produce profit in regulation to the efforts and secondly, the agriculturist does not bring one type of produce at one time. The mere fact that these minor commodities will remain unregulated should not, however, mean that such commodities should not be allowed to sell in the market yards. If this facility is made available to the producer, it would avoid hardship to him inasmuch as he would not have to go from one market to another for selling the different types of his produce.

83. We also appreciate the argument that certain traders, in their anxiety to demonstrate the disadvantages of a regulated market, might try to give preference to unregulated commodities by neglecting their duties in the market yard. To provide for such a contingency, we have made recommendations in paragraph No. 209, while dealing with the conditions on which a licence should be issued to the traders. From the point of the Market Committees, it might be argued that when they allow the use of the market yard for the purpose of marketing such minor commodities, they should not be deprived of the revenue accruing by way of cess and licence fees in respect of such commodities. But the responsibility of regulation is so onerous, provided it is adequately realised and discharged and the method of issuing licences and supervising the licence-holders is so cumbersome that the gain by way of income is insignificant in relation to the commitments of the Committee.

84. The position of different types of agricultural produce brought within the scope of the Bombay Agricultural Produce Markets Act, 1939, has been examined in paragraphs Nos. 24 and 25. From this it will be found that the principal crops are hardly a dozen. The definition of "agricultural produce" does not, however, cover the forest produce in the production of which the agriculturist is vitally interested. Besides the marketing of certain types of agricultural produce such as Myrabollens is akin to the one which is presently sought to be regulated under the Act. It would not, however, be judicious to mention specific items of regulation in the Act or in the definition of "agricultural produce". We, therefore, recommend that "agricultural produce" should be so defined as to include forest produce. The problem of regulating vegetables and fruits, animal husbandry products and forest products as well as tobacco have been discussed in Chapter No. VI because they require a special treatment. Here we wish to record that the commodities included in the schedule cover a wide range. While invoking this schedule for the purpose of bringing a particular commodity within the scope of regulation in a particular market, we think, care should be taken to see that it should be done only when the volume of trading in that commodity is at least fairly reasonable and warrants the efforts commensurate with the benefits it seeks to confer.

85. A question that was put to us in the course of our enquiry, was whether the regulation of agricultural produce should be confined to the marketable surplus of all commodities or to the major crops or to all types of agricultural produce locally raised or imported. There appears to be a good deal of confusion of thought and action over this issue. From the wording of Section 11 of the Act it appears to us that the intention of the Legislature was to regulate the transactions in agricultural produce "bought and sold by licensees in the market area". Section 26(2) (e) of the Act empowers the State Government to make rules..... "in respect of agricultural produce bought and sold by persons holding a licence under the Act in the market area". Rule 53 (1) however, authorises the Market Committee to regulate agricultural produce "brought and sold" Rule 54 (1) regarding recovery of fees also refers to the produce "brought into the ..... market area". We are, therefore, inclined to think that the conflict between the relevant provisions of the Act and the Rules is due to inadvertance while framing the relevant rules.

86. This issue is, however, of less significance in the context of the larger problem which has been posed by the traders. They have argued that imported produce has nothing to do with the legislation meant to confer benefits on the agriculturist. We are afraid that this view is untenable. In our opinion, the benefits sought to be conferred by the Act are not compartmental inasmuch as a regulated market

seeks to benefit the agriculturist within its area only. The problem of regulation is to be viewed in the wider context. This was well emphasised by the Royal Commission on Agriculture which stated that "the establishment of properly regulated markets can act as a powerful agent in bringing about a reform which is much needed, primarily in the interest of the cultivator, and secondly, in that of all engaged in trade and commerce in India." It is in this larger perspective that an answer to the question is to be found. Moreover, no agricultural produce goes by a particular brand with the result that the produce brought from a particular source cannot be distinguished from the one secured from the other. If the produce imported from outside the market area were to be exempted from the scope of the market regulation, it would only provide an additional opportunity for the traders to circumvent the provisions of the Act and Rules even in respect of the agricultural commodities produced within the market area. *We, therefore, recommend that once a commodity is regulated in a market, it should be subjected to regulation irrespective of its source or final destination.*

87. Broadly, agricultural commodities can be classified into two groups, viz., (1) raw materials involving processes for placing them in the hands of manufacturers and (2) others involving transfer in their original form. A particular commodity may appear in both the lists. But whether it is one or the other type, there can be no two opinions. All types of primary produce can and should be brought within the scope of the Act. It is on this basis that ginned cotton has been included in the schedule along with the Kapas. The question was, however, put to us at Kopergaon by the representatives of the agriculturists in respect of oilcake which is extensively used as manure by the farmers. At present this commodity is not subjected to regulation on the ground that it is not an agricultural commodity. Strictly in a legal sense it happens to be the residue remaining after the oilseed is crushed and as such it is by-produce of a manufactured article and cannot come within the scope of the Act at present. At the same time we think that in the absence of regulation, the malpractices associated with the marketing of oil-cake especially in the irrigated tracts of the State are of a nature which has deprived the agriculturists of the full benefits from the use of oil-cake as a manure. The malpractices range from bad quality to short weighments. The subject is outside our terms of reference, but is so important that we urge the Government to examine it especially in view of the fact that it is proposed to enforce standards in respect of manures. Another case is that of chilly powder. Doubts have been raised whether, being processed, it can be construed as agricultural produce. To meet contingencies of this type, *we recommend that the definition of agricultural produce for the purpose of this Act should cover those in processed form as well.*

### Procedure for regulation.

88. The procedure for the constitution of a market has been laid down in section 3 of the Act. It requires that the State Government will have to declare its intention, by notification in the Gazette, of regulating the purchase and sale of such agricultural produce and in such area, as it may think fit. This notification is also required to be published in the regional languages of the area and "in such other manner as the State Government may deem fit". Moreover, it requires that if the area happens to be within the municipal limits, such an area cannot be included in the areas specified in such notification without consulting the Municipality. The section as it stands at present, has resulted in legal complications in regard to the interpretation of the words "such other manner". We are informed that the validity of such a notification has been challenged in Courts on the ground that it was not published in "such other manner". The bone of contention has been that the publication "in such other manner" is mandatory on the Government. We are afraid, that such an interpretation is not only far fetched, but that could not have been the intention of the Legislature. We think it would be enough if the notification is published in the newspaper printed in the regional languages of the area and circulated in that area along with the publication in the *Official Gazette*. The complications appear to have been also created as a result of the proviso that the Municipality will have to be consulted for the purpose of regulating a market. Before dealing with this question, we deem it necessary to record here that an elaborate enquiry into the potentialities of the proposed regulated market is undertaken by the staff of the Director of Agricultural Marketing and the proposal is formulated only after the preliminary survey makes out a case for the establishment of such a market. It is conceded that when such a market or a part of the market area is situated within the municipal limits, the Municipality will have to shoulder certain obligations such as the maintenance of roads, sanitation and water supply. But we are of the view that the Municipality is not competent to give a verdict on the merits of the proposal from the view-point of orderly marketing. The evidence—both written and oral—submitted to us by individuals and representatives of institutions all over the State, has been unanimous on this point. Some of the witnesses furnished proofs to support their contention that the Municipalities in their areas were not only not interested in the regulation of the markets, but some of them were opposed to such regulation partly because they were to lose their revenue, but mainly because the vested interests had a powerful voice in the municipal administration.

89. The proviso for consulting the Municipalities is also a feature of the Acts in Mysore and the Madhya Pradesh. The experience of these two States is also the same as ours and we are informed by the Agricultural Marketing Adviser to the Government of India that

the provision has unnecessarily delayed the completion of the procedure for the regulation of markets in these two States. The opinion of those, who are associated directly or indirectly with regulated markets in Bombay State, is very strong against the Municipalities being given any right to influence the Government judgment on the merits of a proposal to establish a regulated market. Nearly two-thirds of the witnesses, who appeared before us, have expressed their strong opposition even to the Municipalities being consulted on this point. At the same time, the Municipalities have every reason to feel that being responsible for the maintenance of roads, sanitation, public health, etc., within the municipal limits, they should have an effective voice in the regulation of markets within their jurisdiction.

90. The position regarding the precise relationship between a regulated market and the Municipality, has been lucidly explained by the Royal Commission on Agriculture in its Report. The Commission says, "Municipal Councils, it is true, generally have their Market Committees to look after municipal markets, but, as a rule, the interests of the growers are not represented on them..... A Municipal Council will naturally wish to have the market situated within municipal limits, whereas a site outside the town may often be more convenient having regard to communications by road and rail.....The third point, which arises, is whether the establishment of all regulated markets should be optional..... We apprehend that the need for the establishment of regulated markets, cannot, in the beginning, be appreciated and we do not consider it desirable that their establishment should be dependent on the opinion of a local committee, however, constituted. These markets are regulated primarily in the interests of the cultivator and it is he, who is least likely to be adequately represented on such a Committee; nor is it probable that at the outset, he will be sufficiently aware, of the extent of the assistance an orderly regulated market can give him to press for its establishment. We are, therefore, of opinion that the local Government must take the initiative and that markets should be immediately established in a few suitable places. This is the position under the Government Act (Bombay Cotton Markets Act, 1927), which, although it prescribes that the District Local Board shall be consulted before a market is established, leaves the final decision in the matter with the local Government. We are convinced that it is only in this way that public opinion can be educated to realise the advantages of markets of this character and the demand for them be created."

91. The question then arises as to why the Legislature used the particular wording which has rendered the procedure cumbersome and delayed the establishment of markets. The proceedings of the debate on the Bill throw light on the intention of Legislature. Dispelling the fears expressed by some of the members that the

provision regarding consultation would cause delay and might defeat the purpose, the Honourable Shri Latthe, replied on behalf of the Government that consultation meant only ascertaining the views and "nothing more". He stated that the objections might not be sound; but "still there is nothing lost in hearing their objections". This is the spirit in which the provision regarding consultation was incorporated in the section. The Bombay Cotton Markets Act had also a similar provision and the Government intention then was also the same as will be seen from the remarks of the Royal Commission on Agriculture, quoted above.

92. In the circumstances explained above, we have no doubt that neither the Government nor the Legislature contemplated at any time since the enactment of the Bombay Cotton Markets Act that the consultation with the Municipalities was nothing more than ascertaining their views and that it is the Government, which must take the decision irrespective of the views of the municipal authorities. If certain municipalities have chosen recently to dispute this intention of Government and the Legislature after the regulation of markets has been in force for 28 years, the reasons are to be sought elsewhere. We are informed that the section, as it is worded now, has been legally interpreted otherwise than what the Legislature contemplated. Again, even in respect of mere consultation, a Municipality opposed to the establishment of a market might delay the communication of its views and thereby postpone what it considers to be the evil day. It is, therefore, necessary to provide for both these contingencies by making a suitable amendment to section 5. *We, therefore, recommend that Section 3 be suitably amended with a view to making it clear that the consultation with the Municipality simply means elucidating its views, which shall not be binding on the Government and that Government should proceed with the regulation of markets if it is otherwise satisfied even though the Municipality is opposed to such regulation or does not submit its views within the stipulated period, say, one month.*

#### **Declaration of Market.**

93. A regulated market can come into existence only after the Government declares, by a notification in the Gazette, a particular area as a regulated market, for specified agricultural commodities. Section 4(1) requires that before issuing such a notification sufficient time must be given for inviting public opinion and that the objections and suggestions received during the period must not only be considered, but an enquiry must be held "as may be necessary". This procedure, and particularly the notification is also the subject of legal proceedings in regard to its interpretation. We think that the difficulty can be circumvented and at the same time the public in the area informed of the notification if the decision is also published in a newspaper published in the regional languages of the area and circulated in that area and not "in such manner as the State Government may deem fit."

### Implications.

94. The declaration of a market are followed by certain consequences. These have been provided in section 4(2A), (2B) and 4(3), as well as in Rules 51, 52 and 60. The immediate effect is that no place in the said area except the regulated market, shall be used for the purchase or sale of any agricultural produce specified in the notification. Secondly, no Municipality or the local authority can establish or allow to be established any place in the said area, for the purchase or sale of the notified commodities. But the proviso under section 4(2) authorises the Government to grant licences to any person, to use any place for this purpose pending the establishment of a market. We are inclined to think that the proviso strikes at the very root of the declaration of the market itself. In our opinion, as soon as the market area is declared, the market is *ipso-facto* established and there can be no question of any licence being granted by any authority including the Government, excepting the Market Committee. It is true that since the operation of the Act, only one licence has been issued under this section, but we feel that such a practice is not wholesome. *We, therefore, recommend that this proviso should be deleted.* Thirdly, we are of the view that there can be no regulated market unless there is an authority to regulate its day-to-day operation, *and recommend that no area should be declared as a regulated market unless such a declaration is accompanied by a notification regarding the appointment of the Market Committee.*

95. The declaration of an area as a market has its own implications. These have been stated in the Act. There must be a principal market yard and the office of the Market Committee must be located in that yard. There must also be a declaration regarding the market proper. Once this is done under the notification, the sales of the agricultural commodities are covered by the regulation, except the retail sales, which will be subjected to the provisions of the Act, Rules and Bye-laws of the Market Committee. We have dealt in paragraphs 63 to 81 with the market yard, market proper and the rest of the market area including processing factories and bazars in the villages, as well as with the sale of agricultural commodities imported from outside the market area and have made appropriate recommendations. We wish to record here that there appears to be a doubt among the traders as well as the Market Committees about the precise position of sales of commodities after they are bought from agriculturists by traders *vis-a-vis* the provisions of the Act and the Rules. It has been the belief of the traders that the law is for the benefit of agriculturists and on this ground they have pleaded that its scope should be restricted only to the dealings with them. We are afraid that this plea is not tenable. The benefit of a regulated market will no doubt primarily accrue to the agriculturists but traders also will be profitted by it. Furthermore, no market can

be regulated effectively unless and until the regulation covers all the stages of marketing within a particular area. Above all, it is not possible to distinguish between the agricultural produce subjected to resale or changing hands between the traders themselves and the one sold by the agriculturists through the commission agents to the traders. *We, therefore, recommend that all transactions including the resales between the traders and traders in respect of the agricultural commodities, which are regulated, should be covered by the Act and the Rules.* Thus, in a regulated market, trading in agricultural commodities irrespective of the fact as to whether they are produced in the market area or sold by the agriculturists or not, will be brought within the scope of the legislation.



## CHAPTER IV.

## CONTROL OVER MARKET.

**Agency.**

96. For the proper functioning of a market, it is essential to have an organisation, which can efficiently control the operations of the market functionaries and supervise the processes of marketing of agricultural produce at its different stages beginning from the arrivals of goods in the market to their ultimate destination—which may either be the consumers within the market or the transport of goods outside the market. The management of certain markets is vested in the Municipalities, which have the responsibility under the Municipal Boroughs Act to maintain the markets. In the case of regulated markets, however, this agency is not suitable because vested interests are often strongly represented on such bodies and pressure can be brought to bear on them in various ways so that the interests of the parties directly concerned in agricultural marketing, especially those of the growers, are not adequately safeguarded. The force of this argument was recognised while enacting the Bombay Cotton Markets Act, 1927, and the policy of setting up autonomous Market Committees for the administration of the regulated markets has, under the Bombay Agricultural Produce Markets Act, been an accomplished fact. This is also partly true in other States, where regulated markets are functioning. The Bombay Act does not, however, specify the functions of Market Committees in one particular section. Some of them have been mentioned in different sections of the Act and others have been dealt with in the Rules. But the duties and responsibilities of the Market Committees cannot be adequately appreciated unless and until the scattered data in the Act and the Rules is put together. Secondly, neither the traders nor the members of Market Committees appear to have become fully conscious of their obligations under the Act and the Rules.

**Functions.**

97. Before dealing with the functions of the Market Committee, we think it is necessary to appreciate the position of an authority, which is expected to control the market in its day-to-day working. The major function of a Market Committee is to facilitate orderly marketing of the agricultural produce. It follows that for this purpose, it must arrange for a place or places for trading. Secondly, the basis on which dealings are to be entered, must be fair both to the buyer and the seller and, therefore, there must be elaborate rules governing the method of putting the transactions and completing them. Thirdly, in respect of such regulation, there is every possibility of disputes arising out of the interpretation of

a particular regulation or the difference over the judgment on a particular aspect of the transaction. There must, therefore, be a machinery for settling such disputes with minimum inconvenience and costs. Fourthly, there must be uniform practices and facilities for making the bargains and completing them. Finally, there must be an arrangement for payment to the seller against the sale of his produce. Over all these matters, the Market Committee must have a firm grip, if it were to function efficiently and give the best expected of it both to the agriculturists and the traders.

98. In determining the means to discharge these functions, it would be necessary to take into account the object of the Act, the weakness, ignorance and illiteracy of the farmer, strong organisation and powerful resources of traders, and the need for simplifying the procedure and creating confidence among buyers and sellers in respect of settlement of disputes. Since the Market Committee will be composed mainly of the representatives of agriculturists and traders, there is also the danger of its decision being influenced by its anxiety to safeguard the interests of a particular section. To provide for this safeguard, it would be necessary to have a proper authority, which can sit in judgment over the Market Committee's decision. We have taken all these factors into account and have also taken due note of the method of administering the organised exchanges adopted by the traders themselves in respect of their own exchanges exclusively controlled by them. While examining the problem in this and the following chapter, we have taken due note of the operation of the Act during the past sixteen years and have come to the conclusion that if the object of the Act is to be fully achieved, it would be necessary to arm Market Committees with adequate powers for enabling them to discharge their functions efficiently and carry out their duties expeditiously and impartially, while, at the same time, providing for administrative control over its working by the Director of Agricultural Marketing. We are of the view that the control by the Government over Market Committees should not be meticulous, but only to the extent of ensuring that the powers vested in them are used judiciously.

### **A Corporate Body.**

99. The Market Committee constituted for the purpose of administering the regulated market is a non-profit making body. In a way, it performs certain functions on behalf of the Government and though it is an autonomous body, it is directly controlled by the Government, and as such, it stands precisely in the same position as that a Municipality. Section 7 of the Act states that it shall be a body corporate. We are informed that in

Karnatak, claims have been made on some of the Market Committees for the payment of income-tax on the income earned by them. The registration fee is payable in respect of documents connected with acquisition of lands for the purpose of the market yard. This is a non-recurring expenditure and occurs only once or twice in the history of a Market Committee. But we are told that the authorities have insisted that the agreement forms, which the buyer is required to issue, have also to be stamped. Since these forms are issued in triplicate, the incidence of the stamp duty is likely to work out as high as Rs. 4-8-0 per transaction. If the stamp duty on agreement forms is to be recovered, it will have to come obviously out of the pockets of the agriculturists. We are of the view that such a position is untenable on grounds of equity and unfair to the agriculturists, who sell in small quantity and unfair to Market Committees, which virtually act as agents to the Government. For these reasons, and especially because the Market Committees are non-profit making bodies, standing in the same position as the local authorities, the levy of the stamp fee is unjustified. We are glad to note that the Government has now recognised the claim for justice and has exempted these agreement forms from the payment of stamp duty with retrospective effect. *In view of this, we recommend that they should be further exempted from the income-tax.* The exemption is covered by section 4(i)(iii) of the Indian Income-Tax Act, 1922. This relates to the local bodies. We feel that the benefit of this proviso can be passed on to the Market Committees by mentioning in section 7 of the Bombay Agricultural Produce Markets Act, that they fall in the category of the local bodies.

### Objects.

100. For reasons explained in paragraph 96 we think that the Act itself should provide the objects for which the Market Committee is established. This might be also necessary in view of the details of regulations being framed under the rule-making powers vested in the Government which is liable to be challenged on legal grounds. *We recommend that the objects of a Market Committee should be :—*

(1) *To maintain and manage the market yards and to control, regulate and run the market in the interests of the agriculturists and traders holding licences from the Committee.*

(2) *To frame bye-laws and rules and regulations thereunder and, in particular, for the regulation and control of transactions in the market and to provide for the consequences of a defaulting licence-holder, for opening, closing and suspending trading in any regulated commodity, for fixing the market charges, for settlement of disputes and for levy and recovery of cess on agricultural produce, licence and other fees, fines and penalties.*

(3) To act as mediator, arbitrator or surveyor in all matters of difference, disputes, claims, etc. between licence-holders inter-se or between them and agriculturists making use of the market as sellers of agricultural produce.

(4) To control and regulate the admission to the market, to determine the conditions for the use of the market and to prosecute and/or confiscate the goods belonging to persons trading without a valid licence.

(5) To bring, prosecute or defend, or aid in bringing prosecuting or defending any suit, action, proceeding, application or arbitration on behalf of the Committee or otherwise when directed by the State Government or the Director of Agricultural Marketing or otherwise.

(6) To construct, purchase, hire or otherwise acquire any moveable or immoveable property and other equipment for the purpose of its business, to raise money from the Government or otherwise with the approval of the Director for the purpose and to enter into arrangements with the Government, the Local Authority or otherwise and to comply with such arrangements.

(7) To do such other things as might be required for the purpose of achieving the objects and requirements of the Act, Rules and Byelaws of the Committee.

### **Method of Sale.**

101. Rule 60(4) provides that the price of regulated commodities shall be settled only by open auction or by open agreement and not by secret signs. The rule provides that this system must be observed throughout the market. In actual practice it is confined to the market yard. Even in the market yard it is not observed in all cases. In regulated markets in Bombay State there are at present not less than 8 types of methods of sale, viz., (1) sale under cover, (2) forward sale, (3) moghum sales, (4) nominal sales, (5) sales by sample, (6) sales by open agreement, (7) sales by open auction, and (8) sales by jalap system.

102. Sales under cover are open to a variety of malpractices because only the negotiators know the price that is negotiated. The main reason for the regulation of markets was that this system had operated to the detriment of the producer and to the benefit of the trader, especially the commission agent. It is claimed that under this system no buyer knows the offer of his rival with the result that he is tempted to give a higher bid. There is no doubt some element of advantage which is claimed for this system on this ground, but there is no guarantee that the benefit of this

higher price can accrue to the producer because he does not know the precise offer. Even when such a rate is declared and subsequent offers are invited before the bargain is struck, the mutual understanding between the traders is so strong that nobody comes forward to outbid his colleague in the trade. We have, therefore, come to the conclusion that the disadvantages of the system outweigh its advantages and recommend that the system of sales under cover in any form should not be encouraged.

103. Forward sales, moghum sales and nominal sales are the three different nomenclatures of virtually the same system. Moghum sales are effected only by an oral understanding between the buyer and the seller without mentioning the rate, it being understood that the buyer will pay the price prevailing on a particular date. This system is usually adopted where the agriculturist borrows money from the trader or the place of his residence is far away from the market. Nominal sales are also effected on the same basis and for the same purpose. In respect of forward sales, however, a definite price is fixed at the time of the transaction. This is actually a specific delivery contract. A disadvantage of this system is that whereas the trader is in better position to know the market trends and the likely behaviour of the price during the period of the contract, the seller when he is an agriculturist has no such means to arrive at a proper judgment. Where these transactions take place between trader and trader, they are free from any abuses since both the parties are in a strong bargaining position. But when the agriculturist enters into the contract, he stands in a subordinate position both in respect of the knowledge of the market and the bargaining power. We are told that the system leads to abuse especially when the agriculturist happens to be a borrower of the buyer.

104. We are afraid that though moghum sales, nominal sales, and forward sales are associated with the abuses especially when an agriculturist is a seller, these methods of sale cannot be effectively controlled. At the same time the need for regulating them cannot be disputed. To the extent it is possible to regulate them it will have to be done. The process and the method of regulating these transactions might vary from market to market. We, therefore, recommend that no such sales should be permitted within the market yard but such sales outside the market yard should be recognised where it is possible to regulate them. Furthermore, we recommend as a part of the regulation that transactions on this basis should be compulsorily in the form of an agreement between the buyer and the seller and should be considered valid only when the agreement is registered with the Market Committee. In order to avoid this provision being circumvented, we think, it would be necessary to provide for adequate arrangement as a deterrent to the evasion of this safeguard.

105. The jalap system of sales is an indigenous type. Under this system a buyer looks at the standing crop and bids for it long before it is harvested. The account is, however, completed after the delivery. Under this system the buyer who is a trader has the full knowledge of the market trends and the crop outlook, whereas the agriculturist only knows the likely output and the cost of raising it. Such sales are effected by producers usually to meet the immediate demand of payment of wages and household requirements; but the delivery of the produce is taken at the will of the buyer, who only pays the earnest money which might be as much as three-fourths of the sale proceeds. It needs, however, to be pointed out that though the price is fixed at the time of the bargain, it is not sacred and the buyer reduces the rate on flimsy grounds such as deterioration in the quality when the market turns against him. In other words, the buyer does not take any market risk while ensuring the supply for himself whereas the seller takes the risk of price fluctuation in return for facilities to satisfy his immediate needs. We are afraid that it would not be possible to control this system so long as the agriculturists' legitimate requirements are not satisfied by institutional credit agencies. This is a larger problem of building up the agricultural credit system which is outside our terms of reference; but we hope that with the extension of the integrated system of rural credit in the State, the agriculturist will be able to satisfy his credit needs on fair terms and thereby make himself independent of the system of jalap which literally means sucking the blood.

106. The only systems out of those operating in the State, which are fair both to the buyer and the seller are sales by open auction and sales by sample. The essential features of both the systems are inspection, sampling and grading of the produce so that the buyer can know what he is buying. Inspection requires that the commodities would be seen before the sale. The opportunity for this is provided before the open auction begins. In the case of sales by sample, however, generally, sellers and buyers are situated at a long distance and they complete the transaction without the buyer having an opportunity to inspect the whole quantity but on the basis that it is a fair representation of the sample. This system would be ideal inasmuch as it avoids the physical movement of the stock from one place to the other; but it also leads to disputes in case the market turns against the buyer; and when such disputes arise, it is the general experience that they are fatal to the seller. We are not, therefore, very enthusiastic about the system of sales by sample. It may, however, be suitable in respect of commodities where its movement is liable to cause deterioration in its quality and grading. This is so in respect of cotton and tobacco.

107. The system of open auction has been recognised as the best method for arriving at a price fair both to the buyer and the seller. It has been in operation in most of the regulated market yards in

the State for a sufficiently long time. The details vary from market to market but a typical system adopted by the Market Committee of Kopergaon may be described here. The open auction of gul on the notified market yard in Kopergaon starts from 9-00 a.m. under the supervision of the Market Committee's Supervisor. For this purpose the carts of gul are arranged by serial number in order of which the auction is held. The Committee has fixed time limit for each auction which ranges from 1 minute in the case of 1 to 2 carts, to 4 minutes in the case of a unit of 9 to 10 carts and one motor truck. In the case of foodgrains the time limit is one minute for 1 to 5 bags and 2 minutes for more than 5 bags. In Kolhapur also where gul is sold by open auction the sales are conducted by turn system by allotting specific time to each general commission agent depending on the arrival of gul. We were, however, informed at Kolhapur that the system has proved inconvenient especially during the peak of the season when the arrivals are very heavy and the general commission agent is not able to get his turn for more than once in a fortnight. As a result, the producer has to go either to another commission agent to have his turn during that period or to store his produce in the godown of his commission agent until the latter is able to get his turn. In the Kolhapur market there are as many as 167 general commission agents and we are told, though this has not been checked, that in their anxiety to secure a more frequent turn, some of the merchants have taken licences in the name of more than one person. The Shetkari Sahakari Sangh, which receives a substantial volume of gul for sale, being an institution has been the worst affected by the system of turn-round. Barring this particular difficulty, we feel that open auction is the best system and every effort should be made to encourage it in regulated markets.

108. To avoid the inconvenience in the matter of speedy marketing under the open auction system in markets where the arrivals are heavy, we think, that certain minor changes in the system might be suitable. It may be necessary during the period of peak arrivals to have more than one auction at one and the same time provided the auctions are held on the basis of quality. Thus, for instance, there are three accepted qualities of gul and if the days arrivals are grouped on the basis of quality three auctions can be simultaneously arranged under the supervision of the staff of the Market Committee, because the buyers may not be the same for all the qualities. Even where the buyer is interested in more than one quality, we believe, he will make arrangement to depute his representative to bid. Alternatively, two auctions might be held, one in the morning and one in the evening. In Hyderabad, where the open auction system is practised, we found, that the auctioneer of the Market Committee opens auction at a particular shop and continues for the specified number of minutes and then proceeds to the next shop

leaving his colleague behind to watch the further progress of the auction and record the price. By this process the turn-round is quicker. This method might be suitable for certain markets:

109. During our visit to the groundnut market in South Arcot district, we were impressed by the system of sale adopted there. This system is known as "closed bid" auction, and has been in operation since the first market was started at Tindivanam in 1940. Under this system the produce brought for sale in bags is allotted a lot number. A lot which requires sieving is sieved and the entire produce of the lot is then mixed and rebagged in the Committee's "B" Twill gunnies. The weighment is then done by the majoor headed by licensed weighmen and the weights recorded by the yard mistry in the employ of the Committee. Each chitta is in triplicate and of a different colour. The seller signs the chitta immediately the weight is recorded on it. The bags, with their lot number, are then exhibited for sale in the transaction sheds of the Committee in a properly arranged manner. One, two or three bids are conducted every day according to the volume of arrivals. First bid is normally conducted at 10-00 a.m. an hour or two before that the bidders gather in the market, examine each lot and offer their price in special bid chits supplied by the Committee. These bid chits are deposited in a sealed box which is kept in the Superintendent's office. The priority list is also put up near the box where each bidder is to sign his name which is the evidence for determining his priority number. At the exact time for closing the auction a bell is rung and the bid chits are removed from the box and the prices quoted by different bidders for each lot are compared. The lots are then declared to the higher bidders after getting the assent of the sellers. In case of a tie between more than one bidder for the highest bid for the same lot, the bidder who tendered his price first is given the lot.

110. After the bids have been declared and the seller's acceptance is secured, the bargain becomes complete, and the buyer's name, price and the value of the produce sold are written on the weighment chitta. Two copies of the chitta are handed over to the seller and the original copy is given to the buyer. After checking the price and the amount due to the seller the buyer pays the value to the seller who receives payment either on the spot or at the buyer's office if it is close-by. It is only then that the bags are delivered to the buyer from whom handling charges and the cess are collected. If any lot remains unsold because the seller is unwilling to accept the price offered during the tender or for any reason, the weighment charge is collected from the seller, but the seller is given the facility to store his produce in the godown of the Market Committee.

111. We found that this system assures a fair deal to the buyers as well as the sellers and saves a good deal of time. Because a trader anxious to buy a particular lot cannot be sure that his



rival will not outbid him, he offers, under this system, the highest price. It also avoids violent fluctuations, excitement among traders and disputes. Though this system has been adopted in the Madras State in respect of groundnut, we think, that it can work smoothly in respect of gul, especially in markets where the arrivals are heavy. The initial process under this system is still more or less the same as the one adopted in the case of open auction and the only difference is that whereas under the open auction system each auction has to be conducted separately, under this system, tenders are invited. It is not obligatory on every buyer to make his offer for all the produce. The minimum offer can be for one lot. The only requirement of this system is that the employees of the Market Committee who are entrusted with the scrutiny of the tenders will have to be experts and honest since it is they who, in scrutinising the tenders, will decide the person, who has made the highest offer for the particular lot. The danger can, however, be avoided by providing for a re-examination of a particular decision when it is challenged by any trader.

112. \* During our discussions with the representatives of Merchants' Associations and members of the Market Committees from the traders' constituency at Kopargaon, Sangli and Kolhapur, we found that the tender system in operation in Madras and described above produced a favourable reaction. Some of the merchants were not, however, quite sure that the system would save time which is its object. But the opinion was unanimous in all the three centres that a trial should be given.

113. Having witnessed the system of operation at Tindivanam we are confident that it will prove superior to the system of open auction especially in markets which are confronted with the problem of completing the bargains within the trading hours. The details of the system might be settled by each Market Committee in consultation with the Director of Agricultural Marketing; but we recommend that the law should only provide for the recognition of the open auction system and the tender system within the market yard. We, however, recommend that outside the market yard but within the market area the system of open agreement may be allowed mainly because the grower deals directly with the buyer in most cases and it is not possible to conduct open auctions. So far as the market yard is concerned all other systems of sale which are at present in vogue should be stopped forthwith. We urge Government to take strong action in this respect because after our enquiry we have been left with the impression that the law is held to ridicule in certain markets where sales are being effected under systems such as Hatta with the connivance and approval of Market Committees even though these methods are not recognised by the law. We particularly regret to mention here that the State has been held to ridicule in certain reports issued by the Government of India

and the Government of Madras where a pointed reference has been made about the Hatta system that has been flourishing in the Dhulia Cotton Market.

### Agreement

114. After the deals are struck, every buyer is required under Rule 62 to sign an agreement in triplicate in favour of the seller. Out of three copies one is kept by the buyer and one is given to the seller or his agent and the third is meant for the record of the Market Committee. This agreement is in a specified form, copies of which, are supplied free of cost by the Market Committee. We have, however, found that traders are generally reluctant to execute these agreements and have been able even to evade their issue on flimsy grounds and also because no penalty has been prescribed for the default. Secondly, though the printed forms are supplied by the Market Committee, there is no guarantee that the same forms will be used and it may be that the forms sent for the records of the Market Committee will not have the same details which are made available to the seller or agent or kept by the buyer himself. *We, therefore, suggest that the printed forms to be supplied by the Market Committee should be numbered and bear the rubber stamp of the Market Committee and also that of the Secretary's signature before they are issued to the licence-holders. We further recommend that since the agreement form is the crux of evidence in regard to the completion of a bargain and also for the purpose of collecting the cess, the Act should provide that no person shall buy any agricultural commodity in the market including the village unless he holds a licence and executes an agreement in respect of every purchase in forms supplied by the Market Committee. It is only with the means of these forms that the Market Committee can exercise a check on the dealings of the licence-holders especially outside the market yards. Furthermore, we feel that there should be sufficient deterrent for the licence-holders against the contravention of this provision. In Hyderabad if the sale note is not given in time, the Market Committee imposes on the buyers penalty at the rate of one pie per sale note per day and if the default continues for a fortnight, the licence is cancelled.*

### Weighment

115. A source of malpractices in markets prior to the regulation was the system of weighment to which a reference has been made in paragraph 32. The administration of the 'Bombay Weights and Measures Act is vested in the Director of Industries whose Inspectors are expected to periodically check the weights and measures used in different markets in the State. Section 12 (1) of the Bombay Agricultural Produce Markets Act, however, provides that in case of any difference between an Inspector appointed under the Weights

and Measures Act and any person in the market, such difference may be referred to the Market Committee and the decision of the Market Committee shall be final and shall be deemed to have been given under section 25 of the Bombay Weights and Measures Act, 1932. Sub-Section (2) of the same section, however, provides for an appeal to the State Government or to the Director of Industries. In actual practice, we are informed, there has been no effective inspection or supervision of the weights and measures. On the other hand, an instance has been reported where the Inspector has insisted that each container for groundnut has to be weighed separately in order to determine the allowances for the purpose of conforming to the meticulous provisions of the Weights and Measures Act.

116. The question regarding the machinery for administering the Weights and Measures Act has been discussed in Chapter VIII, paragraph 333. Here we think it necessary to emphasise that adequate supervision is necessary over the system of weighing the agricultural produce in the market and also for ensuring that correct weights are used. This can be done firstly by ensuring the use of the correct weights in the market and secondly by providing for supervision of the persons who are engaged in weighing. The question of licensing weighmen is discussed in the following chapter. This weightment work is done on the basis of rotation system in order that no weighman in a market yard is permanently attached to any particular shop. This system is wholesome inasmuch as it serves as a check on the tendency to build up affiliations between licensed weighmen and traders. It has further been reported to us that some of the weighmen are indebted to traders and are liable to be influenced by them. We think that such dealings which place the licensed weighmen under an obligation of the trader should be stopped.

117. If the supervision over licensed weighmen is fairly adequate in the market yard it is dormant outside the market yard. In paragraph 79 we recommended that processing factories should also be subjected to licensing as traders. Since the volume of transactions is sufficiently large in these factories, we urge that the Market Committee should send its Inspectors periodically to supervise weighing operations in these factories and to insist that the produce is weighed by licensed weighmen or, where this is not possible, by weighmen approved and registered by the Market Committee.

118. A suggestion was made to us in the course of our discussions about the installation of a weigh-bridge in every market yard, so that the cultivator can weigh his cart-load of produce and also his cart when empty on the weigh-bridge and get certificate from the Market Committee of the weight of his produce which should be accepted as a final. We are aware that this recommendation was made by the Royal Commission on Agriculture as early as in 1928; but our enquiries show that the installation of a weigh-bridge is

a mixed blessing. If the weigh-bridge is kept in a proper order and care is taken to see that the cart is placed in its proper place on the weigh-bridge then only the correct weight can be assured to the farmer. On the other hand, there are greater opportunities for mischief on the weigh-bridge. We are told that in the case of cotton even some minor adjustment can result in a loss of 20 to 28 pounds of cotton per cart which works out at Rs. 5 to 7. We would prefer the Madras system which insists that each market yard should be equipped with a set of master weights which are checked and stamped every year and the Market Committee checks the weights used in the market with these master weights.

### Trade Allowance.

119. One of the most controversial provisions is in respect of the trade allowance. Section 17 permits only those types of trade allowances which are prescribed either by the Rules or the Bye-laws of the Market Committee. A statement of the trade allowances permitted under the bye-laws of the different Market Committees has been given in Appendix 13. The provision for trade allowance is an accepted practice in order to provide for the contingency arising from admixture of foreign matter which is inevitable, to a certain extent, in the case of agricultural produce such as groundnut, packing and quality. At the same time, it is equally true that traders, especially in unregulated markets, are accustomed to make deductions which are not warranted. Several witnesses have testified before us that in spite of the specific provisions in the bye-laws regarding the trade allowances, an effort is made to secure additional benefits by taking a dispute to settle outside the Market Committee. This practice is particularly noticed in the regulated markets of West Khandesh where heavy deductions are made on account of various factors. Representatives of agriculturists from Sirsi have reported that the allowance for driage in respect of pepper is exceedingly high. From Bijapur Market, a report has been received that trade allowances are granted separately for both driage as well as moisture. Professor Dantwala reported 4 years ago that in one market prices received were different from those declared in the market in the case of three-fourths of the transactions. We have not come across such an instance in the course of our enquiry; but are satisfied that trade allowances permitted have been extensively misused.

120. At the other extreme is the difficulty in granting a legitimate allowance on account of containers. As a result of a strict interpretation of the provisions in the Bombay Weights and Measures Act, the authorities have insisted that containers, including bags and bardan, of each seller must be weighed separately. Such a method is neither convenient nor practicable from the point of expeditious marketing, especially during the peak season. Again, in certain markets, the buyer is required to pay the price of the container. This

may be brand new, second-hand, or very old and the determination of the price is often the subject of a dispute. We think that the question of payment on account of containers can be settled if the seller has the option to refuse to deliver the container except at a price which is acceptable to him.

121. Another type of trade allowance that is usually claimed is on account of alleged deviation from the sample. In the regulated markets in Bombay State, the sale by sample is an exception rather than the rule. Long before the bidding starts, the buyer has an opportunity to inspect the goods, ascertain the extent of moisture, dirt, etc., as well as the quality. Normally, therefore, there should be no case for any trade allowance on account of these factors. This should be so especially where the commodity is displayed in a heap. In the Hyderabad Market, we were told, no trade allowance is permissible if the sale is effected by the heap method. Whether where it is a cart-load or packed, the allowance will have to be provided; but it should be no more than the compensation which is necessary to make up the difference in quality at the top of the cart and at its bottom. In order that this method functions in the interest of both the buyer and the seller, it should be made obligatory on the commission agent and the buyer to take the sample as soon as the bargain is struck. This sample should be sealed and handed over to the seller. Similarly another sample should be taken at the bottom and in the case of a dispute, the matter should be referred to the Market Committee for arbitration.

122. In this context, we wish to point out that in New York where inspection is allowed before the auction, samples are not treated as legal samples. The rule makes it clear that "references are for description and not representations or warranties". It also stipulates that the basis for the sale is "as is" and where they stand at the buyer's risk. The commission agent also makes it clear that sales are not made by sample nor the seller or the auctioneer warrants or represents that the bulk of the goods are to be like that examined or exhibited to the buyer. *We recommend that the feasibility of introducing this system in the regulated markets in this State should be examined by the Director of Agricultural Marketing.*

123. Since the market yards in this State are not properly developed, it may not be possible to unload the produce on the ground that in order to enable the buyer to have a thorough inspection of the whole quantity. But we think that such a system, if developed, will reduce the number of disputes over the trade allowance. Even where there is a dispute between the buyer and the seller and such a dispute is referred to the Market Committee for arbitration, the seller should have the right to cancel the bargain and to demand

the difference representing the price at which the goods were sold and the price prevailing at the time of the dispute provided the latter is lower than the former. But the buyer should not claim anything if the price goes up because he is not a loser. In any case, we are of the view that the trade allowances to be prescribed should be few in number and restricted as far as possible to the containers including bags and bardan only. The rules in respect of the trade allowance adopted by each Market Committee, therefore, requires to be re-examined very carefully and finalised. *We further recommend that an authenticated list of allowances prepared in consultation with, and the approval of, the Director of Agricultural Marketing, should be prominently exhibited for the information of the producers.*

### Market Charges.

124. Under Rule 68 market charges have to be defined by every market, while Rule 74 prescribes that no market functionary shall solicit or receive fees other than those specified. From the information received by us, we are inclined to think that the regulations in respect of market charges are generally observed. Complaints have, however, been received from the producers in certain markets that certain commission agents charge an additional fee, albeit a nominal one, for recording the bargains by way of recording charges. In certain markets these recording charges form part of the market charges. We think that it is part of the duties of the commission agent to record bargains and when he is paid for the services by way of his commission, he is not entitled to ask for any other charge. We, therefore, think that the practice of paying recording charges is undesirable and to recognise it is against the spirit of the law. If the commission is low, then the proper course would be to raise it so as to compensate him for this work.

125. Another novelty is the practice of granting dearness allowance as a part of the market charge. This has been introduced on the ground that the normal income by way of commission to the market functionaries on account of a particular work is not commensurate with the higher living cost and the addition by way of dearness allowance can be a temporary feature which can be removed when the normal conditions are restored. What is precisely meant by normal conditions has nowhere been defined. These services, it might be noted, are not rendered by employees who are paid a salary with which the system of dearness allowance is generally associated. Even in the best organised markets in Bombay City, there is no addition of dearness allowance to the market charges. We, however, recognise that the services rendered by the market functionaries should be reasonably remunerated. If the conditions are considered abnormal, it would be better to revise the market charges including commission, weighment, hamali and storage at

the beginning of every market year. But once they are fixed, there should be no addition by way of dearness or any other allowance during the season.

126. The basis for making the payment in settlement of the bargains has not been laid down either in the Act or the Rules. It is, however, regulated by each Market Committee under its Bye-laws. The model bye-law No. 49 lays down that the buyer and the general commission agent, if one is employed in the transaction, will have to settle the accounts and to make arrangements for the prompt payment of sale proceeds in the case of agriculturists sellers immediately after the transaction is completed. This means that so far as the agriculturist seller is concerned, he has to be paid promptly; but no method has been prescribed in regard to the payment on account of transactions between the buyer who is a trader and the commission agent. It would also appear from the wording of the bye-law that the onus of making payment to the agriculturist is on the commission agent.

127. We were informed by almost all the Market Committees as well as independent witnesses that the farmer generally receives cash as soon as his produce is bought. We might clarify here that the cash payment to the farmer is made mainly with a view to conforming to the bye-law rather than to the spirit underlying it. In several cases, this is done by book entries by adjusting the sum payable against the sale to the loan account or, where the farmer is not a borrower, by showing the payment to him as well as the receipt of deposit from him simultaneously. Apart from that, the commission agent has to pay to the farmer irrespective of the fact as to whether he receives the money from the buyer or not. This system throws the burden of financing the transaction on the commission agent, while the buyer gets credit for a period which is determined under the market usage in certain markets and at his convenience in others where the merchants' associations have not initiated any agreed practice. We wish to emphasise here that the health of a market depends not only on regular payment against transactions to the agriculturist producers but also against business done between traders *inter alia*. It has been the general experience that when one trader fails to honour his commitments the morale of the whole market is affected. Moreover, the extension or non-regulation of credit encourages overtrading in the market itself with the consequent danger of wide fluctuations and instability in prices. It is true that a rigid control of credit will have a restrictive influence; but to that extent, the price offered by buyers might be less than what he might have under unregulated credit. Nevertheless, such a loss cannot be more than the premium for covering the risk of a total default. We opine that a slightly lower price will

ultimately prove a more reasonable and realistic basis from view-point of the market as well as the agriculturist himself, provided the payment is prompt, than the higher price pregnant with the danger of a total loss.

128. The problem of payment is, therefore, to be viewed from the point of the stability of the market as a whole and not in the restricted interest of the agriculturist alone, for, without a stable market, the agriculturist cannot expect to get a fair price. Since the payment against all the transactions is linked with the market stability, we feel that all the payments in the markets will have to be regulated. As stated in the preceding paragraph, at present only payments to agriculturist are regulated under the bye-law. *We recommend that the bye-law should also regulate the system of payments between the traders themselves.* In making these recommendations, we realise the desirability of not disturbing unduly the existing trade practice. Similarly, we think, it would be necessary while devising the basis to take note of the fact that credit is essential. We wish to emphasise that the period should be regulated on the basis of past usage, and should not be unlimited. This might vary from one week to a fortnight but it will depend on the usage in each market. We do not, therefore, make a specific recommendation regarding the period of credit in respect of transactions between traders and traders but suggest that in no case it should exceed a fortnight. *We think that the necessary provision can be made in the bye-laws of the Market Committee which can also take precautions to ensure that it is rigidly observed.*

### **Grading and Adulteration.**

129. Rules 90 and 91 have been designed for the prevention of adulteration of agricultural produce and its grading and standardisation. Rule 90 imposes on the Market Committee the obligation of taking "all possible steps to prevent the adulteration"; while Rule 91 makes it compulsory for it to maintain "for the use of the sellers and buyers a set of samples of standard grades of agricultural produce sold at the market". In actual practice, however, none of these rules are observed. The representatives of Market Committees have informed us that it is not possible for them to undertake this work however desirable it might be. We have, however, noticed that some of the cotton sale societies in Karnatak have been grading cotton. In gul markets in the Deccan, gul is roughly graded. Similar grading is done in respect of other commodities, but it is more on the basis of commercial practices than on the basis of technical standards conforming the AGMARK Rules. This system can at best be considered as sorting rather than grading. We were told at Kopargaon that the auction of Mosambies was done only after grading. Chillies are graded in the Byadgi Market by a grader appointed by the Market Committee. The Karnatak Regulated



Markets Advisory Committee has represented to us that their work can be effective only if the grading done by them is recognised by the terminal market in Bombay. The East India Cotton Association has, however, its own methods of determining the standards in respect of quality of cotton and, ultimately, it is the buyer who has the freedom to choose and pick. Very recently that the Market Committees in Gujerat have taken steps to appoint Graders for grading cotton. We have further noted that 111 individuals in 18 districts have been authorised under the AGMARK Rules to grade butter, ghee, groundnut and til oil, mosambies, oranges, chikoos, grapes, and alphonso mangoes; while three Superintendents of the Agricultural Department have been authorised under the said rules to act as Graders for cotton.

130. It will be noted from the preceding paragraphs that the system of grading practically does not exist in Bombay State and, where it does, the graders are usually the middlemen whose ability for impartial grading is yet to be established. If, in these circumstances, Market Committees have not yet taken themselves to grading, we think they will have to be excused. Firstly, Market Committees have not got the requisite resources for ensuring the proper grading of agricultural produce. Secondly, where these resources are made available, it cannot be said that grading done by a Committee will be accepted by traders for the purpose of trading. The question was discussed in detail in the course of our interview at Sangli and the merchants admitted that the taste of people varied from place to place and gul which might be termed to be of a third quality from the point of a particular market may be of the first quality for another market. At any rate, they were emphatic that it would not be possible to transact business on the basis of the grades alone and that grading was not a good substitute for the inspection of goods themselves. *We, therefore, recommend that the responsibility of grading should not be imposed on Market Committees until the system of grading is adequately supervised and the Market Committees are in a position to perform their more important functions efficiently.* We, however, recognise the importance of grading from the point of enabling the farmer to get a premium for the quality production and *suggest that Marketing Co-operatives should be encouraged to do it.* As dealers in agricultural produce and organisations of growers, they are better qualified for the job than Market Committees whose main duty is to hold the scales even between the producer and the trader.

131. This does not mean that adulteration and allied malpractices such as damping leading to deterioration of the commodity are uncommon in regulated markets or should be ignored by Market Committees. It is not possible to fix the responsibility for it on the agriculturist or on the trader exclusively. Adulteration, mixing and damping might be partially attributable to the size of agricultural holdings, ignorance and the lack of staying power which

compels the grower to sell his produce as soon as it is harvested. In the main these malpractices may be traced to traders buying the produce in the villages and selling it in the wholesale markets. But the fact remains that they react most unfavourably on the price the farmer receives for his produce. The question, therefore, is how the malpractices can be prevented or checked. Traders have represented to us that the farmer resorting to them should be penalised whereas the latter feels that the village trader is the real culprit. We are of the view that the agriculturist is sufficiently penalised in the form of a lower price for adulterated produce. *Nevertheless, the magnitude of the malpractices prompt us to recommend that whosoever brings adulterated produce to the market yard should be warned thrice and then fined for the offence.* It may even be necessary for the Market Committee to refuse entry to the yard to a person—the farmer or the trader—who disregards these warnings; but such an action will have to be taken after careful consideration and on a mature judgment.

132. Warnings and expulsion are the negative approach to the problem. We, however, believe that it can be tackled more effectively and speedily by the Market Committees by initiating more positive measures. Propaganda among the cultivators so as to bring home the damage inflicted by malpractices can be highly useful. Traders themselves can provide the incentive by paying a premium for good quality. Certain markets have adopted the system of permitting the auction in the yard only after the produce is sieved. This practice deserves to be emulated by other regulated markets in the State. Furthermore, we wish to refer to the two competitions conducted by the South Arcot Market Committee in Madras State. These are meant to give cash prizes to the groundnut growers in the district who have highest yield per acre and offer the best quality produce for sale in the market yard. For deciding the latter prize, the Market Committee maintains a record of the quality of groundnut brought into the market yard during each season. We hope that the desirability of such a measure will be recognised by Market Committees in Bombay State.

### **Storage and Warehousing.**

133. The importance of storage from the point of efficient marketing need not be emphasised. Wherever there are facilities for storage, a seller can be in a stronger position when disputes arise. The Royal Commission on Agriculture had recommended in 1928 that where sufficient storage accommodation is not made available by co-operative societies, the Market Committee should supply the deficiency. The Committees are, therefore, apparently under the impression that it is their responsibility to provide the accommodation. We have been informed that the Government has so far sanctioned loans to the extent of Rs. 1,91,000 to Market Committees for construction of warehouses. We, however, find from the Act and the Rules that no such

responsibility has been imposed on them. Rule 88 only authorises the Market Committees to regulate the storage of unsold goods in godowns and warehouses owned or hired by the licensees. Such godowns have to be registered and approved by the Market Committee. This Rule is wholesome and we hope that the Committees would make full use of their power to insist that traders and commission agents have adequate storage facilities of the requisite standards. We commend to them the example of Hyderabad where it is obligatory on these types of traders to construct shops and godowns of approved specifications in market yards.

134. The storage facilities can be broadly grouped under two heads. When the goods cannot be sold or arrive in quantities larger than what the market can digest, it would be necessary to temporarily store the goods pending their disposal. Storage accommodation should also be necessary when the prices fall, owing to various reasons to uneconomic levels so as to provide the time-lag for adjustment of supply and demand. Storage of goods is also undertaken for the purpose of manipulating a market. The last type is mainly a speculative device. On the other hand, warehousing means very much more than mere storage. Its success depends not only on the construction of standard godowns and standardization of agricultural produce, but also on the qualities, qualifications and experience of the warehouseman. Unless the warehouseman is competent, he cannot discharge his duties and responsibilities as provided under the Bombay Warehouses Act, 1947. This is a specialised business calling for a special agency and we think that extreme care will have to be taken by the authorities before granting a warehouseman's licence to any party.

135. The question then remains about the agency for handling the storage facilities of a temporary nature. As a rule, it should be obligatory on commission agents to provide the necessary facilities for agricultural producers who sell their produce through them. It is true that such a facility when provided by a commission agent is liable to be misused by him, but we opine that the safeguards provided under Rule 88, at present, are, if adhered to by Market Committees, should be adequate to prevent the exploitation of the agriculturists by the commission agent. At any rate, we do not favour that Market Committees should provide storage facilities mainly because it is expected to hold the scales even between the commission agent and the other traders on the one hand and the agriculturists on the other. There may, however, be markets where, for one reason or the other, the commission agent or other traders may not be in a position to provide the storage facility. It may even be possible in such markets that there will not be any co-operative sale organisation to provide storage accommodation. It is only in such markets, the Market Committees should be allowed to provide

storage accommodation on the clear understanding that it shoulders no storage risk and that the storage is at the cost of the owner and, therefore, the charges are moderate.

### Disputes.

136. In even the best organised markets, disputes are bound to occur over interpretation of a particular aspect of the transaction. Care is, therefore, taken while regulating the method of business to provide also for the machinery to settle the disputes. Normally, outside the business transactions, disputes are taken to the court; but if this practice were to be extended to the markets, regulated or unregulated, the cumbersome procedure of the law will result in inordinate delays and disturbing the market mechanism. Organised trade exchanges have, therefore, armed themselves with the power of setting up their own machinery for settlement of disputes through arbitration. Their rules provide that the decision by the arbitrator or arbitrators has a force of the court's orders. In order to ensure that the machinery of arbitration functions smoothly, these exchanges have also provided for penalties including expulsion of members who refuse to submit their disputes for compulsory arbitration or abide by the award. Rule 37 under the Act is based on this well accepted practice adopted by the organised trade exchanges. We have, however, been informed that this rule is seldom invoked and the licensees, as a rule, settle their disputes, with the connivance of Market Committees, mainly through the merchants' associations. Such a practice is undesirable inasmuch as the ends of justice may not be met and it seeks to create an organisation parallel to the authority of the Market Committee.

137. The two powerful arguments advanced against the machinery set up by the Market Committees are that the composition of the Disputes Sub-Committee under Rule 37 is such that it cannot give a correct decision and that, irrespective of the merits, it is given after a long interval. The constitution of the Sub-Committee, as laid down by this rule is that out of three members, one must be a representative of the agriculturists, one of the traders and one from amongst the nominated members. Evidence has been submitted to us to the effect that the nominated member, has no time to serve on the Sub-Committee nor have they the necessary knowledge regarding the entire structure of the trade disputes. Moreover, the functions of this Sub-Committee are confined to disputes between buyers and sellers and there is no machinery provided for other disputes. Rule 37 further provides that the Collector may direct the Disputes Sub-Committee to appoint a panel of arbitrators. We are afraid that the precise distinction between the functions of the Disputes Sub-Committee and the panel of arbitrators has not been defined in the Rules. Clause 7 of Rule 37, however, mentions that the decision of the Sub-Committee shall be final. From this, we are inclined to

infer that the Disputes Sub-Committee is an appellate body and the disputes are mainly sought to be settled through arbitrators. The whole practice regarding the machinery for the settlement of disputes will, therefore, have to be regularised.

138. In evolving the machinery, two precautions will have to be taken. Firstly, those authorised to settle the dispute must be competent to handle the job and to hold the scales even. Secondly, the decision must be prompt. In Hyderabad, the Secretary of the Market Committee has powers to settle the disputes and, in practice, settles most of them. In our State similar powers are vested in the Secretary, but he seldom uses these powers. In the majority of cases he cannot do so because no complaint is made to him; in a few cases where complaints are made, he does not want to take the responsibility for fear of displeasing the powerful element.

139. *We, therefore, recommend that the Rule should provide that every dispute in the market yard and sub-market yard shall be reported to the Market Committee and shall be settled through the machinery provided by the Market Committee.* Secondly, we hope that the Secretary, if our recommendation in this paragraph is accepted, will be in a strong position to try to settle the disputes amicably as has been provided under Rule 37(3)(a). It is only when he fails to settle the dispute that the machinery of Disputes Sub-Committee set up by the Chairman should be invoked.

140. We think, there should be some appellate authority. To provide for this, *we recommend that there should be a Sub-Committee of appeal composed of three members of the Market Committee.* Such a Sub-Committee should be appointed only for the purpose of hearing and disposing of a specific appeal. While the Chairman should be free to appoint this Sub-Committee after receiving the application of the party not accepting the decision, care should be taken to ensure that the appellate Sub-Committee is a representative one. Whenever one of the parties to the dispute is an agriculturist, there should be one representative of the agriculturist of the Market Committee on the Disputes Sub-Committee. In the case of disputes between the traders themselves, it may not be undesirable to have a representative of the agriculturist. There should at least be one member from amongst the traders' representatives. The third member should be the one selected by the Chairman. We would prefer that the third member is as far as practicable a nominated member, but we do not wish to lay down this condition because in all disputes, this may not be practicable. *We would, however, recommend that while selecting the third member for the Disputes Sub-Committee, the Chairman should give preference to a member nominated by the Government who can hold the balance between his colleagues who represent particular interests. The decision of this Disputes Sub-Committee should be final.*

### Market information.

141. The efficient conduct of a market depends on the full knowledge of the conditions bearing on demand and supply of the market—local, wholesale, terminal, national and world. This is because the mechanism of the market economy is governed by a variety of factors. Such knowledge is as much useful to the traders whose buying and selling policies in the different markets are guided mainly by profit motive as to the primary producers who have to regulate the flow of goods to markets and establish policies in regard to the future production plans on the basis that their efforts will provide them a reasonable margin between the selling prices and the cost of cultivation. From this point, any information bearing on the trend of production, demand and prices in any market should be useful to both these groups. This information might range from the acreage, whether any changes in production, harvesting and marketing technique to Government policies and economic activity and business conditions. It will also cover from the local factors to the international conditions. If it is wrong, it can inflict damage on those making use of it or relying on it. If it is delayed, the labour on it is wasted. The essence of a successful market information is, therefore, its accuracy, promptness and completeness. Again, even such type of information can be of an academic interest if it is not interpreted skillfully. We, therefore, think market information is a double-edged weapon which can serve its purpose if it is efficiently used and can inflict damage if it is misused. In order, therefore, to ensure that it serves a fruitful purpose, it may not only be accurate, complete and prompt but must also be controlled. Organised trade exchanges, therefore, insist that no member will resort to the circulation of false or incorrect information.

142. In a regulated market, the trader is liable to use whatever information that might come in his possession exclusively to serve his own needs. On the other hand, the primary producer can hardly afford the luxury of maintaining an elaborate organisation for sharing at a price any source of information. Thus the authority connected with the regulation of markets has two-fold task of controlling the misuse of the market information by those using the market, especially the trader, and disseminating the market information of the standard mentioned above. We think that both these services which are on the negative and positive aspects of the same problem should be obligatory for Market Committees. They should be made available not only for the market yard and the sub-yard but in other small market which, we hope, will be brought under the control of the Market Committee. Arrangements for the display of market information in the market yard can be made without any difficulty. So far as the rest of the market area is concerned, *we recommend that this information should be made available to the agriculturists through the Village Panchayats and agricul-*

*tural societies free of cost.* This can be a valuable service in the villages for which the Market Committee will be compensated by way of cess for the recovery of which we have recommended the machinery elsewhere.

143. The responsibility of Market Committees in the matter of supply of market information has been recognised under Rules 63 and 92. The former rule requires the Market Committees to place, "so far as practicable", at the disposal of those using the market, information on such matters as the prices of commercial crops ruling in the principal marketing centres of the tract and at the ports serving the same and the stocks held by mills. It further lays that the information shall be published in the manner readily available to all users of the market. The latter rule requires the Market Committee to maintain daily lists of prices of different types and grades of agricultural produce in respect of which the market is established. We are informed that the Market Committees maintain statistics regarding the arrivals of the regulated produce in the market yard, the price movement therein as well as in the neighbouring regulated markets and also prices prevailing in Bombay in respect of cash crops. Strictly from the point of the requirements under Rule 63, it must be said that no Market Committee reports the stocks held by mills. Apart from that, the inadequacy of market information is extensive in several other directions. Thus, no data is made available even in respect of local output of a particular crop, and where the prices from the neighbouring or terminal markets are made available, there is no means of knowing the price parity between the two markets. By and large, the mere figures are unintelligible unless an effort is made to interpret them. As such, this service is not only deficient but, is not very useful to the agriculturists. As regards the traders, we have been told, that the information that they receive from their counterparts in other centres is far superior to what the Market Committee makes available to them.

144. The question regarding the Market Committee's role in regard to the dissemination of market information will, therefore, have to be viewed in a larger context. In the regulated markets in Madras, which we visited, we found that the Market Committees not only displayed a variety of statistical data including the weather conditions, the progress of the crop, acreage, trend of prices, trade position, movement of commodities, etc., but also published a weekly report of arrivals, disposals, stock prices, etc., along with a short resume of agricultural operations and of the trend of the market. This report is priced so as to cover the postage and paper costs and made available to the neighbouring Market Committees as well. It is also published in daily papers. Some of the regulated markets in Bombay State publish the information that they have every day, through the papers, but nowhere has any attempt been made either

to interpret the data or to undertake a weekly review. The reason for this state of affairs is to be traced to the lack of resources both in men and money. On the top of this there are difficulties in collecting the necessary data. Thus, for instance, the statistics regarding arrivals and despatch of goods can be reliable only when the municipalities and transport organisations co-operate with the Market Committees in the matter of collection of such data. Again, the Market Committee has no facility to collect information from the area beyond its jurisdiction except to the extent one Committee secures co-operation from the other; but even then it is not possible for these Market Committees to get information from the terminal markets and from the sources other than the market.

145. Under the Director of Agricultural Marketing has been maintained a market research section. This section arranges through the All India Radio to broadcast every evening the daily quotations in the Bombay market in respect of 32 commodities. These are only closing prices which are made available in the radio broadcast at 5-30 p.m. This information is available only to those markets where the radios are maintained. In other words traders are alone benefitted since the agriculturists coming from the various villages cannot offer to come to the market yard every day for knowing the prices in the terminal markets. The Market Research Section also makes available to the Market Committees an elaborate review of all the markets in different commodities, regulated and unregulated, in Bombay State for every month. This review covers the Bombay Market as well as some of the important upcountry markets. Much of the valuable information contained in this report is, however, not available to the market functionaries or to the agriculturists. We found that the Market Committees simply file these reviews. We think that information contained therein can be placed at the disposal of those making use of the market.

146. The problem of market information will, therefore, have to be tackled boldly and with vision if such information were to serve the purpose for which it is considered necessary. As recommended earlier, this information will have to be made available to the agriculturists in their villages. It will, therefore, have to be mainly about their own market and secondly about the other markets. Secondly, it will have to be presented in an independent manner. Thirdly, it will have to be supplied promptly. *We, therefore, recommend that the daily report should cover daily arrivals in the market, the trend of prices, the number of bargains done in the market yard and the trend of demand and supply.* This information should not only be displayed on the notice board but should also be circulated in the villages by post. In addition to this, each Market Committee should prepare and supply a weekly market review covering not only the factors governing the trend in the market it regulates but also in



associated markets. The weekly report should also mention the basis on which the price parity is worked out so that the agriculturist can know the price relationship between the two markets. On the top of this the office of the Director of Agricultural Marketing should arrange for the publication of weekly market reviews for each commodity separately. This review should cover the week ended Friday and reach the Market Committee by at least Monday. The latter in turn, should keep this review for inspection of the users of the market in the office and should prepare a summary for making it available in the villages. *We further recommend that the Market Research Section should be responsible for the building up of the whole organisation from the bottom to the top with the regulated market as the base, the neighbouring markets as the intermediate link and the terminal market in Bombay as the peak* so that the market intelligence service can be supplied to all as well as received from different sources, directed properly from the expert level and also pooled at the top for the purpose of interpreting it and this, in turn, can again be made available to the markets in the assembling centres.

#### **Powers.**

147. We have dealt in the preceding paragraphs with the nature of regulation of markets. The authority regulating the market on the spot being the Market Committee, it is but natural that it should be armed with adequate powers in order to enable it to discharge this responsibility. The means with which this can be done are (1) the power to regulate the entry of persons to the market, (2) the power and facilities to supervise the behaviour of those who enter the market for transacting business and (3) the power to punish those who do not conform to the discipline. These powers can be used as a result of direct supervision in the market proper and indirect control will operate in the rest of the market area. Furthermore, we have also come to the conclusion that whether the control is direct or indirect, it must be firm and must not provide opportunities for evading it.

148. The Market Committees have been vested with certain powers in this respect under the Act and the Rules as well as their Byelaws. But these powers have been hedged with safeguards which have the effect of nullifying or minimising their use or the vigours. Thus, for instance, the cancellation or suspension of a licence can be ordered by a Market Committee when two-thirds of its members assent to it. In a Committee of 15 including three nominated members who usually play the role of observers and even agriculturists residing far away in the villages, it is not always that all the members are present, but the law insists that at least ten must support the decision. Again, even when it is decided by such

an overwhelming majority to suspend a licence for more than six months or cancel it, the decision can be effective only when the Collector approves it. Furthermore, Rule 66 insists that the cancellation or suspension of a licence must be for a fixed period.

149. The Market Committees are also vested with the powers to refuse to give a licence to any applicant. Rule 65 provides that this can be done only when it thinks that the applicant is not solvent or his operations in the market area are not likely to further efficient working of the market. The Madras Commercial Crops Markets Act, 1933, prescribes under section 5(4)(a) that the Collector may, in his discretion, grant or refuse to grant a licence under this Section. In a recent case filed by Shri K. Rajah Ayyar, the Madras High Court has held that this section is void to the extent that it confers on the Collector, power to refuse a licence at his own discretion. It has also held Rule 37 as void, in so far as it prohibits persons whose names have not yet been registered as buyers or sellers from carrying on business in the notified area. In Bombay State, under Rule 65, no person can do business as a trader or a general commission agent in agricultural produce in any market area except under a licence granted by the Market Committee. We are afraid that there is no material difference between the system of licensing, operating in Bombay State and one of registration adopted in Madras State. In view of the verdict of the Madras High Court, we think that the bottom out of the structure of regulation of markets will be knocked out if the decision of the Madras High Court were to be held as sacred. It is, however, not known whether the Madras High Court was prompted while giving the judgment, by the fine distinction between licensing to which the Madras Act refers and to the registration to which the rules framed thereunder refers. The byelaws of the Market Committees in Bombay State provided that the reasons for the refusal of a licence have to be recorded but no person other than those whose name appears in the licence is allowed to work in the market. The Bombay Rule, together with the byelaws, thus implies that the discretion is not absolute but is to be used, judiciously. To that extent, it is an improvement over the Madras Rules. The question of licensing market functionaries has been discussed in the following chapter; but in view of these complications *we recommend that the legal aspect of the question of regulating the entry to the market should be examined by the Government.*

150. While approaching the problem regarding the cancellation or suspension of a licence, we submit, the measures considered necessary by exchanges organised by the trade itself might be considered as suitable. Their byelaws provide for expulsion, suspension and fines for different offences including refusal to abide by awards and unbecoming conduct. The latter includes misconduct in dealings with or relations to the exchange or any of its members, knowingly

publishing any misrepresentation relating to the trade, the failure to comply with any notice or request made on behalf of the exchange and failure to pay the dues under the byelaws. The word "misconduct" has also been defined so as to cover non-fulfilment or contract or fraudulent breach of conduct, refusal of contract, refusal to refer any question of dispute to arbitration, and generally any conduct towards the exchange or as between its members which is subversive of its byelaws or objects and purposes.

151. From the statement given in Appendix 14, a broad idea can be had of the nature of disputes between the Market Committee and the Market functionaries and the outcome of the cases filed by the former. In several cases the Market Committee has been obliged either to withdraw the prosecution or to accept an adverse verdict of the Court. In a few cases where the conviction was obtained, the penalty was nominal with the result that, it has failed to act as a deterrent to others committing similar offences. Since the establishment of the regulated vegetable market at Ahmedabad in 1948, for instance, the Committee filed 40 complaints against the persons doing vegetable trade without a licence or outside the market yard. Out of these, cases against 26 had to be withdrawn and 3 dismissed by the Court, while in 11 cases the offenders were fined. For this purpose, the Committee incurred an expenditure of Rs. 5,242. All this goes to prove that the labours taken by the Market Committees to locate the offences and to secure punishment for them are not commensurate with the result. We have, therefore, come to the conclusion that the existing provisions in respect of penalties including the cancellation or suspension of a licence must be strengthened.

152. The question has been examined further in Chapter V, which deals with the amendments to the Act and the Rules. Here we wish to record that the Market Committee must have sufficient powers to impose penalties adequate in relation to the nature of offences. The proof of an offence having been committed is not always easy to be collected for the purpose of meeting the requirements of judicial decisions even in a market yard because traders are not generally inclined to give evidence against one belonging to their fraternity, while the farmer is anxious to avoid, the inconvenience of attending the court as a witness and is liable to be influenced by the trader with whom he has financial dealings. On the other hand, the evidence to the extent of satisfying the Committee can be collected. *It is this distinction which prompts us to recommend that there should be a greater reliance on the use of the powers to punish vested in the Market Committees than on recourse to courts.* Such a method should also meet the ends of justice quickly. Its use should, however, depend on the nature of offences. There are certain types of offences in respect of which it would be desirable to get the offender convicted by a court. There are others of a comparatively

minor nature in respect of which token punishments by way of fines upto say Rs. 25, might be considered sufficient. It is only in respect of offences of a grave nature that suspension or cancellation of a licence should be favoured by Market Committees. For instance, the refusal to obey the directions of the Chairman or Secretary or if failure to give the agreements of purchase would deserve or punishment of a fine; but the persistent default would demand the suspension or even cancellation of the licence. The latter type of penalty, is drastic. We, therefore, recommend that in the case of fine, the decision of the Market Committee should be final; but the Director of Agricultural Marketing should have powers to review such a decision by calling the papers on a representation from the aggrieved party, whereas in the case of suspension or cancellation of a licence the safeguard provided in Rule 66, subject to the administrative changes recommended in Chapter VIII. We have no objection even to the addition of a provision in the same Rule whereunder the aggrieved party can have an opportunity to appeal to the Director of Agricultural Marketing against the order of suspension of a licence for even less than six months, provided, it stipulates that the order shall remain in force until the appeal is disposed of. We, however, hope that the Market Committees will pass the order on a mature consideration, since the miscarriage of justice will necessitate the Director to censure them. We are also of the view that the provision in respect of fines should be made in the byelaws, while that for suspension or cancellation should continue to remain in the Rules.

153. The procedure to be adopted by a Market Committee before taking a decision to cancel or suspend a licence should be elaborate. The procedure should be that on the Secretary's report a charge-sheet should be framed and the Chairman should call upon the person concerned to submit his explanation within a week. If he fails to submit such a statement within the prescribed time giving reasons for his misconduct or producing evidence in support of the denial of an alleged offence, the view that a *prima facie* case has been established should be accepted. It is on the basis of the Secretary's report, the charge-sheet, and the explanation of the person who is alleged to have committed the offence that the Market Committee should take the decision regarding cancellation or suspension of a licence. Furthermore, in view of the practical difficulties pointed out in paragraph 148 in securing the support of two-thirds of the members of the Market Committee to any such measure, we recommend that the two-thirds majority should be only in respect of the members present at the time of consideration of the issue. There may, however, be cases where the nature of offence is such that the Chairman has to take prompt action. We, therefore, recommend that the provision made in Rule 67(7) should be suitably amended. This authorises the Chairman to suspend a licence for

a period up to one month of any broker, weighman, measurer or surveyor. We recommend that all the categories of market functionaries including traders should be covered. This procedure in this respect has been recommended in paragraph 159.

154. The other aspect of the same problem is the regulation of the entry of a person to the market. The market area is so extensive that it is not possible to impart rigidity to the rules governing the entry of a person to the market. At the same time it is possible to ensure proper regulation of entry to a market yard including a sub-yard. It is obvious that the Market Committee should be considered competent to decide whether the person is worthy of being admitted to the market yard or not. The provision of licensing market functionaries is designed to cover only a section of the persons who require access to the market yard. There are others including the employees of the market functionaries who will have to be admitted to the yard if the market functionaries were to discharge their functions efficiently. The Rules make no reference to this aspect of the problem; but the byelaws of the Market Committee provide for the issue of badges to such persons. The issue of badges is, however, confined at present to weighmen and measurers, who are already licensed. Whereas by another byelaws, the Market Committee is empowered to determine from time to time the maximum number of assistants who shall be entitled to work in the market on behalf of their employers, who are licence-holders. We recommend that these employees should also be given badges. There are further categories of employees—casual or permanent—such as harnals and transport operators. We suggest that the system of gate pass should be introduced in order to regulate the entry of those who might be considered desirable, but in whose case the system of licences or badges may not be suitable. Whether a nominal fee should be charged for the issue of gate pass is a matter to be left to the discretion of each Market Committee, but, we are emphatic that no fee should be charged for the gate pass issued to an agriculturist who brings his produce for sale to the market yard. If this procedure is adopted, the Market Committee should be able to decide that no person excepting the one having a valid licence or a badge or a gate pass should enter the market yard.

155. The question that was put to us during our visits to the various markets related to unauthorised entrants. Rule 67(1) prescribes that no person shall do business or operate in any other manner in any market area except under a licence. Whereas Rule 65(7) prescribes that any person doing so shall, on conviction, be punishable with fine, which may extend to Rs. 200 and in the case of a continued contravention with a further fine which may extend to Rs. 50 for every day during which the contravention continues after the date of the first conviction, subject to the maximum of Rs. 200. The effect of this Rule is that one can afford to pay Rs. 200 per annum

by way of fine and continue to trade in the market without a licence and without conforming to the obligations imposed thereunder. Such a provision defeats the very purpose of the Act. Some of us strongly feel that this ridiculous position can be remedied only if the Market Committee is given a power to confiscate the goods or equipment brought in the yard by a person illegally entering the market yard. They have argued that had there been such a provision, nobody would have dared to send pigs and goats into the yard at Lasalgaon, this month when the traders were on a strike. The majority of us are, however, afraid that such a drastic power is liable to be misused. We have, therefore, refrained from making any specific recommendation on this particular point; but hope that the question will be further examined from the administrative point of view by the Government.

156. Another point on which we have failed to arrive at a decision relates to the powers of Market Committees in respect of making a panchanama. If the prosecutions were to be launched, the making of a panchanama is inevitable. It is not always that the police is readily available. Furthermore, the Committee cannot be sure that it will be able to get persons to act as panchas before whom the panchanama has to be made, because agriculturists are illiterate and traders united. Some of us feel that powers of making panchanama should be vested in the members of the Market Committee. But apart from the administrative aspect of the question, the major difficulty is that the goods which would be the subject matter of the panchanama are liable to deterioration. The alternative suggested has been that the procedure for insisting on the panchanama should be dispensed with as has been provided for in respect of Municipalities regulating the markets.

#### Chairman.

157. Under Rule 29, the Chairman and in his absence, the Vice-Chairman, has been defined as the Chief Executive Officer of the Committee. This Rule has not operated to the benefit and the efficient working, of the Market Committee. When the Chairman is a representative of agriculturists, he is generally a resident outside the market proper and is, therefore, not in a position to devote as much time as is necessary in view of his role of the Chief Executive Officer of the Committee. Where he represents the traders, we are told, he may be favourably disposed towards his constituency, with the result that he is unable to function effectively and impartially as the Chief Executive Officer. Again, the person elected as Chairman has his own vocation to follow and holds the post in the Market Committee with no definite stake. Consequently, he has neither the time to devote to the day to day affairs of the Committee nor is there a very great urge to do so. In Madras State, prior to 1948, the Chairman used to be the Executive

Officer ; but for reasons, explained in the earlier paragraph, his powers as an Executive Officer have now been vested in the Secretary appointed by the Government.

158. The positions of the Chairman and the Executive Officer of a Market Committee can be considered analogous to those of the similar officers in the Municipality. The Bombay Municipal Boroughs Act, 1925, prescribes that the duties of the Municipal President are to (1) preside over the meetings of the Municipality and conduct business at such meetings, (2) watch over the financial and executive administration, (3) exercise supervision and control over the acts and proceedings of all employees of the Municipality, in matters of executive administration and in matters concerning accounts and records of the Municipality and to dispose of all questions relating to the service of the employees, and (4) direct, in cases of emergency, the execution of stoppage of any work or the doing of any act which requires the sanction of the Municipality.

159. *We recommend that the powers of the Chairman of the Market Committee should be the same as those mentioned in respect of the Municipal President in the previous paragraph. So far as the powers to be exercised in case of emergencies, to which a reference has been made in paragraph 153 are concerned, we recommend that he should have the power to suspend the licences for a period not exceeding one month as has been provided in Rule 67, sub-clause 7. In order that these powers are not exercised as a vindictive measure and in order to provide for the safeguard against their misuse, we recommend that upon taking any action, the Chairman should report the same to the Market Committee at its next meeting together with the reasons which had prompted him to take that action. If the Market Committee does not endorse this action he should have an opportunity to appeal to the Director of Agricultural Marketing against the rulings of his colleagues and if the decision is adverse to him, he should vacate his office. We have no recommendation to make in respect of the change in the procedure for election of the Chairman since the existing one is sound, but add that in view of the unjustified objections of traders, any number of a Market Committee should be eligible to seek the office irrespective of the fact that he is elected as a representative from a constituency or nominated as such by the Government.*

### **Secretary.**

160. Rule 38 makes it obligatory on the Market Committee to appoint a Secretary. It has, however, been represented to us that the functions of the Secretary have not been defined either in the Rules or in the Byelaws. His position is weak because his appointment and prospects are dependent on the whims of the Market Committee. The Chairman being the Executive Officer, carries all the correspondence and in the present situation the Secretary is no better than a Head Clerk. Even in this respect, his powers are

limited. He has no right to attend the meetings of the Market Committees or to express or submit to it his views on any subject unless he is called upon to do so. In other words, he has neither a *locus standi* nor has he any opportunity to take initiative in any matter. On the contrary, he is made a scape-goat by the Chairman, when something goes wrong. During our visits to some of the markets we found that the Secretary was appointed not because he was qualified or had the experience but mainly because he was most amiable to the Chairman's wishes and enjoyed the confidence of the majority in the Market Committee.

161. It is true that Rule 38(4) lays down that the appointment of superior officers and servants of the Market Committees will have to be approved by the Director; but we have come across cases where the advice of the Director has been disregarded. In one particular market the Director's insistence on the appointment of a qualified person as Secretary in place of the present incumbent have been successfully resisted during the past two years by the Market Committee. The Secretary from another market in the same tract confessed to us that he was helpless in submitting a particular viewpoint because he dared not displease the Chairman. These cases are not isolated ones. They are a general feature of the regulated markets to which only a few are exceptions and that too, because of sound conventions adopted by the Market Committees. We were particularly impressed by the proper position assigned to Secretaries in the regulated markets of Gujerat. What is, therefore, desirable is to have a qualified and experienced Secretary for each market, vested with powers which are necessary to enable him to carry his duties effectively.

162. If these requirements are to be assured, the Secretary's fate must not be in the hands of the Market Committee in which there are two distinct groups. Again, a person with requisite qualifications can be had only if he is paid adequately. It is not always that a Market Committee is in a position to pay him a reasonable salary, and even when it can, it may not be in a position to provide opportunities for promotions beyond certain level, even if he deserves them. Besides, the scope for recruitment in its case is limited. Moreover, the Secretary is the key officer of the Market Committee and it is he who as the highest paid officer has to devote his time and energy to the proper regulation of the market. In Madras the Government has powers to appoint the Secretary having executive powers and to determine his emoluments. In Hyderabad he is also a lent officer who is paid out of the Central Fund and has powers to control the market including the power to settle ordinary disputes, enter the premises and inspect the books of the licensees. Thus, the Secretary, under the disciplinary control of the Chairman, has freedom to take an independent view of any problem and submit it to the Market Committee. He also uses his freedom



because his job is not at the mercy of the Market Committee. In the course of our visits to various markets, we sought the views of the members of the Market Committees, trade associations and others on this feature of the working in Hyderabad and Madras and were pleased to find that the opinion was unanimous, that the Secretary should be appointed not by the Market Committee but by the Government. *We, therefore, recommend that the Government should appoint a person as Secretary for every Market Committee.* The financial implications of this recommendation have been examined in Chapter VII, paragraph 319.

163. It is not enough to have a qualified and experienced Secretary if his functions are not precisely defined or he is not armed with sufficient powers to carry on his executive authority. The powers and functions of the Secretary of a Market Committee are analogous to those of the Chief Officer of a Municipality. Section 34 of the Bombay Municipal Boroughs Act, 1925, defines them as to cover (a) watching, subject to the general control of the president, the financial and executive administration of the Municipality, (b) supervision and control over the cases and proceedings of all officers and servants of the Municipality in matters of executive administration, the accounts and records of the Municipality, (c) appointments which do not carry a monthly salary of more than Rs. 50. (d) furnishing information with the permission of the president to the authorities, (e) the issue of licences, (f) collection of fees, (g) rectification of audit report, (h) report to the president in respect of fraud, embezzlement, theft or loss of municipal money and property, and (i) the imposition of penalty on the employees of the Municipality, having a salary of not more than Rs. 50. This Act further lays down that every municipal councillor, officer, etc., are deemed to be a public servant.

164. Some of the powers mentioned above such as the issue or refusal of licences and dismissal of an employee should, in our opinion, be vested in the Market Committee. It will be enough if the Rule provides that the Secretary shall be the executive authority of the Market Committee entrusted with execution of its resolution and that while he shall be under disciplinary control of the Chairman, he shall conduct all correspondence and be responsible for keeping of accounts and making of all returns. As a corollary to this, he should have control over the subordinate staff and also powers in cases of emergency. The details regarding his functions and powers have been embodied by us in the new Rule we have recommended in Chapter IX.-

#### Other Staff

165. So far as other employees are concerned, we are of the view that the provisions made in section 9 of the Act and Rule 38(4) are adequate to meet the requirements. We wish, however, to record

that the service rules and the provident fund rules, should be revised by the Director of Agricultural Marketing in order to bring them in line with modern ideas regarding the conditions of employment. In this context, we particularly wish to draw the attention of the Government to Rule 24 and 25 of the Provident Fund Rules. Under these Rules the Market Committee has the first charge on the fund including the members' contribution and has the freedom to stop its contribution to the fund if a member transfers, assigns, or mortgages his interest in the fund. We are of the view that both these Rules defeat the very purpose with which provident fund is associated.

### **Composition of the Market Committee**

166. Section 6(1) of the Act prescribes the constitution of the Market Committees. According to this section, the Market Committee is to consist of 15 members, 7 are to be elected by agriculturists, 3 by traders subject to the reservation of one seat for co-operative sale societies, one on behalf of the Municipality in which the principal yard is situated, and the rest nominated by the Government. Rule 4, however, gives the discretion of fixing the number of the Market Committees to the Collector. Apart from the conflict between the Act and Rules, the procedure of electing the agricultural representatives is costly and cumbersome and often leads to election disputes; the purpose of reserving a seat for a co-operative organisation is defeated as a result of its inclusion in the traders' constituency; and the purpose of having Government Nominees on the Committees has not been achieved.

167. Before examining the problem of the constitution of Market Committees, we think it necessary to maintain here the background which prompted the Government to make the relevant provisions in the Act. These were first made in the Bombay Cotton Markets Act, 1927, and the Royal Commission observed that "we approve provisions of the Bombay Act which deal with these markets, especially, the provision for the election of not less than half of the members of the Committee by the cotton-growers of the area by the Market. Even, this, however, may not secure entirely satisfactory representation of the growers' interest and where it fails to do so, an officer of the Agricultural Department who is in the best position to watch over their interests, might well be nominated to the Committee. We would, however, suggest that it should be definitely prescribed by rule that no licensed broker should be eligible for election to the Committee as a representative of the cultivators. We should also recommend that ordinarily, the constitution of the Market Committee should provide for the representation of co-operative societies in the areas served by the market".

168. The first question to be decided relates to the size of a Market Committee. The number of the members of the Market Committee which is the administrative body, should not be unwieldy nor should it be low enough to deny reasonable representation to any sector participating in the market. We consider that both these objectives have been ensured under the Act by restricting the number of members of the Market Committee to 15. It may, however, be that the functions of such a Market Committee might be extended to a market with which it is not conversent. For instance, a Market Committee mainly or almost wholly concerned with farm products may not be highly competent to deal with the marketing of cattle in its market area, when the cattle trade is regulated. This aspect of the problem has been discussed in Chapter VI. The provisions for such contingencies can be made by providing appropriate changes in the bye-laws of the Market Committee relating to the different constituencies. We do not, therefore, think that even for the purpose of meeting such a situation, there is any need for raising the number of members of a Market Committee and are of the view that the strength of the Market Committee should be uniform at 15 throughout the State.

169. The question then is how these 15 seats should be distributed. The views of the Royal Commission on Agriculture on this problem are illuminating and an extract has been reproduced by us in paragraph 167. We think that it is fair that the agricultural interest should have at least seven representatives on a Market Committee composed of 15. So far as private traders are concerned, it needs to be emphasised that they are more powerful and better organised than the agriculturists and though they belong to different sections amongst traders themselves, their interests are by and large common *vis-a-vis* the agriculturists. We, therefore, recommend that traders should have 3 seats on the Market Committee. This is also the provision under section 6. It is true that co-operative sale organisations are also traders, but they stand on a different footing in as much as they are organisations of the agriculturists themselves. To that extent, they are in a better position to appreciate the difficulties of both agriculturists and the traders and can act as a cementing factor between the two important wings of the market. At the same time it would be undesirable to give any scope for the traders to determine the choice of a representative of these organisations on the Committee. Under section 6 such an opportunity is given to the traders with the result that the object of reserving a seat for marketing co-operatives has not been fully served and a candidate can get elected not necessarily because he is able to safeguard the interest of the marketing co-operatives but mainly because he has the largest support of the traders themselves. We, therefore, recommend that the co-operative marketing organisations in the market holding valid licences as traders should have one seat. Thus the traders, as a class, will

have, in fact, 4 seats on the Market Committee; but the one seat presently reserved for marketing cooperatives is sought to be taken away from the influence of the normal trade channels.

170. The opinion in the state appears to be sharply divided over the utility of giving representation of the Market Committee to the local authorities. Arguments were advanced before us by a number of witnesses that the local authorities were not interested in the regulation of markets and were generally opposed to such regulation, that there was a tendency among them to deny even reasonable amenities to the market and that the nominees of the traders might enter the market by the back-door. These arguments are no doubt powerful and our attention has been drawn to cases where the position complained of, has been obtaining. The object of our enquiry is, however, to make recommendations in order to rectify the defects and shortcomings. Viewed in this context, we feel that the local authorities have very important functions to perform within the market. These include the maintenance of sanitation, health and water supply and construction of roads in the market proper and maintenance of roads within the market yard itself. Again, being a civic authority, it is expected to approach any question affecting the well being of the town in a detached manner. *We have, therefore, come to the conclusion that in spite of the powerful plea made against it, that a local authority in whose jurisdiction the principal market yard is situated should have the right to nominate one representative on the Market Committee. In order, however, to ensure that the traders' nominee does not take his seat on the Market Committee as a representative of the local authority the present provision, which disqualifies only the licence-holder, should be extended to cover the employees as well as relations of the licence-holders. Furthermore, we recommend that there is no need to give representation to any other local authority which is entitled at present to send a representative if a sub-yard is opened in the area under its jurisdiction.*

171. This leaves three seats to be filled in by the Government. At present the Government nominees are the Marketing Inspectors and Mamlatdars of the taluka in which a market yard is situated. Where there is only one representative of the Municipality on the Market Committee, the Government also nominates one more person, usually influential non-official prominently associated with rural cooperative activities. We are satisfied that the Marketing Inspector has been playing a very important role as a nominated member on the Market Committee. Being in daily contact with both higher authorities by virtue of his official position and with the Market Committee as its member, he is in the best position to interpret mutual view points between the two ends and act as a cementing force between the two. The evidence adduced before

us in respect of the role of the Mamlatdar as a member of the Market Committee, is however, conflicting. Where the person happens to be enthusiastic about the regulation of a market, he has been able to use his position as Mamlatdar and as a member of the Market Committee in a manner which has brought credit to the Market Committee and strengthened the regulated market. Unfortunately, the Mamlatdar is so much burdened with his normal duties that he hardly finds time even to attend the meetings of the Committee. When the Mamlatdar attends a meeting it has been the experience, we are told, that he does not participate in the discussions nor does he vote on any proposition. Thus, the very object of nomination by the Government has been defeated.

172. We recall the assurance given by the Government on the floor of the House during the discussion of the Bill. "It would, therefore, be better", said Shri Latthe, "if a small number of people who will be competent and who will be able to hold the scales even between the various contending parties in a particular locality are nominated by the Government on the Committees". We share this view and urge that while nominating its representatives on the Market Committee the Government should choose such persons who have the time to devote to the affairs of the Market Committee and the freedom to express their opinion at such meetings frankly and without favour. From this point the nomination of Mamlatdar as the member of the Committee would be desirable; and in case he is appointed, his work should be considered as a part of his duty in the field of rural development.

173. As regards the third member, various suggestions have been received in the course of our enquiry. Some of the witnesses felt that the presence of an officer of the Agricultural Department was desirable. Some others thought that there should be an additional nominee of the Co-operative Department. The third section felt that this seat should go to the non-official interested in regulated markets. We are told by the Department of Agriculture that the District Agricultural Officer and the Agricultural Assistant in the taluka town are already overburdened with work and it would not be possible for these officers to serve on the Market Committee. Besides, these officers are now divorced from agricultural marketing and can be useful only in regard to the settlement of disputes over the quality of produce. The choice is thus confined to the local officials of the Co-operative Department and non-officials. We think that the selection should be made from as wide a field as possible; but are of the view that in making nominations for the third seat, preference should be given to the representatives of co-operative sale organisations which may or may not be a licence-holder. Such a step might contribute to the strengthening of the Market Committee as well as of these organisations. If a competent representative is not available, it would be better, in our

opinion, if the Assistant Registrar is nominated as a member of the Market Committee. It is only as the last resort that we favour the nomination of a non-official outside the fold of marketing co-operatives. The procedure has been laid down in the Government Resolution No. 7845/45, dated 6th April 1948, and we hope that this resolution would be suitably amended.

### **Agriculturists' Constituency.**

174. The election procedure in respect of agriculturists' constituency has been prescribed in Rule 8. According to this Rule, all agriculturists residing within the market area who are within the co-operative fold as well as landlords paying annual land revenue of Rs. 8 and tenants of such lands are eligible to vote. As a result, the number of voters in the agriculturists' constituency runs into thousands and this, in turn, leads to a heavy election expenditure and dispute, apart from the raising of the public tempers which are usually associated with the municipal and panchayat elections. We are told that the election expenditure or expenses are in a year as high as 35 per cent. of the revenue of a Market Committee during that year. In a particular market with an annual income of Rs. 75,000 a sum of Rs. 14,000 has already been spent and it is not known what the final total will be. In another market where the Market Committee's income is hardly Rs. 18,000, a sum of Rs. 6,000 has been spent in conducting the elections. In another division one Market Committee had to spend Rs. 5,000 for the preparation of the election programme only, though its total income is Rs. 38,000. We consider that these trends are undesirable and the cost of election is not proportionate to the benefit achieved therefrom.

175. In our search for the procedure, we have borne in mind the fact that there should be fair representation to the agriculturists but the cost involved should be reasonable. We think that both these objectives can be served and other sad features of the present election procedure can be eliminated if the voting is arranged through indirect representation. Sixty per cent. of the agriculturists are presently served by the agricultural credit societies and the panchas of these societies are elected by the members themselves. To that extent, the members of the Committees of these societies can be considered to be true representatives of the agriculturists which are associated with the agricultural credit movement. Similarly, the State has a net work of village panchayats which embraces a large number of villages. These are also the representative organisations of the agriculturists in a different field. For the same reason a member of the District Local Board residing in the area in respect of which the election is to be held, should also be eligible to vote. Between these three agencies the agriculturists can be said to have a fair representation. *We therefore, recommend that the members of the managing committee of*

*agricultural co-operative societies and the members of village panchayat in the market area and members of the District Local Board residing within the market area, other than those who hold a licence from the Market Committee or have interest in such a licensee, should be considered as voters of or the agriculturists' constituency. We wish to note here that we have used the word co-operative societies so as to include the co-operative crop protection societies, better farming, joint farming and collective farming societies, multipurpose societies and Taluka Development Boards and Associations and other types of agricultural resource societies excepting those which are licensed as traders under Rules 65 and 67. We, further recommend that the agricultural constituency which would cover the whole market area should be divided into single member constituencies with a view to ensuring representation for every sub-area in the market and the different sections of the agricultural population.*

### **Traders' Constituency**

176. Traders subjected to licensing have been divided in the following chapter into four categories, viz., 'A' class traders who buy in a market yard, sub-yard and factories and sell in the yard, factories or outside the market; 'B' class traders who act only as commission agents in the market yard, sub-yard and factories; 'C' class traders who buy anywhere in the market area excepting the market yard or sub-yard but sell only in the market yard, sub-yard and factories; and 'D' class traders who buy anywhere in the market area but sell only to the consumer. Co-operative marketing organisations will fall in one or other category of licensed traders. In determining the constituency from which traders which should be eligible to vote, the question arises as to whether 'D' class traders who have been licensed to buy anywhere in the market but have to sell only to the consumer, should have a voice in the affairs of the Market Committee. The interest of these traders really lies in the retail market over which the Market Committee has no control and which is supervised only by the Municipality. The Market Committee is concerned about their behaviour only to the extent they have to make purchases in the regulated market. To that extent only, they will have to be licensed in our opinion. As such, they have no stake in the market. Apart from that, it would be unfair to allow these retailers to have a representation on the Market Committees at the cost of other important traders who have a vital stake in the regulated market. We, therefore, recommend that the 'D' class traders described above should be excluded from the Traders' Constituency and should have no representation on the Market Committees. As a result of this recommendation, there will be only three types of traders who, in our opinion, should be eligible to vote. In this we

have included the 'C' class trader because he has a definite function to perform in the market, viz., that of a buyer, and makes important contribution to the successful functioning of the market yard.

177. The next question for decision is whether there should be a composite constituency for all the traders grouped in 'A', 'B' and 'C' class. In seeking a reply we have to take into account certain factors. 'A' and 'B' class traders are the mainstay of the market yard and it is they who have to develop it so that the object of regulation, viz., encouraging the agriculturists to bring the produce to the yard, can be attained. On the other hand, the role of 'C' class traders is important, until almost the whole of the agricultural produce is sold in the yard. Numerically, however, 'C' class trader who has a greater stake outside the market yard, is the strongest; whereas 'A' and 'B' class traders put together will remain in a minority in a composite constituency composed of all the three groups. The creation of one constituency will, therefore, operate not only to the disadvantage of the more important section of the traders but is likely to have adverse repercussions on the effort to build up the market yard. We, have, therefore, come to the conclusion that the traders' constituency should be divided into two groups. As regards the division of representation, we are of the view that from the point of the working of the market, the volume of business transacted by each group is a better criterion than the number of licence-holders. Besides, all the commission agents may not be buyers in the market while all the buyers are not likely to act as commission agents. *We, therefore, recommend that two seats should be reserved for the constituency of traders holding 'A' and 'B' class licences and one seat for 'C' class licence-holders.*

#### **Qualifications of Members.**

178. If the Market Committee were to function properly, persons eligible to be elected as its members from the various constituencies must have the requisite qualifications which would enable them to use their position for enabling the Committee to arrive at an impartial decision. Besides, they have now been deemed to be public servants within the meaning of section 21 of the Indian Penal Code. Some of the disqualifications have been mentioned in Rule 6. These are, however, of a general nature and we think that list of disqualifications should be comprehensive. Thus, apart from the disqualification on account of insolvency, unsound mind, conviction, it is necessary to debar persons from standing as candidates who have defaulted in payment of fees due to the Market Committee. He must not be a servant of the Market Committee or the holder of a licence of a broker, weighman, measurer, surveyor or warehouseman. Again, he should have no share or interest in any contract or employment with the Market Committee.



179. It is also desirable to have precise qualifications or disqualifications in respect of representatives from the different constituencies. We have already recommended the extension of the proviso that a member representing a local authority should not hold a traders licence issued by the Market Committee or should not have any interest in such a licence either as an employee or relation or otherwise. Similarly, we consider it desirable to disqualify a person who has not sufficient experience of the market as a licence-holder or who is not a resident of the market area. In the case of agriculturists it needs to be emphasised that the word itself is used somewhat loosely and anybody having a small piece of land either as an owner or a tenant can claim himself to be an agriculturist. *We, therefore, recommend that a person should be deemed to be an agriculturist and qualified to stand as a candidate from the agriculturists' constituency only if his main source of income is agriculture.* The criteria of main income should be that at least three-fourths of his total income should be from the agriculture. Again, since a person who is a defaulter cannot be expected to be a party to any action against other defaulters, *we consider it undesirable that a defaulter of a co-operative society or a village panchayat should not be eligible to contest the election.* Similarly, it would be undesirable to allow a person holding a traders' licence or having an interest in such licensees to stand as a candidate on behalf of the agriculturists. In the case of co-operative marketing societies, the problem relates to method of election. It may happen that such societies may vote for themselves and in such a case, equality of votes may exist. In such a case the election should be by lots.

180. For enabling any organisation to function, the provision for finance is inevitable. Under Section 13 of the Act each Market Committee is required to credit all receipts to a fund called "the Market Committee fund" and debit all expenditure to it. The same section provides that the cost of any additional or special staff employed by the State Government in consultation with the Market Committee for giving effect to the provisions of the Act in the market area will have to be paid by the Market Committee and where the staff is employed for the purposes of more than one Market Committee, the State Government will have the freedom to apportion the cost between various Market Committees. The detailed regulations regarding the administration of the fund have been prescribed in the Rules. The main features of these Rules are that the cash is to be credited into Government Treasury or an approved Bank, the Chairman will have no power to sanction any bill unless the expenditure was previously approved by the Market Committee except in respect of salary of establishment, payment of works and repairs sanctioned by competent authority and urgent expenditure for which there is budget provision or which does not exceed Rs. 200. It has further provided that each Market Committee will prepare the

budget in the first week of July for the following year and it will require the approval of the Director. No expenditure other than that provided for in the budget will be incurred unless it can be met by reappropriation from savings under other heads. Similarly, no works for which plans and estimates have not been previously prepared and sanctioned can be included in the budget. The surplus remaining at the close of the market year is to be credited to the permanent fund of the Committee for being used only towards capital expenditure.

181. The object of these Rules is mainly to ensure that the funds of the Market Committees are managed properly. We are glad to note that this object has been achieved; but the Rules have also imparted an element of rigidity. Representations were received by us from some of the Market Committees that it has not been possible for them to engage temporary staff during the busy season to cope with the heavy volume of business. There is some truth in this grievance. We are of the view that each Market Committee should be able to anticipate such a contingency in the light of the past experience while framing its budget. Even then there might be occasions where unforeseen items of necessary expenditure will crop up. *We, therefore, recommend that the practice of submitting supplementary budget or amending the original budget might be suitably introduced with the safeguard that the new items of expenditure should be subject to the approval of the Director.* We hope that the decision will not be delayed in the office of the Director. The second feature of the budget is that the budget heads differ from one Market Committee to the other. The office of the Director has no doubt prepared the standard form, but the details of the budget heads to be incorporated have been left to the discretion of each Market Committee. We are also informed that the accounting procedure is not uniform. The audit of the accounts of the Market Committees is done by the Auditors of the Co-operative Department and the copies of audit memos are sent to the Director of Agricultural Marketing and to several other officers of the Co-operative Department. We are, however, told that it is the Director of Agricultural Marketing who takes action on audit objections through the Chief Marketing Officer.

182. In this context we wish to emphasise that the standardization of the budget should be attempted and an adequate check through Auditors should be instituted in respect of accounts. It is also necessary to lay down detailed rules regarding the accounting procedure. In the course of our discussions with the State Marketing Officer of the Madras State we had the privilege of having a glance at the Manual of Accounts procedure which is under preparation for the guidance of the Market Committees. *We recommend that a similar manual should be prepared for the guidance of the Market Committees in this State.* Furthermore, in view of

the fact that the busy season starts from the Diwali, we think, that it would facilitate the task of the Market Committee in the matter of preparing the budget if the market year is changed from the year commencing on the first day of August to the one beginning on the 1st day of October.

### Contribution to the Government.

183. We have recommended in paragraph 162 that the Secretary of the Market Committee should be appointed by the Government. We might note here that the scheme we have recommended visualises the creation of a separate cadre, under, or in the office of, the Director of Agricultural Marketing, or persons who, after training, should be qualified to work as employees of Market Committees and as officers in the office of the Director of Agricultural Marketing. Such a pool will provide wider opportunities for persons with merit to seek promotion and thereby assure them all the necessary incentive. This will avoid stagnation of competent personnel and will attract a better type to man the personnel required by the Market Committees in the State. Moreover, we have come to the conclusion that the emoluments which go with the qualifications and experience etc., of a Secretary should not have a restrictive influence on the ability of the Market Committee to have a qualified and experienced Secretary. We are, therefore, of the view that the salary of the Secretary should not be dependent on the income of a particular Market Committee. This, we consider desirable, because no Market Committee can be expected to employ a Secretary of the right type in its early stages of development on account of its meagre resources and if this is not done the development of market will not be promoted as speedily as it should be. *We, therefore, recommend that not only the Secretary of the Market Committee should be appointed by the Government but his emoluments should be paid by the Government itself.* We opine that this recommendation is superior to the present system of making the Market Committee to foot the bill on this account.

184. We feel that the emoluments of the Secretary, the payment to the audit staff and the cost of other services which we expect the Government and which have been discussed in Chapter VIII should not be dependent of the resources of the individual Market Committees. At the same time we feel that the financial burden should not be thrown on the Government. This view is in conformity with the understanding on which the Act was enacted 16 years ago, viz., the markets must be "self-supporting as far as possible". *We, therefore, recommend that each Market Committee should be required to contribute 30 per cent. of its annual income to the Government in order to enable it to provide the services free of cost referred to above and that the Government should provide these services irrespective of the fact as to whether the contribution so received is sufficient to render these services or not.*

185. In making this recommendation we are not making a radical departure from the legal position obtaining today. Section 13 (ii) of the Act provides that the State Government can recover from every Market Committee the cost on account of any additional or special staff employed for giving effect to the provisions of the Act in the market area. Though this section has not been invoked so far, we think, that the time has come for acting in accordance with the spirit in which the Legislature has incorporated this proviso. In the Hyderabad State, the Government has created a Central Fund to which each Market Committee is required to contribute as much as 40 per cent. of its income. This Fund is built for maintaining supervisory staff and for providing grant-in-aid for development works in trade centres which have deficit budgets. The position of the staff employed under this Fund is, however, not clear. The employees of the Fund are not treated as Government servants but the provision for the retirement benefit is made by the Fund itself. While the creation of the Fund is a sound measure, we feel that there should be no distinction between the employees who are financed out of this Fund and the Government employees. We left Hyderabad with the impression that the creation of this distinction has not been conducive to the efficiency on the part of the staff employed by the Fund.

186. We have, therefore, recommended that the staff should be the Government servants, their salaries and other emoluments and promotions should be in accordance with the Government scale and the contribution from the Market Committees is only incidental and not necessarily equal to the expenditure which the Government might incur on this account. Furthermore, we expect that this source of income should not be considered as a means to effect saving in the expenditure which the Government is expected to incur on the administration of the Act, nor should this money be used on the establishment of the Director of Agricultural Marketing including the marketing staff and officers. We also wish to make it clear that this contribution has no relation to the requirements of finance for enabling the Market Committees to finance development expenditure for which borrowing from the Government will be necessary. In the course of our enquiry we have attempted to elicit the public opinion on this particular suggestion. We find that the Market Committees are not favourably inclined to this proposal; but this is because they are afraid that they will lose their power of spending part of the income which we have recommended should be their contribution to the Government. On the other hand, almost all independent witnesses have reacted favourably to the suggestion.

#### **Sources of Finance**

187. The Market Committees derive their income from the cess on sales of agricultural commodities, licence fees in respect of licences issued to market functionaries and miscellaneous items such

as rent from plots and stalls, sale of stationery and sale of certain types of agricultural requisities such as manure etc., statement showing the annual income, expenditure and permanent fund of the Market Committees for the year ended 31st August, 1954 has been given in Appendix 15. It is summarised below.

(Rupees in lakhs)

	Gujarat	Maharashtra	Karnatak	Total
1. No of Market Committees	34	40	17	91
2. Income :				
(i) Cess	1.85	2.30	0.90	5.05
(ii) Licence fee	3.21	6.08	3.14	12.43
(iii) Miscellaneous	0.58	0.78	0.59	1.95
Total	5.64	9.16	4.63	19.43
3. Expenditure :				
(i) Establishment	2.37	3.68	2.50	8.55
(ii) Other expenses	1.09	2.14	0.34	4.07
Total	3.46	5.82	3.34	12.26
4. Surplus :	2.19	3.36	1.30	6.85
5. Amounts spent on construction	0.64	Nil	Nil	0.64
6. Permanent fund	8.15	16.08	12.72	36.95

188. Excepting the three markets started recently, all the others are self-supporting. The Market Committees in Karnatak appear to be stronger than those in Maharashtra and Gujarat, and as between the latter the financial resources available to the Committees in Maharashtra are larger than for those in Gujarat. Secondly, from the point of expenditure, it appears that it is larger in Karnatak than in Gujarat when compared in relation to the resources and the number of Committees. Another significant feature of the table is that the income from licence fees is higher than that from the cess in all the three divisions. Thirdly, the income from the miscellaneous items is insignificant. These features are to be attributed to the fact that the collection of cess

is confined to the market yard, levies by way of fines on offenders in the market practically do not exist and there appears to be an excessive number of traders in the markets.

189. The question then arises as to whether the cess and the licence fees are reasonable and whether the income of the Market Committees is commensurate with the expenditure they are called upon to incur both for the purpose of regulating the markets, day to day, and for providing amenities of a permanent nature. The answer to these questions is to be found in the light of the requirements. It needs to be emphasised that the Act expects every Market Committee to regulate the methods of trading etc., throughout the market area and not in the market yard only. For this purpose, it is necessary for every Market Committee to employ the requisite number of qualified and experienced persons who can supervise the trading operations throughout the market. This staff must work under a Secretary who is qualified and experienced and is in a position to guide his subordinates properly in the efficient discharge of their duties. As regards the amenities, we deem it necessary to point out here that these are, by and large, absent in the market yards in Bombay State, and what little has been provided is of a basic nature. Even the market yards are not of the requisite standard and stand nowhere in comparison to those in Hyderabad which have been acknowledged as the ideal ones. In order to enable the Market Committees to have market yards of the requisite standard, they will have to undertake an ambitious programme of construction of the market yards of the modern type. This capital expenditure will have to be amortised and the provision will have to be made for this purpose out of the current revenues. Viewed in this context, we are inclined to think that the permanent fund built by the Market Committee is inadequate in relation to their future requirements, the current surplus falls short of the annual commitments on account of capital expenditure and even the present level of surplus may not be maintained at the current level of income of the Market Committees were to discharge their functions properly. The problem, therefore, is not one of giving relief to those who contribute to the revenue of the Market Committees but of augmenting it. We think that the additional revenue will accrue mainly as a result of the plugging of the loopholes in the method of collecting it though there is considerable scope for rationalising the sources.

#### Cess.

190. At present under section 11 of the Act, the Market Committee is empowered to levy fees on agricultural produce 'bought and sold' by licensees in the market area subject to the provision of Rules and subject to such maxima as may be prescribed. Rule 53, however, empowers the Market Committees to

levy such fees on agricultural produce 'bought and sold' at such rates as may be specified in the byelaws. The anomaly created by the conflict between the Rule and the Section has been the subject of litigation in the past. The actual fees are prescribed in the byelaws of each Market Committee. These are the actual fees but the section refers to the maxima. It is not known whether the actual fees prescribed in the byelaws can be construed as the maximum fees. We are afraid that the interpretation does not conform to this admission. Literally, the fees prescribed in the byelaw are the actual fees and no Market Committee can deviate from the scale. The present system of fixing these fees is on a quantitative basis and these vary from commodity to commodity and from market to market. Though these fees are payable by the seller, they are in practice collected by the buyer or the seller's commission agent and paid to the Market Committee, not necessarily promptly and sometimes at the end of the year. The law as it stands, does not impose any obligation on the buyer or the seller's commission agent to collect these fees from the producer-sellers. If that is being done, it is only by consent and as a matter of convenience. These features have in turn contributed to a comparatively less income from fees on agricultural produce.

191. The fees on agricultural produce are popularly termed as cess. We are unable to infer how this term 'cess' has cropped up and has become a usage. A similar usage has been popular in the regulated markets in other States. We are told that the use of the term 'cess' has created legal complications in Madras State where the cess has been interpreted a tax which can be levied by Government and has, therefore, been declared *ultra-vires*. The issue is now before the Madras High Court. Be that as it may, *we urge every effort should be made to discharge the use of this word 'cess' which is liable to create misunderstanding and result in legal difficulties.* As regards the basis, it has been claimed that the quantitative basis is convenient from the point of collecting the fee. We admit, that this is true, but wish to point out that this is only one of the factors to be taken into account while making the choice. From the point of the income of the Market Committee this basis imparts rigidity while at the same time imposes hardship on the agriculturist in periods of low prices. During the depression, the incidence of this fee will be heavier and that too at a time when the farmer is not in a position to bear it whereas it will be lower in times of boom when the farmer has the capacity to pay more. In Hyderabad, the system of collecting fees on the *Ad-Valorum* basis has been working smoothly to the satisfaction of both the producers and the traders. The fee is easier to collect on an *Ad-Valorum* basis because the farmer knows that it fluctuates with the price that he realises. The only difference in the two basis is that in one case it can be calculated as soon as the commodity is weighed; in respect of the other, it can be done only when the price payable

to the farmer is calculated after the weight. We do not think that this minor difference in the two systems will cause any inconvenience either to the producer or to the trader and recommend that the basis of levying the fee on agricultural produce bought in the market should be *Ad-Valorum*.

192. The two points that remain to be examined are the scale of fees and the method of collection. The present scale of fees is neither uniform nor has it been fixed on a rational basis. This is probably because the operation of the Act was hitherto in an experimental stage and the Government was anxious to secure as much support as possible to the measure from the agriculturists themselves. The fees levied at present have been in pursuance of the assurance of Bombay's former Finance Minister Shri Latthe, who promised the Legislature during the discussion of the Bill that the meagre levy which they may permit will mean as light a burden on the agriculturists as possible." This 'light burden' is to be interpreted in the context of the price structure, the performance of the Market Committees and the services rendered by them to the agriculturists. We have stated in Chapter II that these services fall considerably short of the requirements and even of the expectations of the agriculturists themselves. Here we wish to point out that if the agriculturists' expectations are to be fulfilled, they must be willing to finance them. It is in this light that we have viewed the problem and, therefore, recommend that the basis that the fee should be levied on a uniform basis of As. 4 per Rs. 100 worth of agricultural produce sold in the market area.

193. In making these recommendations we believe that if it, is not proved burdensome to the agriculturists in Hyderabad State, it should not prove irksome to the farmer in the Bombay State. The precise effect of this recommendation will be to raise the incidence of the fee on the basis of the current agricultural prices by anything between 33 per cent. and 100 per cent. The rise in the incidence will be comparatively higher in respect of pulses, wheat, bajri, chillies and cotton than that in the case of vegetables and groundnut. "The meagre levy" and "as light a burden" about which the Government had given the assurance in 1939 are to be interpreted in relation to the price level then prevailing. If this is done, we submit, our recommendation merely seeks to reduce the incidence on the value of agricultural produce by nearly 50 per cent. as compared to the pre-war level when the charge on quantitative basis, reduce to *Ad-Valorum* basis, worked out at not less than As. 8 per Rs. 100. This anomaly is attributed to the fact that the incidence on the quantitative basis at present is low in respect of commodities whose prices are higher.

194. We have estimated in paragraph 26 that the agricultural produce to be sold in regulated markets in the districts when these are established all over the State will not be less than Rs. 300



crores. On this basis, it should be possible for the Market Committees to get an annual income of Rs. 75 lakhs, but it is only when they cover all the important assembling centres and the whole of the marketable surplus. We, however, estimate that the annual income of the present Market Committees will rise by about 50 per cent. to Rs. 30 lakhs. We consider that this level of income is absolutely necessary at least for the next 15 years if the Market Committees were to finance a large scale development programme which has been recommended by us. We are aware that this recommendation will cause an unfavourable reaction amongst those who have to foot the bill. But nobody likes to part with money even when such payments assure of an adequate return.

195. We have referred earlier to the anomaly created as a result of this fee being payable by the agriculturists but to be recovered and paid on his behalf by the licence-holders. In the course of our enquiry, we have found that there are not only difficulties in the collection of this fee but there are greater opportunities for its evasion as well. To avoid both these disadvantages, *we recommend that the fee should be payable by the buyer who should be free to recover the same from the seller as a part of the market charges.* Since nobody can buy in a regulated market area except under a licence or through commission agent, the difficulty of the fee being evaded by the upcountry buyer may not arise, but as a precaution *it might be provided in the Act that where the agricultural produce is sold by a trader to another trader or by a commission agent on behalf of the agriculturists, it shall be his duty to report to the Market Committee about the fee paid by him to the buyer as a part of the market charges. Furthermore, it should be provided that no agricultural produce shall leave the market unless the fee due to the Market Committee is paid for.* In order to ensure the collection of this fee, *we recommend that this should be recovered in the same manner in which the arrear of land revenue is recovered. The exemption from the payment of fee under Rule 53 (3) and (4) should, however, be continued after excluding from Rule 53 (4) the words "private use" which are likely to facilitate the non-payment by precessors.*

### Licence Fees.

196. Licence fees are fees charged to the various types of market functionaries operating in the market. The question of the type, duties, obligations etc. have been discussed in the following chapter. We have also discussed the question of quantum of fees in the next chapter. Here, we think, it would be sufficient if we indicate the general approach to the problem of licence fees. There appears to be an impression that licence fees are meant only to produce revenue required for the issue of a licence. If this view were to be accepted, it would literally mean the cost of the paper on which the licence

is printed or issued. We are of the view that the licence fee is meant not only to finance the cost of the enquiry into the merits of the applications for licence, but also for financing the operations of the Market Committee which are associated with the supervision of licence-holders so that they behave in conformity with the conditions on which such licences are issued. Furthermore, the licence fees must also bear the cost of fruitless enquiries which do not ultimately result in the issue of licences and of supervision of the market so as to discourage the entry of unauthorised persons as buyers. The latter aspect of the working of the Market Committees should directly benefit the licence-holders inasmuch as the refusal of entry of unauthorised persons will eliminate unhealthy competition against the licence-holders.

197. The question will have to be viewed in a larger context. The activities of the Market Committee for which finance is required are designed to be built up, of a strong and efficient market which alone can attract sufficient volume of agricultural produce for sale. It is only then that the licence-holders can have better and wider opportunities for choosing and picking the right type of goods which they require for the purpose of carrying on their activities. To this extent, they are indirectly benefitted by other activities of the Market Committee. It is on this account, we believe that the resources at the disposal of the Market Committee are one and their different sources should not be viewed, and cannot be viewed, compartmentally, they are inseparable and indivisible. This position has been accepted under Rule 41. *We, however, recommend that the position should be clarified in the Act itself in order to avoid legal difficulties and inconvenience to the Market Committees.*

#### Miscellaneous Sources.

198. From the statement given in Appendix 15 and summarised in paragraph 187, it will be seen that the income of Market Committees from miscellaneous sources is negligible. It is as low as Rs. 62 in respect of the Market Committee of Deesa, which has an annual income of Rs. 10,000 and where it is proportionately higher than that in Deesa, it is mainly because of the Market Committee's activities, such as supply of manure, which have no direct relation to their statutory functions. Miscellaneous income which can be relied upon is really to be derived from sources associated with the normal functions of these committees.

199. In paragraph 154 we have recommended a system of regulating the entry to the market by the issue of badges and gate passes in addition to licence. These badges and gate passes should be issued to desirable persons on payment of a fixed fee. Whereas badges will be valid for the market year the gate passes will be valid only for the day. The bye-laws of the Market Committee provide for the issue

of badges and tokens free of cost to weighmen and measurers. This can be understood because they are required to pay licence fees. Similarly, the employees of holder of traders' licences, whose number and names are approved at the time of the issue of the licence should be given badges or tokens free of cost. In respect of others, whose entry is to be regulated and for which the device of badges and gate passes is to be adopted, *we recommend that fees should be charged at a reasonable rate which should cover the cost of the issue of the gate passes and badges and of ensuring that the entrees behave in conformity with the directions of the Market Committee.*

200. Another source of the income of the Market Committee is the penalty. We do not consider that the object of penalty is to secure revenue for the Market Committee; it is only the outcome of the effort to impose discipline on those making use of the market. We, however, feel that the provision in respect of imposing penalties is a better method of ensuring discipline on the part of market functionaries and a more effective measure from the point of giving prompt justice than the recourse to a court of law. We have made such a recommendation which should incidentally provide a source of revenue or, if there is no occasion for imposing the fines might mean a saving in expenditure on supervision of the market.

201. The minor sources of income available to Market Committees are by way of services which it is not generally expected to render to users of markets as well as outsiders. In this category might be listed the subscription fees for the market reviews and market information, the sale of its bye-laws and the supply of copies of its proceedings or other authenticated documents on payment of a fee. The exact quantum of fees may be decided by each Market Committee in consultation with the Director of Agricultural Marketing. We do not, however, favour the proposal made by some of the Market Committees that they should have a share in the fines imposed by the Courts in respect of cases filed by them. It is true that the Committees have to spend on such cases; but the object of getting the offenders convicted is to use it as an abject lesson to others. This is a legitimate duty of the Committee and we do not think that a premium should be put on its proper discharge by allowing it to have double benefit, i.e., the establishment of discipline and cash benefit. Besides, as we have explained, penalties should not be treated as a source of revenue. We are confident that if our recommendations in respect of its income are accepted, each Market Committee will be assured of an adequate revenue consistent with its current needs as well as its requirements for financing the developmental outlay over a period.

## CHAPTER V.

## MARKET FUNCTIONARIES.

**Definition of Functionaries.**

202. A market can successfully function only when there are sellers to sell the commodity and buyers to buy it and when these are assisted by a personnel which is required for completing the process of buying and selling. A transaction can be said to have been completed only when the buyer agrees to buy a commodity and the seller agrees to sell it at a particular price ; the commodity is weighed ; the sale note showing the description of the commodity, its weight, price and the market charges deductible therefrom is delivered to the seller and the cash due to the seller is paid against the delivery of goods. We have used the term "market functionaries" to cover all the personnel whose services are required in the process described above. Their importance, however, varies with the role they play in the market.

203. In regulated markets sellers are usually the agriculturists. Though the agricultural producers are at liberty to sell produce directly to the buyer under Rule 60-A, it is not always that they would choose to do so. This is because selling is an art and a profession which can be only pursued by a specialist. It is for this reason that the agriculturist chooses to employ an agent to act on his behalf and perform the functions of a seller which he cannot. In the villages the buyer goes to the seller or where the seller finds a buyer such as a factory, there may not be any need for an intermediary. Elsewhere, and especially in the market yard where a delicate but more efficient marketing machinery functions, it is customary for him to seek the help of the middleman. Even when several growers combine to form a co-operative organisation or their co-operatives set up such an organisation, it is expected to perform the same functions as are expected of an agent acting on behalf of the seller or the producer. The importance of this agent, who is popularly known as a commission agent or broker cannot, therefore, be minimised. Similarly, there must be buyers in a regulated market from which the consumer is eliminated, buyers are usually the traders who purchase goods in the hope of selling them elsewhere or even in the same market at a profit. They may do so either directly or through an agent. They may buy either in the market yard or in a sub-yard at a factory, village bazar or at the door of the farmer, depending on their convenience and requirements. The term 'trader' has thus been used in the widest sense to cover trader who may be a buyer or a commission agent or both. We think it is necessary to define each category of traders functioning in the

market in order to facilitate the correct appreciation of their role.

### Commission Agent and Broker.

204. The middleman employed by a seller or a buyer to act on his behalf may either be a commission agent, i.e., adatyā, or a broker, i.e., dalal. Their main job is to study the needs of the buying trade, assemble goods and sort them, and regulate the flow of goods. Though the words 'commission agent' and 'broker' are popularly used to represent one or the other there is a basic difference between the two. The broker's main job is to bring the buyer and the seller together. This is also the basic role of the commission agent. But the common relationship between the two ends there itself. The broker is not the custodian of the goods meant for sale or purchase. Nor is he responsible for the recovery of the money from the buyer or for the payment arising from the bargain. When a broker arranges a deal, the contract takes place between the buyer and the seller directly and is also completed without the assistance of the broker who is only interested in the brokerage for bringing the buyer and the seller together. On the other hand, the commission agent usually receives goods from agriculturists and others, handles them on commission basis and renders account of, and pays cash for, the sale he effects, to the seller. In other words, in addition to the performance of functions of a broker, the commission agent shoulders additional responsibility including that of finance. He is the custodian of the goods and has the equipment at his disposal for sorting them. He must also have sufficient finance at his command since he is responsible for making payments to his principal irrespective of the fact as to whether he receives the same from the person to whom he might have sold the goods.

205. Rule 2 defines 'broker' and 'general commission agent'. We are of the view that the definitions do not cover all their respective functions. On the St. Louis Exchange a commission agent has been defined as "agent who makes a business of buying and selling goods, keeps goods in his custody and controls them during the process of their sale or purchase and collects the money from the buyers and pays the money to the sellers". On the other hand, a broker has been defined as "one who executes contracts or transactions in the name of or, on behalf of another and who does not receive, deliver, transport, pay for or collect for the produce either in whole or in part but who merely executes transactions or contracts in the name and for the account of those who employ him for that purpose". These definitions are comprehensive and *we recommend that while defining the general commission agent, the liability of making payment to the seller or delivering the goods to the buyer should be fixed on his head. Since his functions are mainly confined to the market yard, sub-yard and factories, it is necessary to stipulate this in the definition itself. Similarly, in the case of 'broker' it is necessary to clarify that he cannot employ a servant of his principal in negotiating or making contracts.*

### Trader.

206. We have described the functions of 'trader' in paragraph 203. Rule 2(xvi) defines him as a person buying or selling agricultural produce as a principal or as a duly authorised agent of one or more firms. In actual working a doubt has been raised as to whether this definition covers a person or a firm engaged in the processing of agricultural produce. The reason for the doubt is attributable to the fact that in his case the emphasis is placed on his activity as a manufacturer. This is true up to a point. The fact, however, remains that he cannot engage himself in manufacturing activity unless he acquires the agricultural produce as a raw material. Essentially, therefore, he is the buyer of an agricultural produce and it is only thereafter that he becomes a processor. We have, therefore, thought it necessary, and for reasons explained in paragraph 205 to include him within the definition of a 'trader'. Traders fall in four main categories, viz., 'A' class traders who buy in a market yard, sub-yard and factories and sell in the yard, factories and outside the market, 'B' class traders who act only as commission agents in the market yard, sub-yard and factories, 'C' class traders who buy anywhere in the market area excepting the market yard and sub-yard and sell only in the market yard, sub-yard and factories, and 'D' class traders who buy anywhere in the market area but sell only to the consumers. So far as the last category is concerned, we wish to point out that the sales to consumers are at present outside the scope of a regulated market. We have already stated in paragraph 195 that sales to consumers should continue to be exempted from the operation of the Act. This means that 'D' class traders will be brought within the scope of the Act, Rules and the Byelaws only to the extent that they happen to be buyers of regulated agricultural commodities. We also, wish to make it clear at this stage that a co-operative society — a marketing organisation or a multipurpose society — might fall in one or the other category.

### Weighmen, Surveyors and Warehousemen.

207. The two other important functionaries are weighmen and surveyors. The job of the former type of functionary is to weigh goods when the buyer agrees to buy them from the seller and the seller agrees to sell them at a set price. In executing it, he discharges an important function inasmuch as the correctness of the weight is the first safeguard for the seller to get the full value for his produce. *He has not, however, been defined in the Rules though there is a reference to him in Rule 67. We think that it is necessary to define his functions.* The surveyor's job is to survey the goods in respect of which there is a dispute between the buyer and the seller. He is a technical expert, competent to pronounce judgement on any aspect of the dispute including the quality of the goods and bagging.

In organised exchanges, these surveyors are, usually, the members, partners or authorised representatives of the traders themselves. In some of the markets, independent surveyors having no interest in the trade are appointed. The choice might be left to the individual Market Committees. The word 'surveyor' has been defined in Rule 2(xv) which lays down that his business is to survey the consignment of agricultural produce for sale in regard to the quality adulteration and such other purpose. We suggest that survey of bagging should also be included as one of his functions. The third type of functionary is the 'warehouseman'. His duty has been defined precisely in the Bombay Warehouses Act, 1947. This act also requires a person or a firm to hold a licence under Section 27 before he can function as a warehouseman. *We, therefore, recommend that it would serve the purpose of the Bombay Agricultural Produce Markets Act, 1939, if 'warehouseman' is defined as a person or a firm holding a licence for issuing, under Section 27 of the Bombay Warehouses Act, 1947, receipts for goods stored in his warehouse.*

### Other Functionaries.

208. The other functionaries in the market are composed of a heterogeneous group playing a secondary role in connection with the transfer of goods from one place to another or from one person to another. They include, hamals, cartmen and other transport operators. Their contribution to the successful functioning of a market is only indirect. Again, they may be full timers or part timers.

### Background to regulation of functionaries.

209. In the previous two chapters we have discussed the implications of a well organised market. Its objectives can be served only when those participating in the market behave themselves properly. It follows from this that only the desirable element useful to the proper functioning of the market will have to be admitted and the rest weeded out. We have, therefore, already recommended that this policy should be strictly enforced in market yards and sub-yards where it is possible to do so. Elsewhere, the control may not be day to day and meticulous. The success or failure of a market depends mainly on the behaviour of market functionaries. Though agricultural producers are also users of the market they act through a general commission agent and, as such, it is the market functionary who can make or mar a market. The regulation of his entry and the control over his behaviour will, therefore, have to be strict and to ensure its successful operation, the penalties must be such as to be commensurate with the nature of the offences and the desirability of discouraging the repetition of such offences. At the same time, these methods should not be vindictive.

210. These precautions are not a special feature of regulated markets. They have been accepted as the very essence of any good market and even traders who have formed their own exchanges have chosen to impose voluntary restrictions on their freedom in this behalf. We have already referred in paragraph 150 to the type of restrictions imposed by the organised exchanges in the Bombay State. The chief method adopted with the object of preventing unethical practices is to supervise carefully the admission of persons to the trade itself. This is done firstly by a careful scrutiny of the antecedents of the applicant. The applicant is required to give details regarding his experience in the trade, his association with the other markets, and information regarding his status, office and residential address and about his solvency including suspension of payment or composition with his creditors and expulsion or suspension by any trade association. Where the applicant happens to be a member of a joint Hindu family he is required to give the list of adult male members and managers. Where he happens to be a partner in a firm or a director of a company he is required to furnish details regarding the names of partners and the registration of the partnership deed or names of Directors, Managers, Managing Agents and the persons authorised to carry on the business of the company. He is also required to undertake that he would conform to the regulation of the exchange and accept liability for all contracts entered after his admission but prior to ceasing to be its member.

211. After the applicant is found worthy of being admitted, the exchange invites objections, if any, from its members and the applicant is approved only after giving due weight to such objections. The next precaution that is taken is to insist that the applicant buys the membership card of the exchange and keeps the deposit with it. In either case the value is sufficiently high. In doing so the exchange assures itself that the person admitted has at least some financial means before assuming the financial obligations in the market. It also serves as a means for increasing the disciplinary power of the exchange over the applicant. The third safeguard that is provided is meant to prevent overdues and trade abuses on the part of the applicant after he becomes a member. This is done by equipping exchanges with clubs with the help of which it can enforce its rulings. The most potent weapon with which these exchanges are armed is the right to expel a member from the exchange and forfeit his membership card or deposit. All these precautions are considered desirable for the obvious reason that the mechanism of trading is highly intricate and delicate and transactions are to be put through by the word of mouth.

212. The responsibility of a regulated market is much more than that of an exchange organised by the traders themselves. This is because the bulk of transactions in regulated market takes place between the poor and illiterate agriculturists and the powerful,



resourceful and organised business community. In a market exclusively confined to traders both the parties to a dispute are themselves competent to protect their own interest and it is only on rare occasions that they are required to seek the assistance of their exchange in order to prevent exploitation. In the case of regulated markets the helplessness of the agriculturists can only be compensated by the stricter supervision of the Market Committee over the operations of the business community. The discipline to be imposed on the market functionaries by the Market Committees and the authority to be vested in the latter in the Act must, therefore, be commensurate with their duty to the agriculturists. We have already stated in Chapter II that the Market Committees have, by and large, failed to inspire confidence among the agriculturists and the market functionaries operating in the market still carry the impression that they can get things in the way they like by cajoling the Market Committees if possible and by threatening the authorities to take the issue to a court of law if necessary, and when all these weapons prove blunt, they resort to strike and boycotts. We have earlier referred to some of the cases.

213. In order to facilitate the appraisal of the gravity of the problem, we think it necessary to refer to three specific markets, viz., Lasalgaon, Kolhapur and Ahmedabad. The Lasalgaon market was regulated in 1947-48. The Market Committee says that traders are operating in the area though not necessarily with a licence. According to the bye-laws, the general commission agent is to pay to the agriculturists for the sale proceeds within 24 hours, but in actual practice this is not done. In November 1952, the Market Committee decided that the carts of agricultural produce should be arranged serially as they came, but the traders refused to participate, as a body, in the auction, the only exception being the co-operatives. After an year, traders struck work for a day under the pretext of wagon shortage. In March, the Market Committee insisted that the produce should be weighed in the same condition as it was auctioned but the traders struck work for six days. At the time of writing this report the committee decided that the goods be weighed in the yard itself. But the traders thought that this rule should not be enforced until the yard was declared as a non-agricultural land. Because the Committee did not share their views, the traders decided to strike and obtained injunction from the court to suspend the operation of the resolution. We are surprised to know that during this period the yard was deliberately and unauthorisedly used as a grazing ground for pigs and goats. We are afraid the object of this action could have been none other than to hold the Market Committee to ridicule though it cannot be proved that the traders themselves were responsible for this action.

214. In the Kolhapur market, merchants went on a strike in November 1952, following the introduction of the system of open auction for sale of gul and it was only when the authorities could

not be blackmailed that the strike was over. In March 1954, the merchants struck work for nine days because the Market Committee introduced the system of executing agreements. Here again the merchants failed to achieve their objective because the authorities remained firm. There was another strike in February 1955, because the traders thought that the Market Committee might issue an additional licence to the co-operative sale societies which had heavy stock for sale and was abandoned only after the Committee yielded.

215. In the vegetable market of Ahmedabad, secret sales are still flourishing and the Market Committee has been obliged to connive at them because it is powerless. The regulated market itself could function in the initial period only with the help of co-operatives since traders non-co-operate with it and at a later stage when they joined, they boycotted the co-operatives. The Market Committee has also to face injunctions brought from the court by traders as well as civil suits, a feature which is associated with several other markets in the State.

216. In citing the above examples we do not want to suggest that in all cases traders have no genuine grievances nor do we want to convey that in all cases Market Committees are innocent but an analysis of the nature of the dispute and the method adopted to settle them goes to prove beyond doubt that the traders as a class are not inclined to submit to the authority of the Market Committees whenever they can question it either on legal grounds or on the basis of their collective strength. Nor are they prepared to make use of the machinery for redressing all such grievances provided in the Act and the Rules if they think that they can achieve quicker results by other methods including direct action. It seems to us that the whole objective is to impress their superiority on the Market Committees and the Government authorities. We are afraid that if this effort is allowed to be converted into a success, the purpose of the Act itself will be defeated and the agriculturist in the market proper, particularly, who is compelled to sell his produce in the market yard or sub-yard will be completely ruined.

217. The problem may best be summed up in the words of the Honourable Chief Justice of the Bombay High Court who gave a judgment in the suit filed against the Sangli Market Committee and the Government of Bombay. The Honourable Chief Justice Mr. Chagla says : "It is undoubtedly an Act passed to satisfy an urgent social need. Its clear object is to afford protection to the producers, protection from the exaction of the middleman who deprived them of the legitimate return for what they have grown on the soil with the sweat of their brow. It is with this object that the Act provides that agricultural produce should only be bought and sold at a fixed place and under certain conditions which will protect the producer from not getting what he is entitled to. Laws regulating marketing are

not anything new and all modern States have put on the Statute Book similar Acts providing for the establishment of markets and also providing that certain produce should only be sold within confined limits of the market established and under certain terms and conditions”.

218. These objects can be achieved only through proper regulation of the market functionaries. In suggesting the measures we have been influenced mainly by the precautions taken by the better organised exchanges in the affairs of which the traders themselves have exclusive voice. Though the requirements of regulated markets in the State call for more stringent steps, we have refrained for recommending them not because we consider them unnecessary, but mainly because we hope that the traders will themselves be able to appreciate, in the course of time, the advantages of a regulated market in the field of orderly trading as a result of the implementation of our recommendations. *Our recommendations are confined mainly to the conditions on which licences should be issued and to the consequences of not conforming to these conditions.*

#### **Basis for selection**

219. In the course of our enquiry we were informed by several Market Committees as well as by traders themselves, that there are more market functionaries than what the volume of business warranted in a market with the result that there was an unhealthy competition between the traders themselves. To the extent this competition was confined to the merchants buying goods, it had a stimulating influence on the price level. But where it took place among the general commission agents, it had adverse repercussions inasmuch as this class was not able to earn a reasonable income and as such, was not in a position to give proper service. There is a good deal of truth in this complaint. For instance, in Kolhapur, which is the biggest regulated market in this State, there were, in 1953-54, 257 commission agents, whereas produce handled by the market was valued at Rs. 344 lakhs. This means on an average that the annual volume of business handled by each commission agent is Rs. 1.33 lakhs and the commission earned during the year is hardly Rs. 2,000. It may, however, be possible that the commission agent earns additional commission on account of his business with upcountry traders and business in the market in respect of unregulated commodities. Even then it may be that the number of agents is higher than what the volume warrants.

220. Should there be a ceiling on the number of commission agents? Established agents have naturally answered the question in the affirmative, but their view is to be accepted with reservation because they have a vested interest. It is customary for private trade associations controlling commodity exchanges to put a ceiling on their membership. Until a few years ago this ceiling was unduly restrictive, and had the effect of making the exchanges

a 'closed shop'. In the post-independence period the Government of Bombay has, however, insisted in respect of those exchanges to which it gave a recognition for forward trading, that the maximum membership should be sufficiently higher in order to provide opportunities for desirable new comers to enter the trade. We also note that the Forward Markets Commission has adopted the same policy. This healthy practice is further supported by the provisions in the Constitution. We are, therefore, against an arbitrary restriction being imposed on the number of market functionaries including the commission agents, operating in any regulated market. This does not, however, mean that anybody can come to a market and transact any business he likes. To allow this would lead only to chaos.

221. The criteria for allowing a person to function as a market functionary is that he is competent to play a particular role, and that too, in accordance with the directions, of the Market Committee and the provisions in the law and the rules. Similarly, he must have the necessary equipment to carry on a particular role which he desires to play. *We, therefore, recommend that the middle course between making a particular profession a closed shop and throwing the doors wide open to all, should be adopted by stipulating the qualifications for each type of profession.*

#### Qualifications.

222. The qualifications of market functionaries would depend on the nature of the function. The commission agent is the mainstay of the market because as an agent to the seller he is the custodian of the goods belonging to his principal and he is responsible for making payment to him. He is also expected to furnish a manifesto of the number of packages and its size, grade and quality, to the Market Committee and render the best service to the seller. To discharge the last function, he must be in close touch with the market mechanism, must be present at the time of the display of samples to furnish prospective buyers with information regarding the goods for sale, and must also watch the interest of the seller at all the stages beginning from the arrival of goods in the yard and ending with the ultimate payment to the seller. To qualify himself for the job, a commission agent must therefore have sufficient financial resources to finance his business, must have a shop where the goods can be inspected and the auction can be held, a godown where he can store the produce and weights, personnel, etc.

223. In the case of 'A' class trader, his role is of a buyer in the market yard, the sub-yard or the factory. This wholesale trader buys extensively in the market and must, therefore, have the necessary wherewithals to carry on his business. Obviously, he should have a shop of his own and a godown and sufficient financial resources. In other words, where a person wishes to do the business

of an 'A' class trader or that of a commission agent who has been assigned 'B' class in paragraph 206, the equipment at his disposal must be identical. In the case of 'C' class trader who has been defined as the buyer in the market area and the seller in a market yard or a sub-yard, his functions are confined, mainly to purchase goods from the agriculturist. Since we have recommended in paragraph 128 that the payments due to the agriculturist on account of the purchase of his produce must be paid immediately, we are of the view that he need not have any fixed shop or a godown and need not produce any tangible evidence to the Market Committee of his financial capacity. We expect the farmer not to grant him any credit at all. Similarly, the 'D' class trader whose activities in the regulated market are confined only as a purchaser of goods in small lots, we believe that these transactions will be almost wholly with 'A' class trader and, in a few cases, with the agriculturists. In the latter case, he will be required to pay cash against the purchase.

224. *We, therefore, recommend that the basic qualification for allowing a person to function as 'A' and/or 'B' class trader should be an assurance to the Market Committee of his financial solvency and the guarantee that it would be maintained during the period he is allowed to function in the market, and his ability to maintain proper equipment, viz., a shop, a godown, stamped weights and personnel to help him. We further recommend that the condition of solvency should be applicable to other classes of traders as well.* These qualifications are in addition to the normal expectations about a person wishing to carry on the trade. These include his past conduct in business or otherwise, his undertaking to conform to the provisions of the Act, Rules and the Bye-laws and the directions of the Market Committee and his capacity and experience to trade.

225. A question which has been a source of irritation is the precise role of the trader who is a commission agent as well as a trader. The Royal Commission on Agriculture, the Bombay Provincial Banking Enquiry Committee and several other Committees have pointed out, in the past, the danger of one person being allowed to play a dual role. On the other hand, of late, there has been a world-wide tendency among traders to do the business both of a trader and a commission agent. This is naturally because both the types of business are complementary to each other. What is undesirable is that the process of merging one class of business with the other is accompanied by certain evils, which should not be allowed to thrive to the detriment of the market. In the main, when a commission agent selling goods on behalf of others is also a seller of his own goods there is likely to be a natural tendency to sell his own goods first. To that extent, the dual role inflicts injury on the sellers who appoint him as his agent. Secondly, when he is an agent of a seller and also a buyer, especially on behalf of a trader, in the same transaction, he may buy cheap and sell high and charge his

commission from both the parties. In this respect also, the seller, whose agent he is, is sacrificed. These evils have got to be checked. *We, therefore, recommend that no commission agent ('B' class trader) should be allowed to act as an agent for two parties in the same transaction nor should he be allowed to buy goods as a principal when he is himself the agent of the seller.* We are aware that the bye-laws of some of the Market Committees have been framed on these lines. But we feel that this should be one of the conditions on which a 'B' class licence should be issued.

### **Licencing Procedure.**

226. In order to enable the Market Committee to ensure that the market functionaries function in accordance with the provisions of the Act, Rules and Bye-laws and its directions, as well as the conditions, the first wholesome rule is not to allow anybody to function without a valid licence. We have already stated that the condition of licencing should be made applicable to traders, weighmen, brokers, surveyors, measurers and warehousemen. The licencing of the functionaries other than traders should be a simple procedure, because in their case the expectations are limited in view of their role being of secondary importance. On the other hand, it will have to be elaborate in the case of traders. In order to enable the Market Committee to properly evaluate the application of a trader, it is necessary that it should contain full particulars regarding the applicant. We have already referred in paragraph 210 regarding the information sought by organised exchanges and *we recommend that the form in which they seek this information should be adopted in the prescribed form in which these applications should be submitted.* On receipt of the application, we suggest that the Secretary should make enquiries with a view firstly to verifying the statements in the application and secondly to collecting ancillary information which will enable the Market Committee to arrive at the correct decision. It is only when it is satisfied about the *bona fides* that the licence should be issued subject to the execution of an agreement by the applicant.

### **Licence Fees.**

227. Before dealing with the agreement, we might discuss the licence fees. We have explained in paragraph 196 the reasons for which licence fees should be charged. We wish to repeat here that these fees do not by any means represent the cost of issuing the licence. At present, these fees are fixed under the bye-laws of the respective Market Committees. From an analysis of these fees, we find that the maximum and minimum fees operating for the different classes of traders in the scale are : 'A' class traders Rs. 150—60 ; 'B' class traders (commission agents) Rs. 50—25 ; and 'C' class traders (retailers) Rs. 20—10, with a special concession of 50 per cent. in respect of Teli traders. We have already defined in paragraph 206

the traders into four categories, viz., 'A' class traders, 'B' class traders, 'C' class traders and 'D' class traders. The last category refers to the traders who buy in small lots in the market yard or in an area within a radius of five miles from the place of his business and sells in retail to the consumer at the place of his business. This class is to be licensed only as a buyer in the market, and as such, as a buyer in small lots, he plays a very insignificant role in the market. *We, therefore, recommend that the licence fee in the case of 'D' class traders should not exceed Rs. 5 and should not be less than one rupee.*

228. The role of the "C" class trader who buys in small lots outside the market yard, sub-yard and a factory but sells in the market yard is important inasmuch as the sales outside the market yard are approximately 30 per cent. of the regulated trade. The cost of supervising his operations is also heavier than that in the case of "D" class trader. *We, therefore, recommend that the licence fee to be charged by Market Committees in his case should be subject to a maximum of Rs. 40 and a minimum of Rs. 30.* In the case of "A" and "B" class traders, we have emphasised more than once in the preceding paragraphs that their role is crucial and, therefore, the cost of supervising their operations will also be greater. Similarly they have a lion's share in the regulated trade. At the same time we wish to take note of the representations made to us that the present maximum of Rs. 150 is very high. *We, therefore, recommend that the licence fee in their respect should not be more than Rs. 100 and less than Rs. 75.* In making these recommendations, we feel that we have taken note of the tests applied by Mr. Justice Visvanatha Aiyar in respect of sales tax licences. The case is reported in the Bombay Law Reporter dated September 15, 1955, to which we wish to draw the Government's attention.

229. At present the common practice is to issue a combined licence for "A" and "B" class traders to one and the same person who carries on both the types of business. The object of such a licence is to give a concessional rate in respect of the fee and nothing else. We have examined the precise quantum of relief given to the traders as a result of this concession. It works out to not more than Rs. 30 per annum. Considering the volume of business he handles, the income he earns therefrom and the financial obligations he undertakes therefor, we are of the view that this concession neither serves the purpose of giving the relief nor such a concession is warranted. Besides in the case of a combined licence, there is a danger of legal quibbles over suspension of that licence since such a suspension for the offence committed by him in his capacity as, say, commission agent will not warrant suspension of his licence also as a wholesale trader. *We, therefore, recommend that the system of issuing a combined licence should be discontinued. As regards the licence fee to be charged in respect of weighmen, surveyors and warehousemen, we recommend that the status quo i.e., the maximum of Rs. 15 and minimum of Rs. 10 should be maintained.*

### Agreement.

230. The key note of enforcing the provisions of the Act, Rules, Byelaws, resolutions of the Market Committee and directions of its officers is the agreement which a licence-holder is to execute as a part of the condition of the licence. Before discussing the pattern of agreement we wish to refer here to the obligations of the members of the commodity exchanges controlled by traders in Bombay, in order to facilitate the appraisal of the problem. These have been provided in the byelaws of the exchanges and the member, by subscribing to these byelaws, binds himself to abide by them. These byelaws provide *inter alia* that (1) no change in the constitution of the partnership or joint Hindu family of which he is a member shall be binding so far as an exchange or its members are concerned unless and until such changes are approved by the Board of the Exchange; (2) the member shall refer the dispute to the exchange for arbitration and shall accept an award of the arbitrators as final and binding on him; (3) he shall not bring or prosecute any suit or proceeding against the Exchange, the Board, the President, the Secretary or any employee or employees of the Exchange acting under his authority or against arbitrators; (4) he shall trade in accordance with the conditions and regulations that might be laid down by the Exchange; and (5) he subscribes to the byelaw that he shall be liable to expulsion, suspension and/or payment of a fine for refusal to abide by awards, unbecoming conduct, violation of byelaws, notice or request of the officer on behalf of the exchange, failure to pay his dues and misconduct. The word "misconduct" defined in the byelaws covers a variety of items including the nonfulfilment of contract or its breach and conduct tending to obstruct or defeat any arrangement that might be made by the Exchange with any public body and towards the members of the Exchange.

231. Some of the obligations mentioned above have been incorporated in the Act, Rules and the Byelaws. Others will arise as a result of the directions of the Market Committee or its Chairman or Secretary. *We, therefore, recommend that every licence-holder must undertake to abide by the Act, Rules and Byelaws, and rules, orders, directions and decisions of the Market Committee or its Chairman or Secretary.* Secondly, all the functions of the licence-holder are not necessarily performed by him personally. In fact, it is impossible for him to do so. He, therefore, engages one or more employees or takes partners or assistance of others who may be paid or not. But all these persons act under his instructions, or on his behalf. *We, therefore, recommend that the licence-holder should be held responsible for all acts of his employees.* The byelaws of the Market Committee provide that it will fix the number of assistants entitled to work in the market on behalf of licensed traders and that no person other than those whose names appear in the licence shall be allowed to work in the market area. This rule is likely to prove irksome since employees are liable to



transfer, dismissal, etc. We, therefore, recommend that the byelaws (model byelaws No. 42) should be suitably revised so as to provide that licence-holders shall be responsible for the actions of their employees in the market yard, and every licence-holder shall furnish a list of employees who are authorised to transact business on their behalf only when they are approved by the Market Committee. In order to distinguish such employees, it would be necessary to issue badges to them.

232. Thirdly, "A" and "B" class traders should undertake to deposit cash, security or bank's or third person's guarantee for an amount to be prescribed in the byelaws and to keep it free from all encumbrances and agree that the deposit shall neither bear any interest nor shall it be returnable so long as he holds a valid licence. Furthermore, this deposit should bear the first charge of the dues of the Market Committee and the second charge of those of the other licence-holders in the market. We consider this condition necessary firstly because it assures of the continued financial solvency of the licence holder and minimise the danger of market being rendered unstable as a result of his default. Fourthly, the agreement should provide that the licence-holder would acquire within a specific period the equipment including a shop, a godown and weights according to the standards which the Market Committee may lay down from time to time. These are essential tools with which he can work, and we consider this condition necessary because we are told that some of the licence-holders have not got the basic equipment.

233. Fifthly, the agreement should provide that he will not suspend or discontinue his business, except after giving one month's notice of his intention to do so. This condition is considered necessary in order to avoid the recurrence of lightening strikes on the part of traders which are a cronic feature at present. Sixthly, he should undertake to submit all his disputes to the Market Committee subject to an appeal to the Director in the event of the cancellation of his licence or its suspension for more than six months and not to proceed in a court of law against the market committee, sub-committee or its officers without the permission of the Director of Agricultural Marketing. We consider this safeguard necessary in view of the tendency to take recourse to legal proceedings on flimsy grounds and mainly with the object of impeding the work of the market committee.

234. The seventh condition that requires to be incorporated in the agreement is that no change in the constitution of his firm, partnership or the joint Hindu family of which he is a member shall become operative so far as the Market Committee and its licence-holders are concerned unless and until the change is approved by the Committee. We consider this condition as a part of the condition on which a licence should be issued because instances have

come to light of the business being passed on to another party and running away from the markets. Lastly, the agreement should provide that the licence is not transferrable and will remain valid for a year and his property in the market yard shall not be transferrable to any person by way of sale, hire, mortgage or otherwise excepting the one whose name is approved by the Market Committee and that too only upon the satisfaction of claims of the Committee.

235. *We further recommend that the byelaws of the Market Committee should provide for specific penalties by way of fines to be imposed by the Committee for the refusal to abide by the awards or to refer the disputes to arbitration for acting in any manner detrimental to the interest of the market committee, the market and its users, misconduct in dealings with the Market Committee or licence-holders or fraudulent transactions with the licence-holders or agriculturists selling their produce in the market, failure to pay the dues of the agriculturist immediately after the transaction is completed and to the licensed traders within a period to be prescribed in the light of the current market usage and within 24 hours in respect of the award, in a trade dispute from the date of such award.*

236. The agreement in respect of "C" class licence holders should more or less be on similar lines but exclusive of the conditions in respect of deposit and the liability of employees. As regards "D" class traders, we are of the view that an agreement need not be insisted from them provided the condition of the issuing of the licence is that it has been issued subject to the provisions in the Act, Rules and byelaws and the directions of the Market Committee or the officers authorised on its behalf.

237. As a result of the above recommendations in paragraphs 231 to 236, we hope the preliminary screening of persons wishing to engage themselves in trade will be effectively taken at the time of the issue of the licence; this will be followed by the insistence on the fulfilment of the conditions to which he has agreed to conform and, in case of violation by the imposition of penalty by the Market Committees, including fines and suspension or cancellation of licence, apart from prosecutions under the provisions of the Act. As a further precaution, *we recommend, that the present practice of issuing a licence for a period of one year should be continued so that an opportunity will be provided by the Market Committee to review the behaviour of the licence-holder.* In regard to the renewal of a licence, *we recommend that the procedure adopted in respect of the issue of new licence should be followed, though the enquiry may not be meticulous since the licence-holder is already sufficiently known to the Market Committee.* We, however, urge that no licence should be renewed particularly if the applicant has not traded in the area for which the previous licence was issued to him, for more than a week without a valid reason or

*his conduct is not, in its opinion, in the interest of the smooth working of the Market Committee, or he has overtraded or has directly or indirectly participated in strikes or boycotts.*

### **Role of Marketing Co-operatives**

238. Farmers as producers are more interested in the efficient and successful marketing of agricultural produce than any other group. As sellers, they have also opportunities in the field of agricultural marketing. Unfortunately, they lack information, understanding and leadership to seize these opportunities with the result that they have to seek the help of outsiders. They have by experience, however, found that the services not provided by private marketing agencies can be rendered if they combine themselves into a cooperative sale union or if their societies form a federal body such as the district purchase and sale union. With the help of such a body they hope to secure better service and also reduce the cost of marketing. But more than that, with the help of this organisation, they, as the weakest link in the chain of agricultural marketing, can bring a restraining influence to bear on the normal trade channels. If these organisations gain sufficient strength, they can not only benefit the growers but also exporters since they can arrange for the supply of produce in sufficient quantities and of a definite quality and, as such, counteract the machinations of speculators for the artificial depressing of the market. These organisations are variously described according to the nature of their business. Thus, a marketing co-operative may be either a sale union or a purchase and sale union or a marketing society in the strictest sense of the term. Even multipurpose societies fall in this category so far as certain aspects of their non-credit activity is concerned. The United States Agricultural Marketing Act defines a co-operative marketing organisation as an association in which farmers act together for the mutual benefit in processing, preparing for the market or marketing the products, or which renders to its members farm business service such as supply of irrigation water.

239. In a regulated market where the weak bargaining power of the agriculturist is pitched up against the strong position of the trader/buyer, the farmer takes the help of a commission agent. Where the commission agent also happens to be a person engaged in the business for earning profit for himself, he is susceptible to temptations for exploiting the weak. The marketing co-operatives owned by farmers or their organisations being free from profit motives and belonging to the farmers themselves are expected to be superior to any individual trader in his role as a commission agent. Moreover, being interested in agricultural marketing these co-operatives are positively interested in securing a better price for the produce with the result that they are not parties to any measures which would have the effect of depressing or dislocating the market. On the other hand, traders, or at any rate majority of them, are

interested in creating such a situation because they thrive on it. To this extent, marketing cooperatives have a greater affiliation for the regulated market and the authorities entrusted with this regulation than the traders themselves.

240. We have received evidence to suggest that marketing cooperatives have come to the rescue of the Market Committees during the past 16 years in markets which were threatened with dislocation as a result of strikes and boycotts and are satisfied that they have played a crucial role in this respect in certain places such as Ahmedabad and Kolhapur. It is in this background that we view the role of marketing cooperatives in regulated markets and we feel that no regulated market can function effectively and smoothly unless and until a strong marketing cooperative is in a position to play the key role of market functionaries, namely, 'A' and 'B' class licence-holders. We have reverted to this subject in Chapter VIII but would mention here that we have stressed the obvious. In his Administration Report on the working of the Act during 1947-48, the Director of Agricultural Marketing observed that "experience has shown that in order to ensure easy introduction and effective implementation of the Act at a market projected for regulation, the building up of a strong cooperative organisation (for sale) of agriculturists must precede the attempt at regulation". The post-war development scheme for market regulation visualised organisation of an equal number of ancillary co-operative sale organisations to work as commission agents on behalf of agricultural primary societies and individual agriculturists. We hope, that this sound policy will be adhered to in future.

241. As on August 31, 1954, out of 91 regulated markets in the State, cooperative societies functioned as licence-holders under Rule 65 in 69 markets. Some of them, especially the Cotton Sale Societies in Karnatak and Gujarat, purchase and sale unions associated with the marketing of gul in the Deccan and vegetables in Gujarat have been rendering valuable service both to the farmers and the regulated markets in which they are operating. Their precise volume of business in the regulated markets is, however, not known nor can it be said that all are strong. We have been informed that in Broach where the trade is controlled by a handful of traders holding monopolistic position, the sale societies have played a key role. The question of encouraging and strengthening the marketing cooperatives is outside the scope of our inquiry. We have, therefore, recommended in paragraphs 238 to 240 that the question regarding the pattern of the cooperative marketing organisation in the State and of the measures necessary for imparting strength to them should be examined by the Government without any delay.

242. The question arises as to whether these cooperatives require a special treatment in regulated markets and, if so, what should be its nature. We tried to elicit the reply from the various interests affected by regulated markets. These replies can be classified into

two distinct groups. Traders as a class are unanimous that there is no distinction between them and marketing cooperatives and the latter should be placed on par with them in regard to the treatment. On the other hand, organisations of agriculturists and the leaders of public opinion have been emphatic that no opportunity should be spared to help these societies. Within the sphere of market regulation, they opine, the concessions should take the form of (a) exemption from licence fee, (b) exemption from the payment of fee, (c) exemption from payment of rent, etc. for the stall and plot, (d) a bigger slice in the representation given to traders on market committees, and (e) preference and facilities in respect of auctions, transport, etc.

243. We have examined this question in a great detail and have come to the conclusion that marketing cooperatives, valuable though their services are to the farmers, the regulated market and the national economy at large, they essentially belong to the class of market functionaries. We are, therefore, of the view that there should be no basic discrimination between a private merchant or a commission agent and a marketing cooperative. *We, therefore, recommend that the conditions on which licences are issued to private traders should be applicable also to marketing cooperatives.* As regards the licence fee, we are aware that the public opinion is strongly in favour of exempting these societies from this fee. During our visit to Madras we also found that marketing cooperatives are exempted from the payment of this fee under Section 5 of the Madras Commercial Crops Markets Act, 1933. The proposal has to be examined in the context of the monetary benefit which a cooperative society can secure as a result of this concession. From the scale of fees recommended in paragraphs 227 and 228, it may be noted that the cash relief is not more than 200 per annum. If any society feels that this relief is tangible, we are afraid that such an organisation is not likely to be helpful to the market. On the contrary, it would be invidious to make a distinction between a private trader and a cooperative in the matter of licence fee. *We, therefore, recommend that no concession should be given to cooperatives in respect of the licence fee.* As regards the proposal for exemption from fee, i.e., the fee on produce, we beg to point out that it is ultimately recoverable from the agriculturist where under the present law, or, as a part of the market charges, as a result of our recommendation in paragraph 195. This means that this exemption will bring no relief to any marketing cooperative. *The proposal for concessional rent does not also seem to be reasonable for the reasons which have prompted us to reject the request for exemption from the licence fee.*

244. The two other suggestions which deserve a careful scrutiny are in respect of a bigger representation on the Market Committee and a concessional treatment in respect of auctions etc. In considering the merits of the first suggestion, we think that the representation of

traders on a Market Committee must be secured in a manner which will ensure an effective voice for those who handle the bulk of the business. Except in a few isolated markets, marketing cooperatives have yet to establish their claim to such a position. Moreover, we have already recommended in paragraph 167 that one seat that has been reserved for cooperative marketing organisations from amongst the traders' constituency should be filled by these societies. This is the present situation whereunder all the traders including the societies elect the representative of the societies. Furthermore, we have suggested that one of the three nominees of the Government should, as far as possible, be from this group. We are of the view that the interest of these societies will be adequately promoted as a result of these recommendations at least until these societies are in a position to handle the bulk of the agricultural produce. We do not also favour that the societies in one or two markets, which handle quite a big slice of the business today should receive a special treatment firstly because it would mean a departure from the general practice and secondly because we hope that these societies will be able to secure the support of the representatives of the agriculturists in view of their identical interest in the affairs of the Market Committee.

245. The question then arises as to whether these societies playing a very valuable role should receive any special treatment at all. To this, our answer is in the affirmative. We have already stated in paragraph 240 that their role is crucial in the smooth functioning of the regulated market. The nature concessions and facilities which they deserve and which should be given, in our opinion, must be such which will enable them to play this role more effectively in future. *We have come to the conclusion that no regulated market can be developed without the support of a marketing cooperative. In turn no society can develop within the market unless it is supported by the market itself.* It would further be futile to expect that the normal trade channels will support the cooperative. We, therefore, feel that this support must come from the Market Committee itself and, therefore, *recommend that the highest priority should be given to these marketing organisations in the matter of selection and allocation of stalls and plots. We further recommend that wherever no such society exists, the Market Committee should reserve a plot or a stall and even keep it vacant so that the society, when it is registered, can step in.* We are prompted to make the latter recommendation because we have found that in certain well developed markets, it is difficult for these societies to open their shops owing to the lack of space. We are happy to note here that in the newly developed market yard at Sangli the two marketing cooperatives have been given this preferential treatment and hope that they will be able to reciprocate by playing the role expected of them.

246. Another proposal relates to the granting preference to these societies in regard to auctions. We have been told that an institutional organisation cannot take more than one licence. On the other hand, a joint Hindu family or a partnership firm or a joint stock

company can acquire more than one licence by asking its members, partners or directors respectively to take the licences separately. The disadvantageous position in which the society is placed *vis-a-vis*, the private trader will have to be counteracted in our opinion. The difficulty is, however, of issuing more than one licence to the same person and, in the eyes of the law, an institution, whatever be its strength, is just one person. We have already recommended in paragraph 210 that the applicant should disclose the names of the adults in the joint Hindu family, the names of partners or the names of the directors in a joint stock company respectively. As such, the Market Committee should be in a position to know the associates of the person to whom it has issued the licence. We, therefore, hope that while issuing the licence, care will be taken to ensure that these associates are not also issued the licence. This will appreciably reduce the extent of discrimination between a Society and an individual trader, operating to the disadvantage of the former. Secondly, *we recommend that Market Committees should adopt the system of rationing the turn of open auction in relation to the turnover of the licensee.* This will mean an equitable treatment to all licence-holders including a cooperative society on the basis of the volume of business each has to handle. We have been informed in the course of our enquiry that such an arrangement, fair though it is, is likely to be resisted by the normal trade channels and especially the numerically strong but having a small volume of business on the ground that the Committee has no right to do so. We hope that proper precautions will be taken in order to counteract this opposition and ensure the success of this proposal.

247. One of the major difficulties of marketing co-operatives is in respect of transport. In spite of the rehabilitation and expansion of the transport system it has been unable to cope with the demands made on it by commerce, trade and industry. As a result, there has been a scramble for transport. This is more so in respect of railway transport which is cheaper than any other type. In spite of the efforts to ration it on an equitable basis, the object of making available wagons to those who urgently need them has not been achieved. In the scramble for wagons the institutions, and particularly co-operatives, have been placed in a greater disadvantage than the private merchants. The Railway Corruption Enquiry Committee has dealt exhaustively with the malpractices that have crept up. It is, however, not possible for co-operatives to secure wagons by such means. Working under this system, the co-operative marketing societies operating in regulated markets have been put to a greater hardship than the normal trade channels. Even where they are strong, they are consequently unable to play the role which could have been normally expected of them. *We, therefore, urge the Government to take up this question of priority for railway transport to co-operative organisations with the Government of India in the interest of the successful conduct of regulated markets.* The larger issue of transport has been dealt with in Chapter VIII.

## CHAPTER VI.

## PROBLEMS OF SPECIAL MARKET.

248. In the course of our enquiry we were confronted with peculiar difficulties arising from or relating to, the regulation of market handling some of the items incorporated in the Schedule appended to the Act under section 2(1)(i). In this Schedule have been included animal husbandry products including cattle, poultry, milk and milk products, grass and fodder, vegetables and fruits and tobacco. These are commodities in which business is not transacted in the markets which provide trading facilities for the other types of agricultural produce, and neither the sellers nor the buyers are the same in respect of the two groups. The problems of marketing are also different. Historically, as well as on account of the special features of trading, special markets, organised or unorganised, have been sponsored for handling these particular commodities. Where the volume of business is small in any particular commodity listed in this group, the market is generally unorganised though traders in such markets have established their own practices. Where the volume of business is adequate and the number of traders participating in the market is fairly large, they have organised themselves into an association which lays down the board rules of trading. These rules, conventions, practices and understanding vary from market to market and from place to place. The seller, if he does not happen to be a trader, is usually the victim of the machinations of the business community. This is generally so at the first stage of marketing. We, therefore, consider that the problems of these markets as well as of the market in forestry produce to which we have sought to extend the definition of agricultural produce in para 273 require a special treatment.

**Animal Husbandry Products.**

249. In this heterogeneous group have been listed no less than nine commodities. According to trade practices there are four compact markets to handle (a) eggs and poultry, (b) milk and milk products, (c) wool and (d) cattle, sheep and goats. The market for eggs and poultry is usually a section of the fruit and vegetables markets. The volume of business is so low that there is no scope for establishing any separate regulated market in any area in this State. Usually, and excepting at the terminal centres, trade in eggs and poultry is in the hands of retail traders. In the terminal markets this trade is handled between traders and traders. We do not, therefore, think that the labour involved in regulating the trade in eggs and poultry is commensurate with the benefit that is likely to accrue to the agriculturists. It may be, however, that as and when the development of this particular section of the agricultural industry is prompted on an ambitious scale that the time will come for examining the merits of extending the provisions of this Act to it. In intervening period, it is immaterial whether these commodities are retained in the schedule or not.



250. Milk and milk products have a special market. Here also, the usual practice is for the producer to sell his product directly to the consumer. It is true that in the more important towns there are organised markets and milk and milk products are brought by the producers and bought by the trader for being sold to the consumer. These markets are usually run and/or supervised by the Municipality. The volume of trade handled by them is, however, also small. Moreover, the regulation of milk and milk products is mainly to be undertaken with the object of preventing adulteration. The administration of the Bombay Prevention of Food Adulteration Act, 1925, is vested in the Municipalities. In view of these circumstances, we have come to the conclusion that no useful purpose will be served by bringing these commodities within the scope of regulated markets at least for a fairly long period.

251. *Wool*.—Wool has been listed as one of the commodities to be brought under regulation. The production of wool in Bombay State is approximately 2.6 million pounds, i.e., about 3 per cent. of the country's output. It is scattered very widely over the State and the trade itself is unorganised except to a small extent in North Gujerat. These markets are small assembling centres and the problems of marketing are intricate. Brokers or their agents usually go to the villages and collect wool and sell in to the more important brokers in the district towns or to the merchants in Bombay. Trading methods are also different from those in respect of other agricultural commodities. In these circumstance, we are afraid that the regulation of wool may not be feasible in this State even when wool is tagged on to other regulated commodities for which a market is established.

252. *Cattle, Sheep and Goats*.—The census taken in 1951 in respect of livestock gives the following details.

		(Figures in million).				
		Gujarat	Konkan	Deccan	Karnatak	Total
1	Cattle, ...	3.739	1.831	4.198	2.147	11.915
	Buffalos ...	1.923	0.465	0.739	1.034	4.162
	Total—Bovine ...	5.662	2.296	4.938	3.181	16.077
	Total—Sheep ...	0.488	0.09	1.141	0.877	2.515
	Total—goats ...	1.510	0.244	1.781	0.777	4.312
2	Other live-stock					
	Total live-stock	7.804	2.568	7.999	4.886	23.257

253. The census reveals that the proportion of young stock to the total cattle is approximately 25 per cent. whereas it is about 40 per cent. in respect of buffalos. The proportion is still less in respect of horses. This gives an impression that the State will have to undertake a very ambitious programme in the matter of replacement of old live stock during the next decade. To the extent this is done, trading in live stock will broaden. The markets in live-stock are mainly the village bazars and fairs specially held. This system has been operating for well over a century especially in the Deccan and Karnatak. There are, however, a few well developed markets in cattle in towns which are either the transit centres or the sources of supply from the neighbouring areas.

254. The most important markets are Patan in the Mehsana district and Shahada and Shirpur in West Khandesh district. In the former district a particular set of the backward class community has specialised itself as breeders and they sell their cattle in the Patan market. The regulated market at Patan is a composite market in which are sold the farm produce as well as cattle. During the year 1953-54 the total arrivals of bovine in the market whose area of operation is Patan taluka were 10,615 out of which 4,948 cattle were sold on the market yard and only 448 in the villages whereas the arrivals of the other regulated commodities were to the tune of 3.30 million Bengal Maunds. This is the second market in the Bombay State to be regulated in respect of cattle.

255. The Shahada market, which was the first to be brought within the scope of the Act was established in 1952. The arrivals in this market of cattle were 14,770. Prior to the regulation brokers used to make outright purchases of cattle from the Jath and village dealers on the understanding that the bargain would be complete only after the brokers sold them. In other words, the broker pocketed the profit and carried no risk and also earned the brokerage. On the other hand by giving extensive credit to the agriculturists, brokers were able to realise fancy prices. The sale of stolen cattle was also a feature of the market. The market itself was established in 1949 in respect of cotton, groundnut and other agricultural produce and is a composite one. It has been able to reduce the market charges in respect of cattle from Rs. 20 prior to regulation to Rs. 1-1-0. A feature of the market is the total elimination of brokers. The Market Committee also supervises the scale of cattle during fares at Shahada and Sarangkhedha. The Shirpur market is only a year old but has made good progress.

256. We understand that the proposals for regulating the cattle trade in the Gadag market are under examination, whereas cattle has been declared as a regulated commodity in the Dhulia market though work has not yet started. The experience in regard to regulation of cattle trade is thus confined to only three markets, viz.,

Patan in Mehsana district and Shahada and Shirpur in West Khandesh district and that too for a period of three years. The working of these markets is encouraging enough to justify the measures taken for their regulation.

256-A. The trade in Bombay State has certain peculiar characteristics. There is no assemblage of cattle in any market everyday and trading is confined to one or two fixed days in a week or to a certain period of the year. The cultivator is generally a buyer rather than a seller though on occasions he is also a seller. There is usually a professional class who rears the cattle with a view to selling them and the intermediaries have a strong hold over both the buyer and the seller. This is because the sellers, as a rule, are ignorant and illiterate and backward, while the buyers, if they are agriculturists, are financially weak and have to depend on credit extended by the intermediaries themselves in order to finance their purchase. The other class of buyers is of slaughterers who are either the financiers of the intermediaries or are otherwise in a strong position to dictate their own terms. In the process, the seller as a class, and the agriculturist buyer as a group, are the victims of the machinations of intermediaries. They are brokers for the buyers and a seller in one and the same transaction, charge the commission from both the parties and also pocket the difference by driving a hard bargain at both the ends without disclosing to either of them the real price offered or sought, or assuming any risk in the deal. The case for regulating this trade, therefore, stands unchallenged. At the same time, we are afraid, that the difficulties in the way of regulation are so great that each step forward towards it will have to be taken after calculating the risk.

257. The magnitude of the problem and the urgency of its solution call for a radical approach. Some of us would have preferred the creation of statutory boards working under the direction of the Government itself. Unfortunately, the creation of such boards at different centres is not likely to be an economic proposition because of the small volume of trade. The other alternative that we examined, was whether this can be done by entrusting the work of supervision to the Departmental Officers. We cannot, however, think of a suitable agency which can shoulder this responsibility in addition to carrying its existing duties. On the other hand, the volume of business is such that it might not be economic to have an independent organisation under any Department. It is as an expedient, supported by the excellent working of regulated markets in the places referred to in paragraphs, 254 and 255 that we have come to the conclusion that efforts will have to be made to extend the policy of bringing the cattle trade within the orbit of the Bombay Agricultural Produce Markets Act in centres where it can be conveniently done as one of the commodities to be regulated.

258. The question then arises as to how a Market Committee which is a stranger to the technique of cattle trade can control this market. This only underlines the desirability of associating certain persons with the management of the cattle-yard. The position in this respect might vary from market to market according to its size and the volume of business in relation to the total volume regulated by a particular market committee. *We, therefore, recommend that in a market where the volume of cattle trade is substantial, one seat from amongst the traders should be given to the cattle traders and the Government should nominate one of its three representatives on such a market committee from amongst those including the officials, who are acquainted with the problems concerning the primary sellers, i.e., breeders. We hope that the agriculturists interested both as buyers and sellers of cattle will be protected by their representatives on the Market Committee and do not, therefore, recommend special representation for them on this account.*

259. We recognise the difficulty in allotting one seat from the Traders' Constituency to traders in the cattle market since this will have to be done at the cost of the traders in the main market. It may be that in such markets the seat allotted to "C" class traders can be conveniently transferred to the cattle traders provided the interest of the former class is not appreciably sacrificed. There are, however, likely to be markets where this would be unfair. *To meet such an eventuality, and as an alternative to the previous recommendation, we propose that the Market Committee concerned with the regulation of cattle trade should appoint an ad-hoc committee, in consultation with, and on the approval and suggestion of, the Director of Agricultural Marketing. Furthermore, the members of such an Ad-Hoc Committee need not necessarily be from amongst the members of the Market Committee; but the Chairman of the Market Committee should be an ex-officio Chairman and the Secretary, its ex-officio Secretary. Care should also be taken to ensure that all interested in the cattle market are represented. We also hope that the Market Committee will provide adequate finance for running and developing such a market yard.*

### Grass and Fodder

260. The area under grass and fodder in the State is roughly 40 lakh acres. Besides, the stalks of agricultural produce are also used as grass and fodder. The main surplus areas are Andheri-Palghar tract in Thana District, Bulsah-Pardi tract in Surat District and Viramgam tract in Ahmedabad District. In the Deccan, certain tracts in Khandesh bordering the Satpuda Range have a surplus of grass and fodder but the supply therefrom is negligible. There remains, therefore, the scope for regulating the trading in fodder in the three tracts of Thana, Surat and

Ahmedabad Districts. The Viramgam market which essentially is a cotton market was regulated in 1948 and fodder has been regulated by it since 1951. The experience is reported to be encouraging and the possibilities of extending the benefits of the Act to the growers in the other two tracts might be examined. In relation to other commodities the volume of business in any of these market areas including that of Viramgam is so small that we think no useful purpose will be served by appointing an Ad-Hoc Committee or by giving a special treatment. The grower's interest will be adequately safeguarded by such a Market Committee since we have recommended in paragraph 175 that agriculturists' constituency should be a single-member constituency which, we hope, will enable the growers of grass and fodder to send their representative on the Market Committee.

### Vegetables and Fruits

261. The acreage under fruits and vegetables in Bombay State is a little over 34 lakhs acres. Out of this Poona, East Khandesh, Nasik and Ahmednagar, Thana and Kolaba in the Deccan, Belgaum in the Karnatak and Surat, Mehsana and Ahmedabad Districts in Gujerat account for the bulk. The volume of trade handled annually is roughly worth Rs. 10 crores. The establishment of regulated markets in these districts is, however, likely to provide a stimulant for the expansion of their production inasmuch as the grower can hope to get a better price and can assure himself of a fair deal from the traders. Much of the trade is, however, done on a small scale in the State excepting the districts referred to above. The cultivation is concentrated in certain tracts of the districts and *we recommend that in these tracts efforts should be made to establish regulated markets in fruits and vegetables.* Fruits have been a regulated commodity in the markets of Bawala and Dehgam in Ahmedabad district and in Shrirampur and Rahuri of the Ahmednagar district, while fruits and vegetables have been regulated in Ahmedabad. Vegetables have been regulated in the Surat market and potato in the Nasik district, and Khed and Manchar markets in Poona district. The last-named market has not been functioning properly for over two years.

262. From the point of acreage, under fruit, we find that bananas and mangoes are the most important crops accounting for an acreage of 46,500 and 41,500 respectively out of a total of 1,45,400 acres under fruit. The plantation of banana is concentrated mainly in the East Khandesh district and in the Bassein tract of the Thana district. Most of the produce from these tracts, is however, sent to the terminal markets in Bombay and Delhi and there is not very extensive business in these areas. This is also the case in respect of mangoes from Konkan and Mosambis from Ahmednagar. Elsewhere, the markets are mainly the consuming centres though a portion of the

produce is sent to the terminal markets. We, therefore, recommend that the question of establishing regulated markets in fruits and vegetables should be pursued where there is sufficient volume of wholesale trade. We are also of the view that such a type of market to which supplies for sale are almost wholly received from the grower, demands a special treatment and should not be regulated unless and until the Market Committee to be entrusted with its regulation is assured of sufficient resources. In the event of regulation a separate market committee should be established with an area which may or may not be the same for which a regulated market has already been established provided the sphere of operation is clearly defined so far as commodities are concerned.

### Tobacco

263. Bombay State is an important grower of tobacco accounting for roughly one-fourth of the output in the country. The area under tobacco varies from year to year depending on the price the producer realised for the preceding season. Thus, for instance, the acreage in 1951-52 under tobacco dropped by as much as 32·7 per cent. from the preceding year. During 1952-53, 218,000 acres were under tobacco and the production totalled 116·48 million pounds. The bulk of the produce is Bidi tobacco, and consequently, the State has a net-work of bidi factories. A feature of tobacco cultivation in the State is its concentration in certain tracts. The Charotar area (Anand, Borsad and Nadiad talukas of the Kaira district and the Petlad and Bhadrans taluka of the adjoining Baroda district) accounts for roughly half the production, whereas, the tracts surrounding Nipani in Belgaum district, Jaisingpur in Kolhapur district and Sangli in South Satara district jointly account for an output of a little over 37 million pounds. As a result, trading in tobacco can be said to be concentrated in the markets of Anand, Nadiad, Borsad, Petlad and Bhadrans in Gujerat and Nipani (Belgaum district), Jaisingpur (Kolhapur district) and Sangli (South Satara district). The Market at Vijapur in Mehsana district has specialized in Virginia tobacco though the acreage under cultivation in that district is less than 5,000 acres and output 48,000 pounds.

264. In the Charotar area the growers sell all their tobacco in their villages. The curing yard in the fields is usually the place of disposal. This is done through the local Dalals known as Fatakia who have no financial stake. They are mainly agents of the merchants and are brokers who buy cured or uncured tobacco and sell it to the bidi factories and take the financial responsibility. The final link is the manufacturer. The link has been forged as a result of business connections extending over several years and decades. Occasionally, the grower stores the produce in his house. Some of the Dalals are also processors. The usual system of trading is by samples which are inspected by upcountry buyers and the deal is struck, after getting the quotations from the buyer, with the grower under cover.

Throughout the dealings, secrecy is maintained and nobody except sub-Dalal engaged in the village, knows the precise nature of the bargain. As such, he is in a position to decide to whom he should pass on the benefit of his knowledge. Some of the growers also sell their standing crops to big growers or to sub-Dalals in the villages. The Dalal gets his commission of 1 per cent. plus annas 2 from the merchant. He also realises the commission from the grower. The latter ranges between 3 per cent. and 6 per cent. The system of sale is on credit basis and the period varies from place and place. In the area there are over 4,000 bidi factories while traders usually act as traders as well as Dalals. The bulk of the produce is stored in bonded warehouses. The farmer is also required to take a licence from the Excise authorities if he has to store it in his house beyond June with the result that he is forced to part with his produce before the onset of the monsoon.

265. In the Nipani area which covers the areas from Belgaum, Kolhapur and Satara districts, the usual practice is to sell the standing crop without any written agreement or any payment. In some cases, the crop is sold for a lump sum. The sales at Nipani are effected usually through Dalals some of whom act as commission agents for upcountry buyers. Most of them act for both buyers and sellers, attend the weekly market, inspect the samples and try to buy by a private treaty with individual sellers. Since tobacco is to be weighed under the supervision of the Excise Department disputes over weights have now disappeared. For storing the produce on behalf of the growers the merchant charges rent of annas 8 per month per cart pending the sale. At Sangli Akol variety which commands a premium is sold by open auction; but elsewhere and in respect of other varieties the grower has no voice. The special feature of trading is that deductions are made on various accounts ranging from 2 to 3 seers as "Kata-Soot" per Bhod is 3-5 maunds; 2-4 seers as "Matti-Soot" per Bhod, 3 seers as weight of the container and 1½ seers as "Magal-Soot" for patches on bags or Bhod. Thus 7 seers are knocked down, for every three maunds, the commission is charged at 5 per cent. apart from other charges, and on the top of this, the grower has no means to know when he will receive the payment. If he is lucky, he gets it in about 3 months; if he is unfortunate then he may not get it even until he sells his next crop.

266. The magnitude of the disabilities under which tobacco is marketed by the grower varies from place to place. It may be more in the Nipani area and less in Gujerat, but the broad features of these disabilities are common. To begin with, the risk is of the seller until the payment is received. Secondly, the period of credit is undetermined and where the payment is made earlier, not necessarily promptly, discount is charged for the same. If in any season, the prices decline the grower suffers even though he had sold the produce earlier, but he does not get the benefit of a higher price in any case. Since the money is locked up with the Dalal for a period ranging

from 6 months to 1½ years he does not get money for financing the operations for his next crop. Institutional credit is generally not available to him for this purpose because there is no guarantee of regular repayment in time and where it is available outright, it is only a fraction of the total requirements. To make for this shortfall, he has to approach the Dalal, who in his capacity as a moneylender is in a position not only to squeeze him by way of higher interest charges but is also able to assure himself that the produce will be marketed through him only.

267. Thus runs the vicious circle wherein the Dalal can trade without locking up his capital or taking any risk while the grower invests his money in the marketing business and also pays interest on it. The effort to regulate the tobacco trade is being made by Government since 1943 when the Act was extended to the Nipani market area. But for one reason or the other, it has not been possible to regulate this trade in the State, involving the marketing of produce worth Rs. 16 crores. One of the arguments advanced against the regulation is that the provisions of the Central Excise and Salt Act of 1944 and the rules made thereunder render difficulties in the way of regulating the tobacco markets. We, however, find that trading in the Guntur market in the Andhra State has been regulated since the beginning of 1951. In spite of the representations of the merchants to the contrary, we do not think, that the administrative difficulties are not unsurmountable. On the other hand, the public interest demands the extension of the benefit of this social legislation to the tobacco grower who has suffered for generations from exploitation by the Dalal. *We, therefore, recommend that the regulation of tobacco which is one of the major cash crops under the Act should not be delayed any more.*

268. In the course of our enquiry, we had discussions with the representatives of growers' and traders' organisations as well as the members of the legislatures from the tobacco growing areas and public workers associated with the rural development activity. And we are convinced that the tobacco grower can be rehabilitated only when the marketing of tobacco is organised on a basis fair to him. We are indeed glad to record that even tobacco traders who gave evidence before us are favourably disposed to the regulation of tobacco. The only plea made by them is that the process of regulating should be done in stages in order to avoid dislocation in trade and drive out traders with small means. There is some substance in this fear which, if materialised, might also have an adverse effect on tobacco prices in the immediate period and until the grower and the trader are fully reconciled to regulate marketing. It is also thought that in such a process the grower might lose what is due to him from the Dalal on account of his previous crops. We have weighed these arguments, and have come to the conclusion that certain adjustments in the transitional period are necessary in



order to avoid dislocation of trade but in reconciling with them the interest of the grower or the essence of regulation should not be sacrificed.

269-A. The marketing of tobacco has two faces. In the first stage dealings take place between the grower and the Dalal. *In respect of these transactions, we recommend, that the payment to the cultivator should be made in cash immediately after the produce is delivered against the sale.* Since the Dalal has already enjoyed credit from the grower on account of the previous transactions which are not covered by the regulation, we opine that this recommendation in respect of future transactions will not have a restrictive influence on his activity provided he wants to play fair to the agriculturists. We make no recommendation in regard to the past transactions, firstly, because it will have no sanctity of the law and, secondly, it will be unfair. At the same time, we hope that the legitimate dues of the growers on account of the past, will not be frozen beyond the immediate period of the transaction. As regards transactions between traders and traders, we are of the view that both the parties to the deal are by and large competent to safeguard their respective interest. Even then in the larger interest of orderly marketing and in order to ensure that overtrading emanating from unrestricted trade does not impart instability to the market. *We recommend that the method of payment for transactions between traders and traders should be regulated on the basis of the practices evolved by trade associations and recognised by the Director of Agricultural Marketing and the position should be reviewed after the three years. Where such a trade association does not exist, the payment should be made on cash and carry basis.* We have made a distinction between the two types of markets because we feel that the presence of a strong trade association can have a healthy influence on the evolution of sound market practices and the collective strength behind it can see that these are strictly observed. We hope that this recommendation will provide the much needed respite that the traders wish to have during the transitional period.

269-B. Shri Arjun Lala does not share the views of his colleagues expressed above. He is of the view that the switch over from credit to cash in respect of sales by the tobacco grower would disturb the structure of marketing the tobacco. He, therefore, suggests that credit sales should be gradually discouraged with a view to eliminating them totally within a period of three to five years. He further suggests that a limit should be put also in respect of the period for the payment of the previous dues. Such a procedure would facilitate the regulation of tobacco trade smoothly.

270. As regards the method of sale, we adhere to our recommendation made in paragraph 113 and state that the system of open auction or "closed bid" (tender system) is the best. In the case of

tobacco, however, there is the danger of deterioration of quality or loss in quantity in its movement from place to place. Besides, the system of trading on the basis of samples has been well developed. We are of the view that this system is sound provided it does not give opportunities to the buyer to repudiate the transactions on the flimsy ground that the produce delivered is not up to the standard of the sample. *To avoid this danger which is associated with the sample system at present and yet to encourage the method of sale by sample, the transaction will be complete and no dispute will take place, if the buyer does not reject the quantity within three days from the conclusion of the bargain made on the basis of the sample.* We think that the period mentioned for enabling the buyer to have inspection of the whole stock involved in the deal is more than sufficient in order to enable him even to visit the field where the tobacco is grown or stored.

271. The question now remains as to whether the Market Committee entrusted with the regulation of other agricultural commodities should also be concerned with the marketing of tobacco under the Act. We have already mentioned that the problems of marketing of tobacco are not analogous to those of other commodities. The interests affected may not also be the same. *We, therefore, recommend that separate Market Committee should be established for exclusively regulating the tobacco trade. At the same time, we are of the view, that these Market Committees must have sufficient resources to discharge their duties and responsibilities under the Act.* Fortunately in Bombay State there are two compact areas where the trade is concentrated. Elsewhere, we are afraid, the question of regulation might have to be deferred until sufficient experience is gained of regulation in the two concentrated areas. These areas are the Charotar area in the Kaira-Baroda districts and the Nipani area in Belgaum-Kolhapur-South Satara districts. *We, therefore, recommend that two market committees one each for each area, should be established.*

272. The market area in each case is very extensive and might conflict with the area of another Market Committee. We wish to point out, that the market yard in respect of a particular market is one confined to particular commodities. Since tobacco will not be included in that list, if our recommendations are accepted, there is no cause for any conflict between the two committees. We have already recommended in paragraph 61 that there should be no objection to set up two Market Committees for different types of commodities in one and the same area. As regards the second objection we wish to point out that in Madras there are regulated markets with an area extended to the whole of the district. In this particular case the area will be not more than the size of a district though it will cover more than one administrative district. But more than that, the reason for selecting such an extensive area, apart from the requirements of

the Market Committee, is that the trade will have to be regulated subject to the Central Excise and Salt Act. Under the rules framed under this Act it is necessary to effect sales only at the bonded ware-houses. This means that every bonded warehouse will have to be declared as a market yard or sub-yard, or the yard itself will have to be extensive in a particular town. The supervision over a number of sub-yards should not be difficult for a market committee of the size we have envisaged, because these sub-yards will also be in a concentrated area. *We, therefore, recommend that the Market area for the tobacco market in the Kaira district should be whole of the Charotar area covering Anand, Borsad, Nadiad, Petlad and Bhadran talukas. Similarly, the market in South Deccan should cover the whole of the Nipani area including Nipani, Gadhinglaj, Jaisingpur and Miraj talukas. We, further recommend that the towns where the trade is concentrated should be declared as the principal market yards and others should be declared as sub-yards.*

#### **Forest Produce**

273. We have recommended in paragraph 84 that forest produce should also be included within the definition of agricultural produce for the purpose of this Act. In doing so we have in mind certain important types of forest produce such as Myrabollens. This trade is handled in the same market in which grain or other produce is marketed. *We, therefore, recommend that forest produce such as Myrabollens should be regulated by the market established or to be established for regulating the agricultural produce. As regards other types of produce i.e. timber, we recommend that no useful purpose will be served by regulating it at present.*

## CHAPTER VII.

## TERMINAL MARKETS.

274. One of our terms of reference is to suggest whether it is necessary to bring the terminal market within the purview of the Act. The term "Terminal Market" has nowhere been precisely defined. Technically it means a market in which the produce is sold to processors, exporters and traders dealing directly with the consumers or engaged in inter-State trade. Usually the word is associated with the market in a port town. If the former definition were to be applied, then we have to think of the terminal markets in Bombay, Ahmedabad and Poona. The last two markets are, however, of secondary importance. Again the difference between these two markets and the market in Bombay is that the dealings between farmers and traders represent a proportionately larger share in the aggregate volume of business in the secondary terminal markets than the one in the port town. The problems in the secondary terminal markets are also more or less akin to those in the wholesale markets in up-country centres, which are presently regulated under the Bombay Agricultural Produce Markets Act.

275. In Ahmedabad a fruit and vegetables market has been functioning since 1948. The regulation is so far confined to vegetables. We have been informed that the Market Committee has been fortunate in securing full co-operation of the Ahmedabad Municipal Corporation in the matter of regulation of vegetables. If it has not so far extended its control to fruits that is only because its present market yard is inadequate to cope up with the volume of trade in fruits. The details of the working of this market appear in appendix. In Poona City there is no regulated market and the conditions described by the Bombay Provincial Banking Enquiry Committee, to which we have made a reference in paragraph 15 still prevail. More recently, however, the Poona City Municipal Corporation has agreed that the market in gul should be regulated under the Act immediately and, after gaining the experience, fruits and vegetables will be brought within the scope of the regulated market.

276. All this clearly suggests that there is no difference of opinion on the question of invoking the provisions of the Bombay Agricultural Produce Markets Act for the purpose of regulating the terminal markets of secondary importance such as those located in Poona and Ahmedabad. We have, therefore, interpreted the word "terminal market", in our terms of reference to mean the markets located in

*Greater Bombay. We, however, recommend that the question of bringing more agricultural commodities within the scope of regulated markets in Ahmedabad and Poona should be pursued by the Director of Agricultural Marketing.*

277. Market in Bombay.—Bombay is not only the most important terminal market in this State but is a major market in the country. It is concerned with the distribution of commodities within Greater Bombay, which has a population of roughly 30 lakhs. It also acts as a feeder to the markets scattered all over the State because of the services it renders and the transport facilities available and serves as a channel for inter-State trade and for export trade. The movement of agricultural commodities is in two directions. The markets in Bombay receive goods from the producing centres both from within the State and outside and also despatch them to the consuming centres. The bulk of business is done between traders in Bombay and their counter-parts in other markets in this State, other States and overseas countries. To this extent the influence of the terminal market on upcountry markets in this State is indirect, inasmuch as, a buyer in an upcountry market buys only when it is remunerative for him to sell in the terminal market. There are, however, certain markets in Bombay where agriculturists from up-country centres directly sell their produce. Here the well-being of the producer is directly linked with the practices or mal-practices prevailing in the terminal markets at Bombay. In either case, the terminal market holds the key to the return which the agriculturist can secure for his labour on the fields and the mere regulation of markets in the districts cannot achieve the objective of the Bombay Agricultural Produce Markets Act, unless and until fair practices are in operation in the terminal market of Bombay. This is because a trader would not buy in a wholesale market in the district if he cannot sell in the terminal market at a profit.

### **Types of Markets.**

278. The wholesale markets in Bombay can be broadly divided into three groups viz., (1) those in respect of which the traders have built up organised exchanges which provide rules and regulations for the conduct of trade and have powers to insist that the trade is conducted according to them; (2) those where trading is conducted according to well-developed market practices which are not supervised by any organised exchange, but to which the traders participating in the trade submit as a matter of convention; and (3) markets

where the practices are not regulated but there is an understanding in respect of dealings between traders and traders, accompanied by chaotic conditions in respect of transactions with the agriculturists.

279. The major Exchanges in the City are the East India Cotton Association and the Bombay Oilseeds Exchange, which were working for a number of years under the guidance of the Government of Bombay until the control passed on to the Forward Markets Commission in respect of forward trading. The control over the forward section of these markets had the effect of toning up the working of the spot markets controlled by these two bodies. There are two other bodies, viz., the 'Grain Merchants' Association and Grain Dealers' Association, which though not subject to the supervision of the Government, have framed an elaborate set of rules for the conduct of their business. There is another Association which is concerned with the regulation of trade in vegetable oils. Between these bodies and a few others, the trade in cotton and oilseeds has been well regulated according to the information we have received. We have, however, no means to verify it. Trading in grains has also been fairly well regulated by the various associations which are well organised.

280. In the second category fall a variety of miscellaneous agricultural commodities in respect of which, however, the trade regulations may not be as precise as they should be and the supervision over the practices may not be effective. In this category fall commodities such as condiments, betel-nuts and betel-leaves, grass and fodder and milk and milk-products. There are merchants' associations even for the purpose of regulating the trade in these commodities, but the practices have not been precisely defined and the elasticity imparted to them especially works to the detriment of non-traders, when they participate in the markets. We have received complaints from upcountry sellers that the methods of striking the bargain and completing them have been detrimental to their interest and they had no option but to pass on that risk to the primary producer. The Sirsi Betel-nuts Merchants' Association, particularly, has acquainted us with the nature of practices operating in the betel-nuts trade in Bombay, which as alleged, if true, are a fair indication of the magnitude of the handicaps under which the up-country dealers have to sell the agricultural produce in Bombay. We, however, wish to make it clear that we had neither the time nor the resources at our disposal to undertake an elaborate enquiry into the working of any of the terminal markets. *We recommend that the Government should appoint a committee to undertake it, with a view to deciding the type of regulation in the case of these terminal markets in Bombay in the light of the special conditions operating therein.*

### Fruits and Vegetables.

281. The fruits and vegetable market in Bombay City is, however, one in which the agriculturist has direct interest. There are three major markets in the City, viz., the Crawford Market, the Gold Mohur Market and the Meher Vegetable Market, which operate under the supervision of the Bombay Municipal Corporation. Two of these three markets are owned by the Corporation itself. The Crawford Market has 370 commission agents or brokers and 234 sub-brokers in addition to 200 brokers operating during the mango season. The Municipal revenue is to the tune of Rs. 5 lakhs and the expenditure on maintenance about Rs. one lakh. The market has 118 stalls for fruits, 183 for vegetables, 31 for flowers and 243 for miscellaneous purposes. In the Gold Mohur Market there are 236 commission agents and the major trade in this market is in respect of plantains, which are almost wholly brought by the growers from Thana and East Khandesh districts in the Deccan and from Gujerat. The total income of this market is a little over Rs. 3 lakhs and expenditure about Rs. one lakh. The Meher market, which is the wholesale market for vegetables, has 73 commission agents and 135 stalls. Its annual income is a little over Rs. 2½ lakhs and cost of maintenance a little over Rs. 1½ lakhs.

282. Supply to these markets is from two sources. Traders buying goods in the wholesale markets of Ahmedabad, Surat, Baroda, Poona, Nasik, Ahmednagar, etc., send vegetables and fruits to these markets on the basis of the advice of the prevailing prices. Agriculturists from East Khandesh, Ahmednagar, Nasik, Poona, Thana, Kolaba, and Surat also send their produce to these markets for sale, to the brokers. Their stake in the trade is estimated in terms of value at 20 per cent. The bulk of these arrivals are on a consignment basis and a major portion of the business is done under the Hatta system. The broker is the sole authority to determine the price at which he should sell the goods and the sale-note that he sends is the conclusive evidence of the price and the charges, as well as the net amount due to the consignor. He is also the authority to decide how much was lost or damaged in transit. The net result is that the consignor does not get more than one-fourth of the retail price paid by the consumer in Bombay. Another evil which is most marked in respect of vegetables and plantains, the trading in which is concentrated at Byculla, is that the consignor is a loser whenever the broker sustains heavy losses and is financially incapacitated.

283. These markets are under the supervision and control of the Bombay Municipal Corporation but the control hitherto was confined mainly to the maintenance of a sanitation in the markets. In July 1955, the Bombay Municipal Corporation Act was amended with a view to enabling the Corporation to regulate the buying and selling of agricultural produce in the Municipal and private markets on the

lines of the Bombay Agricultural Produce Markets Act, 1939. The amendment of section 406 of the Municipal Corporation Act, does not, however, refer that this will be done in accordance with the provisions in the Bombay Agricultural Produce Markets Act, though the statement of objects and Reasons of the Bill was clear. The reasons for the omission might be the difficulties relating to the appointment of the Market Committee on which, under the latter Act, a certain number of representatives of agriculturists must serve as members. We, however, hope that the details of regulation which the Corporation will have to finalise under the powers now vested in it, will be such that the growers' interests will have a voice, directly or indirectly, in the working and regulation of those markets. We wish to emphasise that the need for regulation of trade in fruits and vegetables is most pressing and the question has been under discussion for well over five years. We, therefore, urge the Government to press the Corporation to take prompt measures in this direction. As regards other terminal markets, while we recognise the need for regulating them, the precise nature of regulation should be determined by the Government after undertaking an elaborate survey of the present position of marketing in respect of individual commodities and the expert advice from a committee the appointment of which we have recommended in paragraph 280.



## CHAPTER VIII.

## GOVERNMENT'S ROLE.

284. In a country depending for the bulk of its national output on agricultural industry, the Government's role in the field of agricultural marketing need not be emphasised. In the post-independence period this role has been particularly recognised and accepted by the Government itself. We consider it redundant to repeat here from the thesis expounded by the Planning Commission on this subject in the First Five-Year Plan and the subsequent statements made by the Government of India. The policy of the Government of Bombay is in line with, and in certain respect more dynamic than that of the Government of India. It is naturally designed to initiate, promote and accelerate the co-ordinated programme of agricultural development. Agricultural marketing has been accepted by the Government itself as the very foundation of such problem. The regulation of the marketing system, which we have been asked to survey is but a part, albeit important, of agricultural marketing. In spite of the efforts undertaken in the past by the State Government to place marketing machinery on a sound footing, the fact remains that it is still functioning more in the interest of the traders and middlemen than that of the grower. Before, therefore, dealing with the subject of Government's role in the field of regulation of markets we deem it our duty to explain the background with which we have examined this problem.

285. The Government functions in the field of agricultural marketing can be broadly divided into four categories. In our opinion the first and foremost duty of the Government is to police the marketing system operating in the State so that it does not function, to the detriment of the grower. Secondly, and on the positive side, in order to enable the grower to take advantage of the efficient system of marketing, the Government must provide auxiliary services such as the grading, standardisation and inspection of produce and the supply of market intelligence with the help of which the grower can know what he should grow and how and when he should sell. These functions will necessarily be complimentary to the private effort. Thirdly, because the agriculturist in this country is illiterate, financially weak and economically unorganised, the State will have to step in, in order to enable the producers to take collective action and improve the marketing conditions by joint effort. Finally, because it is not the job of the market mechanism to prevent any precipitate decline in agricultural prices for economic reasons, the State will have to take measures either for raising the consumption or boosting the agricultural prices otherwise, so as to provide the incentive for the farmer to raise agricultural production and national output.

286. The role of Government in these fields has been recognised for over a generation. In regard to the Government assistance to the producers in the field of collective action on the marketing front, the Government of Bombay passed a resolution as early as in 1930 that the institutional credit system for agriculture must effectively function with the growth of co-operative marketing. This resolution has been the sheet-anchor of the Government's policy regarding the agricultural development of this State and has been emulated by other States. From the point of development of the regulated markets we have repeated earlier what the Government of Bombay recognised long ago that without the growth of marketing co-operatives the regulation of markets cannot be a success. This point has been brought home in the annual Administration Reports on the working of the Bombay Agricultural Produce Markets Act, 1939 for the year 1949-50. "Development of agricultural marketing", says the report, "depends upon the establishment of regulated markets and the promotion of co-operative marketing, side by side with the improvement in the quality of the produce sold. On account of the inherent difficulties experienced in linking up all the above elements harmoniously, the progress achieved in this direction does not appear to have made much headway". The Report for 1951-52 drives the point further by stating that "full benefits of the regulated market are possible only when such a market is served by a strong co-operative sale society". In the efforts to build up these societies, we hope that these will be commensurate with the difficulties of which their threat of being boycotted by traders is an important aspect. As regards the last aspect of the Government role, the problem is at present being investigated by the Agricultural Prices Variations Enquiry Committee, appointed by the Government of India.

287. From the point of our enquiry, there remains the problem of the Government's role in respect of (a) the policing of the marketing system, (b) measures necessary to develop the regulated markets on sound lines, and (c) the provision of auxiliary services particularly in the field of marketing intelligence

### **Control over regulated markets**

288. It was the Royal Commission on Agriculture which while recommending the establishment of a network of regulated markets in the country, expressed the view that "the whole question of marketing required to be dealt by an expert officer". It, therefore, suggested that a wholetime officer of the status of the Deputy Director of Agriculture should be attached to the staff of the Agricultural Department in each of the major Provinces. His duties, in the opinion of the Commission, were to consist mainly in the field of collecting market information, and directing market surveys. It then added "One of the specific duties of the marketing officer will be to examine the working of the regulated markets..... He would

advise the Market Committees on any point referred to him and especially in regard to such matters as the form and manner in which marketing information should be published. He would be a member of the local advisory committee constituted for the Railway system in his Province and also of the Provincial Road Board where one has been formed". The Commission thought that such an Officer should be from the Agricultural Department and not from the Revenue Department "as the conditions in which agricultural produce is marketed concern that department more closely than any other".

### **Creation of the Department**

289. Following the enactment of the Agricultural Produce (Grading and Marking) Act by the Centre, in 1937, and the Bombay Agricultural Produce Markets Act, in 1939, the Government of Bombay created a post of Chief Marketing Officer in class II in the Co-operative Department which was referred to the Department of Agriculture in the context of the plan for agricultural development through co-operatives. In 1944, the need for promoting better co-ordination between the work relating to regulation of markets and the development of marketing co-operatives prompted the Government to transfer the headquarters of the Chief Marketing Officer from Bombay to Poona and to entrust him with the additional duty of assisting the Registrar of Co-operative Societies and Director of Rural Development in the work of development of co-operative marketing as well as regulated markets. The Registrar was also designated as the Director of Agricultural Marketing and Rural Finance in 1947 and the post of Chief Marketing Officer was converted into Class I of the Bombay Co-operative Service. Thus it was only eight years ago that the importance of a separate department with the head designated as Director of Agricultural Marketing was recognised. In 1954, however, the personnel under the Chief Marketing Officer and that under the Registrar, Co-operative Societies was combined into one cadre with a view to ensuring proper co-ordination and enabling the Chief Marketing Officer to use the agencies of both Assistant Registrars and Assistant Marketing Officers for effectively discharging his duties relating to agricultural marketing in the whole State subject to the overall supervision, guidance and control of the Registrar of Co-operative Societies and Director of Agricultural Marketing and Rural Finance. A year later the Chief Marketing Officer's post was designated also as Joint Registrar of Co-operative Societies.

### **Administrative set-up**

290. The administration of the Bombay Agricultural Produce Markets Act, 1939, is shared by the Registrar of Co-operative Societies who is also the Director of Agricultural Marketing, with the Collector

of the district. Technical guidance in respect of matters like approval of bye-laws and the annual budget and audit of accounts of Market Committees are some of the important functions of the Director, while the administrative control of the Market Committee and enforcement of the statutory provisions and the rules governing regulation of markets is vested in the Collector. Even the power of nominating the first Market Committee of a newly regulated market is vested in the Collector though he exercises it in consultation with the Director. Until May 1952, the Director had not even the power in regard to the appointment of superior officers of the Market Committees. In effect, and by and large, the functions of the Director are purely advisory and it is the Collector who is concerned really under the Act with the day to day working of the Market Committees and the effective enforcement of the provisions of the Act including the determination of the suitability of the sites of the market yards, acquisition of sites for market yards and matters relating to the elections of Market Committees. In this set up the Chief Marketing Officer and his staff plays the role of an expert advisor to the Director of Agricultural Marketing, the role itself is mainly that of an advisor at present.

In order to facilitate the appraisal of the position in this respect, we think a detailed examination of the present administrative system of working on the basis of diarchy is necessary. The powers are codified below :—

### **Collector's powers.**

#### *(i) Over Market Committees.*

291. The constitution of market committees (rule 4), determination of the constituencies (rule 8), determination of the names of persons qualified to vote from different constituencies (rule 9), preparation of the voters list for various constituencies and power to hear and decide objections in connection with the preparation of the voters list (rule 10), power of calling upon the constituencies to elect their representatives (rule 11), power of issuing notice of election (rule 12), power of publishing list of nominations (rule 15), power of scrutinising nominations (rule 16), power of disposal of objections and rejection of nomination (rule 17), power of making arrangements for holding elections (rule 20), power to fill in casual vacancies (rule 24), power of electing Chairman and Vice-Chairman of the first market committee (rule 28), power of electing Chairman and vice-Chairman on the expiry of their term of office (rule 30), power to appoint a panel of persons for settling disputes (rule 37), power to call special meetings of the market committee (rule 93).

*(ii) Control over market functionaries.*

292. Power to cancel or suspend the licence on the recommendations of the market committees and power of appeal in these respects when the decision is taken by the market committees (rule 66).

**Powers of Director of Agricultural Marketing.**

293. Power of approval of appointment of the Secretary and Accountant of the market committees (rule 38), approval of amendments of the bye-laws of the market committees, relating to the levy of cess, fixation of market charges their levy and collection (section 27), power of approving the investment of funds of market committees (rule 48), power to grant permission to the market committees to raise or borrow loans locally up to a limit of Rs. 25,000 (section 15) and power to call a special meeting of the market committee (rule 93).

294. Besides dividing the powers between the Collector and the Director of Agricultural Marketing who is held ultimately responsible for the administration of the Bombay Agricultural Produce Markets Act, the Government has reserved to itself certain powers under the Act and the Rules. These are listed below :—

Power to declare a market area, principal market yard and sub-yards, market proper and to exclude or include any commodity or area therefrom (section 4, rule 51), power to grant licence to any person for the use of any place in the market area for buying and selling regulated agricultural commodities (section 4), power to establish a market committee and issue directions for the establishment of a market (section 5), power regarding the incorporation of market committees (section 7), power to give decisions in an appeal in respect of weights and measures (section 12), power of determining the cost of additional or special staff on account of market committees (section 13), power to specify the purpose for which market committee's funds shall be spent (section 14), power to permit the market committees to borrow or raise funds exceeding Rs. 25,000 (section 15), power to acquire land required by the market committees (section 16), power of removal of members of committees (section 18), power of supersession of market committees (section 19), power of recovering amounts due from market committees as arrears of land revenue (section 24), power to delegate powers under the Act to any officer (section 25), power of making rules for the purpose of carrying out the provisions of the Act (section 26), power of calling proceedings of market committees and examining them (section 28) and power of amending the schedule of agricultural produce appended to the Act (section 29).

### Problem of Rationalisation

295. We have mentioned in Chapter II that one of the more important reasons for the failure of the Act to produce maximum results is that the powers in connection with the administration of the Act have been divided between the Collector and the Director of Agricultural Marketing. We feel that, in the field of administration of this Act, a situation has been created whereunder the important powers are exercised by one officer whereas the responsibility of the administration of the Act has been thrown on the other. We are afraid that this is unfair to both the officers. We have no idea of the reasons which prompted the Government in vesting the powers relating to the control in the Collector under the rules. It may be that because Markets and Fairs Act of 1862 vests powers regarding the establishment of markets in the Collector, the continuity has been sought to be ensured. As we have stated earlier, this Act is purely concerned with the maintenance of law and order and has nothing to do with the regulation of markets. The second reason, which seems, plausible to us, is that the Collector is the highest revenue official in the district where these markets are situated and that he being the representative of the Government on the spot he should exercise these powers. This argument has force only to the extent, that there is an important authority on the spot, which knows the local conditions more intimately and can take decisions on the spot. We are satisfied that the first condition is fulfilled under the present set-up but, at the same time, we have come across instances where this advantage has resulted in weakening the Market Committees and undermining their influence, which the Government is expected to bring on the strict enforcement of the provisions of the Act. This is because the Collector being closely associated with local atmosphere is liable to be influenced by pressure politics in the area of his jurisdiction. We do not say that this is a feature throughout the State but we mention this only to point out the other side of the medal. As regards the advantage of having a person on the spot from the point of taking prompt decisions, we feel that this object has not been achieved. The Collector of the district has been overburdened with so many statutory duties that it is impossible for him to devote any particular attention to the day to day working of the markets or to the variety of problems ranging from the indiscipline of market functionaries to strikes and boycotts, nor has he got the necessary staff.

296. The question then remains as to whether the necessary staff should be given to the Collector for this purpose or whether he should be relieved of the onerous responsibilities in this connection. The Royal Commission on Agriculture was emphatic that the working of regulated markets should have nothing to do with the revenue department. The working of the Act during the past 16 years has

demonstrated that the problems of regulated market have to be handled only at expert level. At the same time, we do realise the advantage of advice from an authority which has intimate knowledge of local conditions and problems. In fact we are aware that some of the Collectors have used this knowledge for the purpose of imparting strength to the Market Committees especially in areas where the monopolistic element has been trying to thwart the efforts of the Government for promoting orderly marketing. We, however, hope that even when the responsibility in respect of this Act is taken away from the Collector his expert knowledge and advice will be available for the authority exclusively concerned with the administration of the Act. In fact we have reasons to think that the Collectors themselves will be happy if such a role is expected of them. Both from the point of the efficient administration of the Act and on grounds of administrative convenience, we have come to the conclusion that the administrative system at this stage should be rationalised. We, therefore, recommend that the Director of Agricultural Marketing, who is presently held responsible for the administration of the Act should be vested with all the powers presently exercised by the Collector, and that, in exercising them, he might consult the Collectors whenever he thinks it is necessary.

297. The powers exercised by the State Government should, in our opinion be such which, under the law only it can exercise and cannot delegate them to its officers. These powers should essentially be of an overriding nature in respect of which it may not be desirable to leave the decisions exclusively to the Director of Agricultural Marketing. There is, however, one particular type of power vested in the Government which requires to be also given to the Director of Agricultural Marketing if he is to function effectively. This power relates to the calling for proceedings of Market Committees and examining them under section 28 of the Act. We have already suggested that one of the three nominees of the Government on the Market Committee should be the Marketing Inspector but it may be that he will not be able to attend all its meetings. It is also possible that in respect of certain issues an authoritative version from the Market Committees based on its proceedings will be necessary before taking any action. We, therefore, recommend that this power under section 28 should also be vested in the Director of Agricultural Marketing as well as the State Government.

298. Furthermore, the pattern of our recommendations is such as to arm the Market Committee with adequate powers and also to provide safeguards against the danger of these powers being misused. Thus on the one hand we have favoured decentralisation of authority in respect of details and centralisation of authority so far as policy issues are concerned. At present the bye-laws of market committees can be effective only when they are approved by the Director. This is only one aspect of the problem. We think that

*the Director should have the powers to impose new bye-laws or amending the existing ones if he considers it desirable. In making this recommendation we do not think that we are suggesting anything radical. The Government of Bombay had these powers in respect of regulation of some of the forward markets in Bombay and this model has now been taken by the Government of India for the purpose of regulating commodity futures in the country. Other powers which were assumed by the Government of Bombay in respect of the administration of the Forward Markets Control Act relate to the issue of directions to the Market Committees in respect of doing or not doing particular thing and taking action against a particular member of exchange if that is necessary in the interest of the trade. We think that unless the Director of Agricultural Marketing is armed with powers, in addition to those for imposing or amending bye-laws, or directing the Market Committee to take the particular action or not to take it and to cancel or suspend licences of market functionaries, the desired results will not be achieved.*

299. It is also necessary to empower him to recover the loss from the members of the Market Committee if they do not carry the instructions of the Director. As a result of our enquiry we have been fully convinced that the lack of discipline among market functionaries and their efforts to perpetuate it by means of strikes and boycotts, accompanied by the weakness of the Market Committees in the matter of not taking effective action, has been the root cause of the shortcomings of regulated markets. We, therefore, hope that if as recommended, the Director is vested with powers to cancel or suspend the licences of the recalcitrant market functionaries and to recover the loss from the members of the Market Committee in the event of his instructions being not carried out, the occasions for strikes will be less and the Market Committees will not share the responsibilities in the matter of taking any particular action.

#### **Departmental Set-up.**

300. At present the duties of Director of Agricultural Marketing have been entrusted to the Registrar of Co-operative Societies who is also Registrar-General of Moneylenders. This Officer is ultimately responsible for the administration of the Act besides acting as a liason between the State Government and the regulated markets and exercising certain powers vested in him. He is the authority for the formulation of proposals relating to the regulation of the new markets and yards and nomination of the members on the first Market Committee as also for submission to the Government. In the main he is concerned with policy issues affecting the regulation of markets. The detailed work is done by the Chief Marketing Officer and Joint Registrar, Co-operative Societies, who works in two capacities, viz., as Chief Marketing Officer in charge of



administration of the Act and as advisor to Government on agricultural marketing. He is also in charge of the Provincial Marketing Schemes of the Central Government. Again, he is concerned with grading, market intelligence, general policy regarding co-operative marketing and other ancillary marketing activities.

301. The Chief Marketing Officer has a separate office known as the office of the Chief Marketing Officer and Joint Registrar of co-operative Societies, though the personnel from this office is interchangeable with that of the Registrar's main office. The office is divided into three sections, viz., (i) market survey, (ii) development, and (iii) grading. The survey section is assisted by one Marketing Inspector who deals with market intelligence and another Marketing Inspector who assists the research officer in regard to its survey work. They are assisted by 5 clerks. The development section is composed of 4 Assistant Marketing Officers and 20 Marketing Inspectors scattered all over the State. The Assistant Marketing Officers are the advisory and supervisory authorities at the regional levels through whom proposals from the Marketing Inspectors and correspondence relating to the working of the market committees are routed before they reach the Chief Marketing Officer. The Marketing Inspector is concerned mainly with the preliminary work relating to the regulation of a market including the survey of its potentialities and also serve as Government nominee on the Market Committees when they are established. Thus they are expected to do the spade work in connection with the establishment of regulated market and to follow it up by supervision. They also provide guidance to the Market Committees on the one hand and the Collector and the Chief Marketing Officer on the other. The grading section works under one grading officer and three grading assistants.

302. This office is headed by the Chief Marketing Officer who, in addition to his duties mentioned in paragraph 300 is responsible for the administration of the Act subject to the overall control and supervision of the Director. Besides doing preliminary work in connection with the disposal of correspondence he is required to exercise powers regarding the approval of the budgets of the Market Committees under rule 44 and of the appointment of staff of Market Committees, excepting the appointment of Secretary and Accountant whose pay exceeds Rs. 99 and noting appointments of inferior servants of market committees under rule 38, approval of amendments of certain bye-laws of the Market Committees under section 27 and calling meetings of the Market Committees in special circumstances under rule 93. He is also responsible for providing guidance, technical and non-technical, to the Market Committees and advising Government in respect of agricultural marketing as well as submitting proposals regarding extension of regulation to new markets and new commodities. In his capacity as Chief Marketing Officer he also serves on a number of committees.

### Inadequate Personnel.

303. In the course of our enquiry, we made a whether the personnel was adequate in relation to the duties assigned. The key person who has to look after the Market Committee is, as we have stated earlier, the Marketing Inspector. In addition to the work of the Marketing Inspector, he is also required to look after co-operative marketing in the area in his charge. In the latter field his work ranges from carrying on propoganda for marketing co-operatives in the regulated market, providing guidance and supervision and also conducting enquiries, if any, under section 43(1) of the Co-operative Societies Act. Furthermore, they are expected to supervise the activities of traders in the market so far as the Money-lenders' Act is concerned. His office is located in the office of the Assistant Registrar and we were informed that his clerk who is attached to the Assistant Registrar's office has to serve two masters. It was stated that the Assistant Registrar entrusts the work of his department to the Marketing Inspector as well. Some of the Marketing Inspectors informed us that the work of organisation of Marketing Co-operatives was also entrusted to them. They are expected to be on tour for at least a fortnight in a month and we wonder how they manage in the midst of multifarious activities, to do survey work which is the basis for the Government—State and Central to formulate their policies.

304. The reasonableness of the number of Marketing Inspectors in this State and the charge held by them has to be viewed in the context of their jurisdiction as well. This charge varies from district to district depending on the number of Market Committees and that of sale societies working in the market yard and outside. In Gujarat, there is no Marketing Inspector for the Banaskantha district but the one in the Sabarkantha district with headquarters at Himatnagar has to look after Banaskantha. He supervises 5 Market Committees and 3 societies. This standard operates only in a few cases but in most of the districts the charge of a Marketing Inspector is fairly heavy. In Ahmedabad, he is in charge of 5 Market Committees, 8 sale societies working in the market yard and 9 other sale societies, while in Kaira, he has to supervise as many as 9 Market Committees, 14 sale societies in the market yard and 6 outside. In Surat, the number of Market Committees is only 2 but the societies holding their licences are as many as 24 and other sale societies 52. In the Deccan, e.g., the Inspector at Nasik has to supervise 7 Market Committees, 12 sale societies holding their licences and 2 others, whereas there is one Inspector for North and South Satara districts in charge of 7 Market Committees and 9 societies working in the markets. In Dharwar, one Inspector looks after 9 Market Committees, 11 sale societies holding traders' licences and 6 other societies. Elsewhere more or less, the same conditions operate. Apart from the fact that the size of Market

Committees in relation to the volume of their business and of societies differs from district to district, it is obvious that 19 Marketing Inspectors are expected to look after 101 Market Committees and as many as 330 societies including 185 actively operating in the market yards. In addition, there is one Inspector stationed in Bombay who looks after the marketing societies in Thana and Kolaba districts. Though his charge is these two districts he is attached to the Assistant Registrar in Bombay.

305. The position in respect of Assistant Marketing Officers is still worse. There are 4 Assistant Marketing Officers. The Officer in Poona has to look after 6 districts and 19 Market Committees, whereas his colleague at Nasik has 4 districts in his charge with 24 Market Committees. The Assistant Marketing Officer at Dharwar is in charge of the districts in Karnatak in which there are 18 Market Committees; but the most heaviest charge has been assigned to the Assistant Marketing Officer, Ahmedabad, as a result of the abolition of the post of his counterpart stationed at Baroda, in April last. This Officer is in charge of as many as 12 districts with headquarters at Ahmedabad and is expected to look after the work of 40 regulated markets beginning from Amreli in Amreli district at one end to Karjat in Kolaba district at the other extreme. This means that even for reaching the farthest market, he has to spend more than 12 hours in the train itself. In addition to supervision, they are in liason between the Chief Marketing Officer and the Market Committees and Inspectors, supply information and render assistance in the field of survey work. We find from the Administration Report that in 1953-54 a copy of which has been made available to us, the number of meetings of Market Committees attended by Assistant Marketing Officers ranges between 33 and 62 while they worked on tour during the year for days ranging from 154 to 244.

306. The Marketing Research Officer, whose activity has been referred to in paragraph 301 and who is the key man providing the basic data regarding the markets in the State, surveys the potential markets and meets the requirements in these spheres of the Central Government as well, had until the end of 1953-54 an Assistant Marketing Officer to assist him in the survey work. That post has now been abolished and the work has been entrusted to a Marketing Inspector who was a Sub-Auditor in the district and had no idea of the Bombay Market at all. In addition, he has one Marketing Inspector, one Graduate Assistant and five clerks. During our meetings in Bombay, we found that his office is located in a place which can appropriately be described as a record room. We regret to note that on the one hand the Government has launched an ambitious programme of having a network of regulated markets and marketing co-operatives throughout the districts and, on the other, economy has been effected in the staff attached to the

office of the Chief Marketing Officer. The result of this policy has been reflected in the administration as well as in the working of regulated markets.

### Future set-up.

307. The question of the future pattern of organisation has to be viewed in the context of eliminating the handicaps under which the office has been working at present and of the need to strengthen it, in order to enable it to keep pace with the requirements which we consider necessary from point of imparting efficiency at all levels in the field of market regulation. The series of recommendations we have made in the previous chapters with the object of strengthening the regulated markets have been followed by recommendations in the previous paragraphs for the rationalisation of the administrative control. The key-note of these recommendations is that the authority of Market Committees over markets and those making their use must be absolute. For this purpose we have recommended that adequate powers should be vested in them subject to the legitimate safe-guards against the danger of misuse. Thus we hope that the Committees will regulate the markets firmly but fairly; but where they display weakness or shortcomings, the Director of Agricultural Marketing will step in to make up the deficiency. It is in this higher context that the new administrative set-up has to be viewed. It also needs to be noted that the ultimate object is to have a net-work of 171 market committees covering the major assembling centres for agricultural produce in the State as against 101 at present. Furthermore, the requirements of the Government of India in the matter of surveys, research and the collection of other types of data including market intelligence are also on the up-grade. We have taken all these factors into account while making the following recommendations.

308. The first question to which we have sought to find an answer is whether there should be a separate department exclusively concerned with agricultural marketing, so far as this Act is concerned and, if not, what should be the pattern. Historically, the office of the Chief Marketing Officer has grown as an auxiliary organisation of the office of the Registrar. This growth has been accompanied by certain benefits for marketing co-operatives in the State. We are impressed by the present pattern at the highest level, in as-much as it has resulted in the co-ordination of activities connected with agricultural development, especially through co-operatives, of which a regulated market is a part. Even the growth of this part depends on the support it receive from marketing co-operatives and *vice versa*. The latter organisation is controlled by the Registrar of Co-operative Societies. There are also allied measures such as control of money-lenders, supervision of transport facilities and the general well-being of the countryside, in respect of which the Registrar holds the key.

309. We therefore, recommend that whereas the administration of the Bombay Agricultural Produce Markets Act should be continued to be entrusted to the Registrar in his capacity as Director of Agricultural Marketing, the Chief Marketing Officer should be designated as Joint Director of Agricultural Marketing of higher cadre, and that the functions of Director of Agricultural Marketing should mainly be confined to the overall supervision and policy issues, and the Joint Director should be left with the initiative of formulating the programmes and executing them in relation to the regulation of markets.

310. We visualise that the charge of the Joint Director of Agricultural Marketing in respect of the administration of the Act and supervision over, and guidance to, Market Committees will by itself be so heavy if our recommendations are accepted, that he would not be in a position to divide his time and energy between market regulation and marketing co-operatives. Besides our proposal ensures co-ordination between the two wings and of the latter with agricultural co-operative credit at the higher level. We, therefore, recommend that the Joint Director of Agricultural Marketing should be exclusively concerned with the work under the Bombay Agricultural Produce Markets Act. In this capacity he will have to look after over 170 Market Committees and supervision of their work in relation to the marketing of agricultural produce worth approximately Rs. 300 crores. We are further of the view that the Joint Director of Agricultural Marketing should be a person who has at least technical knowledge regarding agricultural marketing in the districts and terminal centres and should be competent to give expert advice on all aspects of agricultural marketing of which market regulation is but one part. To ensure the recruitment of a qualified and experienced person, we think, it should not be necessary to confine the choice to one department or to one office only.

311. The other question that arises out of this recommendation is whether the office of the Joint Director of Agricultural Marketing should be an appendage of the office of the Registrar and whether one employee from one office should be transferable to the other. We are of the opinion that marketing is a technical business, far more intricate than even the conduct of co-operatives. The stakes of the agricultural population in agricultural marketing are substantially higher than those in the co-operative organisations while the risks associated in the former are also far greater today than in the co-operative sector. The Marketing Inspector and the Officers above him must, therefore, be specialised, competent to handle market mechanism and even repair it. It is particularly in the respect of difficulties which might clog the machinery that their work will be tested. We hope that the choice of this personnel will be made on the basis that they will be able to rise to this occasion. Apart

from that the magnitude of the routine work which is by itself technical and to which we have referred to earlier, will also be substantial. Furthermore, we hope that this personnel will be able to play a greater part in not only acquainting the agriculturists with the benefits of market intelligence but also with providing it and that too of the right type and promptly. Viewed in this context, *we have come to the conclusion that persons recruited for this office should not be interchangeable with any other office including that of the Registrar, though the administrative head of the Department might be the one. We also hope that the terms for employment will be commensurate with the responsibility they are to be called upon to shoulder and the charge will be of a size which will enable them to do full justice to it.*

312. In regard to the last aspect of the problem, we have already stated that the present charge is very heavy. We have made certain calculations regarding the method and nature of work expected of them and *we have come to the conclusion that no Marketing Inspector can do full justice to his duties if he is placed in charge of more than 6 market committees even when he is relieved of his co-operative work. Until 1947, we are informed, one Marketing Inspector was in charge of only 4 market committees. It may be due partly to the heavy spadework that the Inspector was called upon to do in connection with the Market Committees during their formative stage and partly to lack of sufficient experience about the regulation of markets. We think that both the Market Committees and the Marketing Inspectors have now got sufficient experience and we are confident that both should be able to function efficiently if charge of the latter is confined to 6 market committees especially when the co-operative work will be taken away from them. This would mean normally one Marketing Inspector for one district but where the assembling centres are more, it may be necessary to have more than one Inspector. We would suggest that the possibility of dividing the charge per Inspector on the basis of Market Committees, instead of on the basis of administrative unit, might be examined by the Director of Agricultural Marketing.*

313. The work of these Marketing Inspectors will have to be supervised more intimately than at present if the optimum results are to be obtained from them. This supervision will also have to be accompanied by direction and guidance in regard to survey and research work as well as market intelligence. We have already referred to the work which these Assistant Marketing Officers are doing to-day. They will be burdened with additional responsibilities as a result of some of our recommendations, particularly in the field of market intelligence. The Assistant Marketing Officer must play the role of eye and ear of the Joint Director of Agricultural Marketing in the districts and will have to take the initiative in promoting the development of regulated markets, provided guidance in the

matter of market surveys and organise market intelligence surveys in the districts. *We are, therefore, of the view that the maximum number of districts of which he can be in charge should be 4.* This estimate has been framed on the assumption that there will be not more than 25 Market Committees and four Inspectors over which he will have to supervise and do other types of work. There are, however, districts in which the number of markets controlled by the Market Committees is abnormally large and the problems more intricate, with the result that the volume of work, administrative as well as supervisory, might be much more, say, within 2 districts than the normal volume we have visualised in respect of 4 districts. *We, therefore, recommend that the Assistant Marketing Officer should not be in charge of less than 2 districts and not more than 4 districts.*

### **Market Research Survey and Intelligence.**

314. In the preceding paragraphs we have mainly dealt with the work of the Director of Agricultural Marketing in respect of policing the regulated markets in the State. No systematic survey regarding agricultural marketing was available until the programme was initiated by the Government of India in the thirties following the recommendations of the Royal Commission on Agriculture. The pattern of organisation that has been developed in this State since 1939 may, therefore, be mentioned here. In the formative stage when the Department was being organised, the Provincial Marketing Officer of Bombay State was in charge of this work and was assisted by as many as 4 Assistant Marketing Officers. Between them they produced material which was later incorporated in the various reports on marketing of different agricultural commodities brought out by the Government of India. The work of the Marketing Research Section at present covers detailed enquiries into the marketing of agricultural commodities and compilation of the reports thereon on the lines laid down by the Agricultural Marketing Advisor to the Government of India and a variety of other ancillary activities. These survey reports are incorporated in the All India Reports on Marketing, and since 1953, the Government of Bombay has also been publishing these reports separately.

315. This section is also responsible for collecting market intelligence in the terminal market of Bombay and supplying it among the market committees and co-operatives and the Government of India. We have described this work in paragraph 301. In undertaking these enquiries and preparing the survey reports, the Marketing Research Officer who is in charge of this section is able to get the assistance of the Assistant Marketing Officers and the Marketing Inspectors in the districts. To that extent, this is the only field staff in the districts. We have described the conditions in his office in paragraph 306 and think that this section is neither commensurate with the responsibility which it has to shoulder nor is it in a position

to supply market intelligence of the quality expected by the Market Committees and those making use of the markets. In saying this we are not passing any verdict on the competence or otherwise of the staff but on the resources placed at the disposal of this section. This statistical branch to meet the department's requirements is, for the same reason, ill-equipped.

316. We are aware of the financial limitations on the effort to strengthen the section and do not by any means suggest that the organisation should be as comprehensive as its counterpart in the United States Department of Agriculture; but we do believe that this section should provide the basic services which are necessary for enabling the agricultural producers and their organisations to know when, where and how they should market. If the regulation of markets depends on the support they derive from marketing co-operatives, the success or failure of agricultural marketing itself is linked up with the market information service which is made available to regulate markets in general and the producers in particular. The survey and research work and the other type of information collected for final publication, is such which will make no difference even if it is delayed for a day, but in a market where agricultural prices fluctuate from minute to minute the importance of prompt and correct market information can hardly be exaggerated. It is true that this can be built up through private efforts, but the resources involved are only available to the traders and if that information is denied to the agriculturists, the benefits from the regulated markets will be reduced only to a few rupees in the form of market charges and trade allowances. *We, therefore, recommend that the Market Research Section should be strengthened so that it should be possible for this section to provide day-to-day and week to week information about marketing at its different stages.*

317. The pattern of organisation of this section that we visualise is that the Marketing Inspector should deal with market intelligence in respect of markets in his charge, whereas the Assistant Marketing Officer should deal with the markets in his charge. He should also supply information to the Marketing Research Section which should be responsible for co-ordinating the reports from the districts, collecting the information in the terminal market of Bombay and assimilating the data from other important markets outside the State and from the Government and overseas, including the acreage, crop, forecast, weather reports, prices and transport movements. As a result of these labours it should be possible for the agricultural organisations and others including the traders to know where they can sell and when they should sell. The co-ordination will be put at the highest level, where it will be necessary also to interpret this data. We do not wish to go into the detailed structure of this organisation but *we wish to state that this section should be headed by a person who*



*should be qualified and experienced for the delicate and responsible job and that his office should be located in Bombay where there are greater facilities for collecting the information outside the co-operative sector and through normal trade channels which are at present in a superior position to own such data. Such an Officer should be next to the rank of the Joint Director of Agricultural Marketing and should be assisted by the required staff. This section can also be useful for undertaking the preliminary work of surveying the potentialities of prospective regulated markets and of the commodities to be regulated therein so that there will be less occasions hereafter to exclude a particular market or a particular commodity once it is regulated.*

318. It is not possible for us to determine the strength of the staff and officers at the head-quarters of the Joint Director of Agricultural Marketing because we were unable to make any detailed enquires. *We wish, however, to mention here that as a result of our recommendations in general, and particularly those relating to the transfer of powers presently vested in the Collector to the Director of Agricultural Marketing, the volume of work in his office will rise substantially. The details will have to be worked out by the Director of Agricultural Marketing; but we wish to mention here that this office is the generator of the energy which is to set the whole machinery of regulated markets into action and consequently the equipment must be such that it does not take any unduly heavy load so as to throw itself out of the gear. We do not make any specific recommendation in regard to other aspects of the work presently done in this office especially in matters initiated by the Government of India. This is not because they are unimportant, but because they have no direct bearing on regulated markets and, secondly, we hope that the Agricultural Marketing Advisor to the Government of India will pursue this matter.*

#### **Recruitment, training, etc.**

319. The personnel required by the Director of Agricultural Marketing for the purpose of market regulation and providing ancillary services will be of two types, i.e., clerical and supervisory. Those in the latter category must be specialised in agricultural marketing. Furthermore, we have recommended in paragraph 162 that the Government should assume the responsibility of appointing the Secretaries of the Market Committees. These Committees will also require services of other superior officers such as Assistant Secretaries and accountants and it is not unlikely that a good many of them will approach the Government for lent services. All this means that the personnel required at the disposal of the Director will be substantial in number. At present there are 104 Market Committees and another 67 are proposed to be set up in the next Five-Year Plan. Even on this basis, we estimate that the requirements both on account of the Government and the Market Committees, will be not less than 300.

320. According to the recommendations of the Committee of Direction of the All India Rural Credit Survey, the State Governments are expected to assume the responsibility of providing the personnel that might be required by marketing co-operatives. We understand that the State co-operative Council has endorsed this recommendation and the Bombay State Co-operative Bank has also expressed its inability to shoulder this responsibility. If, and when, the Government chooses to accept this obligation, the additional strength of specialised staff which will be of the same type as we visualise in the case of regulated markets, will be equally large. We, therefore, recommend that a separate cadre be created so that the Government can have a pool of officers and other supervisory staff which might be inter-changeable between the Marketing Department, Market Committees and Marketing Co-operatives. It is in this larger context that we visualise that it would be possible for Government to fix emoluments of this staff on the basis of their qualifications, experience and the jobs they hold, so that each one in the cadre can look forward to normal increments as well as promotions to higher jobs, if they are competent. We hope that this incentive should be adequate for the persons in the cadre to seize the opportunities for promotions by showing their metal and merits.

321. Our recommendation for the creation of the cadre differs from the one operating in Hyderabad State at present on material points. The Central Fund created in Hyderabad, out of the contribution from the Market Committees, is the employer of the personnel placed at the disposal of the Market Committee, with the result that these employees are not Government servants, though the Fund has framed its own rules and regulations in respect of their retirement benefits. What we have recommended is the cadre of persons who will be in the employment of the Government and will be subjected to the Bombay Civil Services Rules and the Government Servants Conduct Rules. Those who will be appointed as Secretaries of Market Committees will work in that capacity as Government hands, in the same way in which any Government servant works in any Department. It may be, however, that these Market Committees will require additional personnel. This, as well as the one that might be required by the Marketing Co-operatives, will be placed at their disposal on the basis of services lent.

322. The problem of recruitment of the right type can be readily understood since agricultural marketing has not so far been included as a part of curriculum for any degree course in any University. To a certain extent it might be possible to recruit persons from amongst those who are already serving as Secretaries to the Market Committees, but by and large, there will have to be fresh recruitment and if this staff were to meet the requirements, we are afraid, the Government will have to make its own arrangements for its training. A special course of intensive education in respect of agricultural

marketing and allied services will have to be framed and arrangements will have to be made for the necessary teaching staff to train this personnel. We do not wish to go into the details regarding the course of curriculum nor do we suggest that the one recommended by the Marketing Sub-Committee of the Policy Committee on Agriculture, Forestry and Fisheries of the Reconstruction Committee of Council is ideal, but the latter might be a fair basis to start with. We hope that the personnel of the right type so trained and provided with incentives will do full justice to the responsibilities which we expect them to shoulder.

### **Audit Section.**

323. We have already referred in paragraph 182 about the desirability of maintaining proper accounts of Market Committees, and have made appropriate recommendations regarding the accounting procedure and the check over the accounts, in view of the fact action on audit objections has to be taken by the Director of Agricultural Marketing though the Auditors belong to the Co-operative Department. We recommend that *an audit section be created in the office of the Joint Director of Agricultural Marketing. This section should be adequately manned with trained Auditors who should be able every year to complete, between them, the audit of the accounts of all the Market Committees. The Section should be headed by the Chief Auditor who should supervise their work and take proper action on the audit objections.* This recommendation is in line with the pattern obtaining in Hyderabad where it has operated to the advantage of regulated markets.

### **Financial implications.**

324. Before turning to other aspects relating to the Government's role, we think it necessary to dwell on the financial implications of our proposals made above. In paragraph 184 we have already recommended that the Market Committees should contribute 30 per cent. of their revenue every year to the Government of Bombay. We hope that the quantum of this contribution will be of a size which will be enough to meet the expenditure of providing Secretaries to the Market Committees, maintaining an Engineering Section for which we propose to make the recommendation later and the creation of an Audit Section as well as grants to the Advisory Committees at the State and regional levels and the cost of servicing the Marketing Intelligence Service. The only additional financial liability which will devolve on Government will be as a result of the reorganisation of the Department and the creation of new posts in order to ensure an effective supervision etc., over regulated markets. We think that the additional cost that the Government will incur on this account will be more than repaid in the form of promotion of the well being of the rural population to which the State is committed.

### Advisory Committees

325. The recommendations made in the previous chapters and in this are designed to strengthen the structure of regulated markets in this State. This we hope to achieve mainly through the efforts of the Market Committees, but at the same time we have provided for contingencies, in the event of which, strength will have to be imparted to them by the Director of Agricultural Marketing. This joint venture can be successfully piloted only when there is a co-ordination at every stage of the administration and working of the Act, between the Director of Agricultural Marketing and his office on the one hand, and the Market Committees and their constituencies on the other. To promote it, there must be a liaison agency. It is true that the Marketing Inspectors in charge of the various Market Committees, will serve as a link between the authority on the spot and that at the top, concerned with regulation of markets; but that link will have its own limitations. Besides, in a democratic country, what is considered desirable can be made acceptable only when the non-official support is assured to the official action. A closer understanding between the two can not only promote it, but will, we hope, pave the way for raising the status and reputation of regulated markets through appropriate policies and actions. It is from these points that we view the role of Advisory Committees of regulated markets at the regional level and the State level.

326. It is now five years since such an advisory committee of regulated markets was set up for Gujerat. This has been followed by the establishment of similar committees for Karnatak and Maharashtra. The objects of these committees are to assist the Market Committees in their respective regions in solving their difficulties and to interpret their viewpoint to the Government and the Department. They are also expected to prepare standard plans and estimates in respect of office buildings, godowns, etc., so as to facilitate the construction work to be undertaken by Market Committees, standardize the forms used by them in their daily working, collect statistical data regarding their working and arrange the dissemination of prices of regulated commodities. They are also expected to convene conferences and meetings for considering the problems affecting the Market Committees, obtain legal advice for them and tone up the general working of the Market Committees. For carrying on all these activities they are expected to raise funds by way of an entrance fee of Rs. 15 and an annual subscription from Market Committees, donations and Government grants. These central advisory committees are composed of the Chairmen of all the Market Committees which are affiliated to the central advisory committee of the particular region,

327. In the course of our touring we had the privilege of acquainting ourselves with the working of two Committees, viz., Gujerat and Karnatak. The only tangible work that they have put through, since they were established, is in the field of training the personnel required by Market Committees. We were particularly impressed by the work that is being done by the Committee in Gujerat, which has been maintaining a close touch with the affairs of the Market Committees in its region and trying to ascertain their difficulties and make a collective effort to solve them. The annual income of this organised advisory committee is, however, less than Rs. 1,000 of which about a third represents Government subsidy. During 1953-54 it received Rs. 800 as a subsidy from Government. In the case of the other two committees where the subsidy is absent, the income is nominal. We were not, therefore, surprised that these committees have not been able to play the role expected of them in terms of the objectives embodied in their constitution.

328. In June 1955, the Government constituted a State Central Advisory Committee for regulated markets with the Registrar of Co-operative Societies and Director of Agricultural Marketing and Rural Finance, as Chairman and the Chief Marketing Officer as Member-Secretary. The constitution provides that the other members of this Committee will be three Chairmen of the three Regional Advisory Committees, three representatives of the agriculturists' constituency and three representatives of the traders' constituency of the Market Committees in the three regions. The objects of this body functioning at State level are, to carry on such functions and duties and to exercise such powers as are entrusted by the Government and Director of Agricultural Marketing, promote orderly Marketing, co-ordinate the work of the regional Committees, promote uniformity in the work of Market Committees and tender advice on technical and legal matters. This Committee is also expected to carry out research, collect statistics and undertake special surveys, represent the grievances of the Market Committees to Government, publish a Quarterly in respect of regulated markets, grading and standardisation, warehousing activities, co-operative marketing and allied subjects, and be in close touch with the Agricultural Marketing Advisor to the Government of India. Unlike the regional bodies, the funds of the State Central Advisory Committee will be mainly by way of grants from Government, supplemented by donations and contributions from Market Committees. We were informed that this Committee has not met so far.

329. We welcome the appointment of this Committee as well as the establishment of the regional advisory committees and are confident that they should be in a position to achieve the objectives for which they have been set up. Their constitution is also ideal except to the extent that in the case of the State Central Advisory

Committee which is expected to handle problems of co-operative marketing, there is no representative of that particular sector of co-operative effort. This lacuna is insignificant compared to the major handicap of all these committees, viz., the lack of finance. We are of the view that if these committees were to function properly, they must have their own staff, not necessarily at the Secretarial level, with the help of which they can discharge certain functions. Thus, for instance, there is a limitation on the honorary services in respect of the effort called for in the field of toning up the working of Market Committees. Similarly, at the regional level, the objective regarding the collection of statistics or dissemination of market information, cannot be achieved without financial outlay. We have recommended earlier that the dissemination of market intelligence in respect of regulated commodities should be undertaken by the Marketing Research Section assisted by the Assistant Marketing Officers and Marketing Inspectors. In order to avoid duplication of effort and wastage of money, we suggest that these committees should not be charged with such a onerous responsibility.

330. There are, however, several other useful functions which these bodies can perform. The ability to do so depends on two factors, viz., the sanctity behind its views and finance. *We, therefore, recommend that it should be obligatory for every Market Committee to get itself affiliated to the advisory committee of its region and the constitution of these advisory committees should provide for powers to supervise their respective affiliated Market Committees.* We further suggest that each regional advisory committee should have a full-time Assistant Secretary, whose business it should be to periodically inspect the working of the Market Committees and report to the advisory committee. It is only on the basis of this report that the regional advisory committee should be able to give service to the affiliated Market Committees.

331. In our opinion, this State Central Advisory Committee of regulated markets, should be an advisory body on policy matters. Some of our recommendations have been designed with the object of vesting special powers with the Director of Agricultural Marketing with a view to enabling him to take initiative in respect of essential matters of policy, affecting the working of Market Committees. This committee should be qualified to advise him on these matters. There are ancillary functions which it can perform and these have been incorporated in the objects clause of its constitution. The functions are indeed important, but we are afraid that this Committee cannot function efficiently, unless independent staff is placed at its disposal. Because the Director of Agricultural Marketing happens to be its Chairman and the Chief Marketing Officer its Member-Secretary, this work is likely to be considered as a part of their duties from the point of view of office organisation. *We, therefore, recommend that a separate section, may be a small*

one, should be created in the office of the Director of Agricultural Marketing, to deal with the work of this Committee. The major difficulty both in respect of the regional committees and this Central Advisory Committee is that of finance. We have earlier recommended for the contribution by the Market Committees of 30 per cent. of their income to Government and, therefore, suggest that the budgets of these committees should be a charge on this contribution. It is only when adequate finances are provided that it should be possible for these committees to play the role assigned to them.

### **Development of Market Yards**

332. One of the handicaps in the development of regulated markets in this State is the paucity of modern market yards. We have explained the position in this respect and made our recommendations in paragraph 70. Here we consider it our duty to deal with a particular aspect relating to the development of modern market yards. After inspecting the yards in Hyderabad we are convinced that the work in the field of regulation of markets can be facilitated only when the market yards are of a specific standard. The outlay of such yards will of course be heavy and the Market Committees will have to raise the finance by borrowing. The question that arises is whether the construction of market yards should be left to the Market Committees themselves. Some of us feel very strongly that the programme should be initiated by the Government in consultation with the individual Market Committee and the yard itself should be built by the Government according to the specifications already laid down. The cost of the yard should be treated as a loan to the Market Committee. The sponsors of this proposal think that the Market Committee should have a voice only in the matter of selection of the site; but the subsequent procedure as well as construction should be in the hands of the Government in order to prevent the cost of development from being inflated for lack of adequate supervision. *We are all unanimous in regard to the minimum requirements in this connection and recommend that the least that should be done is to have a separate engineering section in the office of the Joint Director of Agricultural Marketing for the preparation of plans of these yards and supervision of their construction.* The creation of such a section will also avoid the difficulties, apart from the cost, resulting from the requirements of having the plans to be approved by the Public Works Department and/or Municipalities even when they are prepared by well-known architects.

### **Weights and Measures**

333. We have already drawn the attention of the Government in paragraph 116 to the anomalies created in regulated markets as a result of the operation of the Bombay Weights and Measures Act. These anomalies can be removed only if the administration of the

Act is vested in the authority which is concerned with the administration of markets. This has been done so far as the municipal markets are concerned. It might be that the regulated markets were not more than 2 or 3 when the Bombay Weights and Measures Act was enacted and consequently their problems were not taken into account at that time. The position has, however, changed radically and to-day more than half the volume in the wholesale markets is regulated. We find that only in Bombay, Hyderabad, Punjab, Saurashtra and Himachal Pradesh the administration of this Act has been entrusted to the Director of Industries. In Bihar, Madhya Pradesh, Mysore and Pepsu, it is vested in the Chief Marketing Officer. In Madras and other States it has been entrusted to Development or Revenue Secretaries or to Deputy Secretary or Inspectors of Factories. We have been informed that where the administration has been entrusted to the Marketing Departments, satisfactory results have been produced. In Hyderabad, the Chief Inspector of Offices, Hyderabad Government, himself suggested that the weights and measures being purely marketing functions should be transferred to the Marketing Department.

334. This question has been examined at an All India level from time to time and we wish to record here that the Marketing Sub-Committee of the Government of India recommended in 1946 that the State Marketing Department should be more closely associated with the enforcement of this Act while the Marketing Officers' Conference held at Delhi in 1948 and 1953 has unanimously resolved in favour of entrusting administration of the Act to the State Marketing Officers in view of the importance of the legislation. It will be found from the above that the overwhelming and well-informed opinion is in favour of the administration of the Weights and Measures Act being entrusted to the Department concerned with Agricultural Marketing. Our enquiry in the different markets has also led us to this conclusion. The only objection that is likely to be raised is that this is a technical subject. That is to say only in respect of stamping of weights, etc., at the lower level. At any rate, this knowledge is not required of the head of the department. *We, therefore, recommend that the administration of the Bombay Weights and Measures Act should be entrusted to the Director of Agricultural Marketing.* Since the Weights and Measures Department has already been organised, we do not consider it necessary to make separate recommendations on the question of its administration and in the event of our recommendations being accepted, the problem will only of transferring its jurisdiction from the Director of Industries to the Director of Agricultural Marketing.

#### **Transport and Communication.**

335. The successful working of regulated markets will no doubt depend mainly on the Market Committee, but its efforts will have to be supported by ancillary measures. From the point of view of



agricultural marketing, transport and communication are important factors in the making up of the price which the farmer can ultimately get. The question of cost of transport and communication is, therefore, as much important as the facilities for securing them. The handicap imposed on the cultivator in selling his produce by the lack of communication between his holding and the regulated market is as great as the difficulty in sending produce from the regulated markets to the terminal markets and consuming centres. In these days of transport difficulties particularly, this factor has a restrictive influence on the price. Apart from the fact that the general demand is reduced as a result, those, who are lucky to get the wagons, are in a strong bargaining position to buy at a cheap price. Such a monopolistic position, if created, is likely to lead to unwelcome consequences.

336. We have already recommended in paragraph 247 that marketing co-operatives should be given the top most priority. Here we suggest that after satisfying the demands of these co-operatives, the rest of transport available should be equitably distributed among the market functionaries in each market. In the course of our visits, to the markets, complaints were received by us that the allocation of wagons under the present system was a source of favouritism. *We, therefore, recommend that the Government of Bombay should take up the question of the system of allocation of wagons with the Transport Ministry, so that wagons can be allotted by the Station Master on the basis of the recommendations of the Market Committees.* If this is done, it might be necessary to ensure that these committees play fair to all market functionaries. This we hope the Marketing Inspectors can do. Meantime, we hope the Director of Agricultural Marketing, who is a Member of the Zonal Railway Users' Consultative Committee, will pursue this matter vigorously. It is also necessary to ensure that each market has adequate banking and postal facilities.

### **Municipalities**

337. While dealing with the right of nominating a representative on the Market Committee to the Municipalities and the importance of consulting them before regulating a market in paragraph 170 and 88 to 92, we have already pointed out that the relations between the local authority and a regulated market are not, as they should be. The reasons for this are numerous, but the fact remains that though the municipal revenue have been bolstered up as a result of the operation of a regulated market in their jurisdiction, the amenities provided by them in the market yards are either absent or insufficient. In the course of our visits to the Market Committees, we were told by more than one market committee that the Municipalities have refused to provide amenities in the market yard. There are some notable exceptions to this general complaint, but the performance of the Municipalities as a rule, is poor. A statement showing the amounts received by the Municipalities by way of octroi and the amount spent

by them for providing amenities at the market yard, given in Appendix, 12 gives the precise idea in respect of each market yard. Besides, there has been a tendency among the Municipalities to push up the octroi duty, mainly because regulated markets have been attracting the goods. For instance, in Kolhapur, duty on gul and groundnut has been raised from As. 8 per cart to Rs. 1-15-6 and Rs. 1-6-0 respectively. We are told by the Kolhapur Market Committee that the Municipality collects octroi on regulated commodities to the tune of Rs. 2 lakhs.

338. The whole problem in respect of octroi and the amenities in the market yard, therefore, requires to be examined in detail. The Kale Committee appointed in 1937, had pertinently pointed out, while investigating the working of Municipalities, that "the burden of octroi levied on these articles had to be shared by producers and consumers outside the limits of cities and towns. A duty on a staple commodity like cotton entering an urban market has a decided tendency to fall on cultivators bringing their produce for sale there, while middlemen and dealers escape their shares of the corresponding burden of taxation". We draw the attention of the Government to this significant view which prompted that Committee to plead for reviewing the octroi duties and urge that this question should be re-examined in the context of the programme of agricultural development in general and the establishment and growth of regulated markets in particular.

339. The second question is, what should be the responsibility of the Municipalities to provide public amenities on the market yards. This is more than a justicible issue. Government in the Local Self-Government and Public Health Department issued a circular in 1951 to all Municipalities and District Local Boards to take interest in the activities of the Agricultural Produce Market Committees in their areas and attend readily to their needs in the matter of providing the necessary amenities like water supply, drainage, light, maintenance of sanitation, construction of approach roads, gutters and other arrangements for the proper development of market yard, notified in their areas, so as to ensure their proper working. This circular was followed up by others and only recently, we are told, the Government has issued a fresh circular drawing the attention of the Local Authorities to their previous circulars. We are also informed that the Directors of Local Authorities have been advised to look into this particular aspect of working of the Municipalities. This was done in July, but we have not come across any instance of any improvement in any regulated market, excepting some singular instances.

340. We are afraid that this position requires to be rectified immediately, since it would be inequitable to allow one public institution to earn and to insist on the other to spend. We are told that the main argument of the Municipalities is that market yards are private property. To the extent entry to these yards is

regulated under the Act, they are private properties of any individual. We are told that under the Municipal Boroughs Act, a municipality can service only those roads which are open to the public. Such a position, if accepted in respect of the market yards, will defeat the very purpose of the Act. If these yards are to be treated as something over which the Municipality has no jurisdiction, then we are of the view that the goods going through the municipal area will be goods in transit. If this position were to be accepted by the Municipalities, we submit that the market yards will have to be treated on par with the village bazars in respect of which the Bombay Village Panchayats Taxes and Fees Rules, 1933 makes an exception in the matter of collection of bazar fees. We do not, however, suggest that this position would be correct, but we are of the view that when a Municipality collects duty by way of octroi from the agricultural producers, it should provide amenities for them. Since the quantum of outlay on amenities can also be a matter of difference of opinion, *we recommend that the Government should either direct the Municipalities to earmark 25 per cent. of their revenue from octroi and taxes recovered on account of buildings, water tax, sanitation and conservancy tax and such other taxes for providing amenities in these yards; or alternatively, for handing over that share to the Market Committees in order to enable them to provide the amenities, which it is the legitimate duty of the Municipality to levy.*

#### **Backward Tracts.**

341. Before concluding this chapter we deem it our duty to refer to the problem of regulated markets in undeveloped tracts. People in backward areas, especially the agriculturists, are illiterate and financially weak with the result that they are exposed to the machinations of traders very easily. In this category might be included area like Dangs, Jhalod in Panchamahals districts and Navapur Taluka in West Khandesh district. We have already recommended that forest produce should also be regulated under this Act. There are other tracts where the agriculturist might be a little more literate, but he cannot get the benefits of regulated markets because such markets cannot work on an economic basis right from the beginning. This is particularly in respect of areas which grow only one crop in an area and that too of foodgrains. When the Act was made, the Government had anticipated that it might be necessary to provide finances in the initial stage for the establishment of regulated markets and even to subsidise them for a long period. That was in 1939. Today the urgency of providing relief to these tracts has become more pressing in view of the programme of National Extension Service and Community Projects Administration. *We think this problem requires a detailed examination, not because the regulated markets are not necessary for these tracts but, from the point of the financial commitments which the Government will have to make in the event of their regulation.*

## CHAPTER IX.

## ACT AND RULES.

342. In the preceding chapters we have made recommendations which are, in our opinion, necessary for making the provisions effective. Some of them can be carried out by taking appropriate action in regard to the administrative set up. The implementation of others which are the bulk can be done by effecting appropriate changes in the Bombay Agricultural Produce Markets Act, 1939, the Bombay Agricultural Produce Markets Rules, 1941, the bye-laws of the Market Committee. These changes are vital. One of our terms of reference is also to suggest modifications and additions to the existing provisions of the Act and Rules, if necessary, with a view to making them more effective, comprehensive and simple. In pursuance of this direction, we have recommended appropriate amendments to the Act and Rules with a view to bringing them in line with our recommendations and eliminating or rectifying the defects therein, which prompted the Hon'ble Chief Justice Mr. Chagla of the Bombay High Court to observe in his valuable judgment on the merits of the legislation that "a simple measure of social reform has been rendered complex and cumbersome by Rules and Bye-laws framed under it which, in many cases, have been framed without realising what the rule making power was or what were the proper bye-laws to be framed under the Act." We hope, after the Act and Rules are amended, the Director of Agricultural Marketing will take steps to revise the bye-laws of individual Market Committees as well as the Model Bye-laws.

343. We have also been asked to examine whether a separate Act is necessary for commercial and non-commercial crops. The Madras Commercial Crops Markets Act, 1933, defines commercial crop as "cotton, groundnut or tobacco" and includes "any other crop or produce notified by the State Government in the Fort St. George Gazette as a commercial crop for the purpose of this Act." This definition is extensive and the mere notification should be enough to make any crop a commercial crop to meet the requirements of the Act. We mention this, because we feel that though the Madras Act is named that way, there is no bar under that law to name any crop as a commercial crop so long as it is marketed on a commercial scale. Popularly, however, the word is associated with "cash crops" as distinct from food crops and we have approached the problem from this angle, after taking into account the working of the Bombay Agricultural Produce Markets Act, 1939, which presently covers "commercial crops", "non-commercial crops" as well as all produce of horticulture and animal husbandry.

344. The need for separate legislation can be justified on the ground that the methods of marketing of a particular commodity differ from those in respect of others. Our enquiries have led us to

the conclusion that they are much the same for all types of agricultural produce included in the schedule as well as the forestry produce like myrabollen which we have recommended for being included in it. Moreover, the agriculturist does not grow only one crop and any measure designed to insist that he should move from market to market to sell the different kinds of the produce will have the effect of his marketing cost being inflated and thereby defeating the very purpose of establishing a regulated market. The second criterion which can be applied is the size of the market. A market can be effectively regulated only if it is of an economic size. In paragraph 25 we have given the break up of the marketable surplus of the State. If the districtwise figures were to be worked out, it would be found that as a rule, there is no compact area in which two markets can thrive. There are a few exceptions to this general statement which we propose to deal in the following paragraph; but we want to make it clear that even in unregulated markets, the commodities are not marketed in different centres by drawing a fine distinction between "commercial" and "non-commercial" crops.

345. The two crops which have peculiar methods of marketing different from those for the rest of the farm produce are vegetables and fruits and tobacco. As a rule, traders dealing in these commodities do not deal in others. Similarly, to a great extent, the cultivator raising these crops does not generally grow anything else. We have used the word "to a great extent" deliberately because there is a class of agriculturists which is an exception to this. The marketing of both these crops is in a chaotic condition and the tobacco markets in Bombay State are the worst among those in the country. The marketing of vegetables has been successfully regulated under the present Act both in Ahmedabad and Surat as well as elsewhere, while that of fruit has been fairly well regulated in certain tracts of the Ahmednagar district. If other centres have not been brought within the scope of the Act, the reason is not that the Act is unsuitable but is something else. Similarly, if the Government has not been able to regulate tobacco under the Act so far, that is not because the legislation is unsuitable as the vested interests have tried to impress for well over a decade. We make bold to state on the basis of the working of the vegetable market at Ahmedabad and of the cattle markets at Patan and Shahada that one composite piece of legislation i.e. the Bombay Agricultural Produce Markets Act, is eminently qualified to regulate the whole of agricultural produce as defined in section 2(D)(i).

346. In arriving at this conclusion regarding the broad pattern of regulation, we are conscious that certain adjustments within the framework of the Act will be necessary in order to meet the special requirements of the two markets referred to in the preceding paragraph. This aspect of the problem equally holds good in respect of animal husbandry products. We have dealt with this problem

exhaustively in Chapter VI and have made appropriate recommendations to meet the requirements of marketing certain types of commodities. Even some of the tobacco merchants, who had, in the past, represented to the Government that tobacco could be regulated only under a separate legislation, have admitted before us that this is not necessary if adjustments in respect of details and not in the principles can be made under the present Act. The only problem that remains is of the terminal markets in Bombay. Even here, so far as fruits and vegetables are concerned, the Bombay Municipal Corporation Act recently amended for the purpose has accepted this legislation as the model. In regard to others, we have pleaded for a detailed enquiry. Subject to the reservations in respect of the Bombay market, we have come to the conclusion that there is no need for having two types of legislation—one regulating commercial crops and the other in respect of non-commercial crops—and recommend that the *Bombay Agricultural Produce Markets Act should be the only Act on the basis of which the marketing of agricultural produce should be regulated.*

347. The amendments suggested to the Act and Rules fall into two distinct categories—one arising from our recommendations and the other to rectify the conflict between the Act and Rules—remove the ambiguities, and simplify the procedure. The statement regarding the amendments gives details of the present position, proposed amendment, the effect of the amendment. So far as the last item is concerned, we have dealt with the bulk of them exhaustively in our Report. Our recommendations designed to promote the objectives of the Act are based on the view that Market Committees looking after day to day regulation must be armed with adequate powers and the State Government and the Director of Agricultural Marketing must have the powers to ensure that the Committees use their powers judiciously but effectively. In view of the later safeguard, we think that there is no need for anybody to seek relief from such action under any other law or from any other machinery. In the past, the proviso has only resulted in legal quibbles and undermining the influence of the authority.

348. We are conscious that the amendments suggested are too many; but the main reason for this is the lack of correlation between the Act and Rules. The Act broadly represents the pattern of regulation contemplated by the legislature, while Rules and Byelaws are expected to fill in the gaps in respect of details. The latter must, however, be in conformity with the provisions of the Act. We are afraid that neither of these objectives have been kept fully in view. Thus, for instance, Section 26 mentions about the levy of the fees; but the Rules do not lay down the procedure for their collection. Market fees are payable by agriculturist and Rule 56 lays down that only the paid servants of the Market Committee have the right to collect; but in practice the licence holders are asked to collect and pay. Section 18(A) penalises the members of the Market Committee

for misapplication of funds ; but what constitutes it has nowhere been defined. The contingency of a Market Committee being rendered incompetent to function has not been visualised and the violation of certain Rules has been treated as an offence ; but no penalty has been prescribed. In several respects, the Act and Rules are conflicting. Rule 60-A permits, under certain conditions, the sale of agricultural produce without a licence in the market yard ; but section 4 (2-A) makes no exception, where as Rule 53(1) and Rule 54(1) conflict with section 11 and 26(2) (f) of the Act. Section 3(1) and section 4(1) have led to litigation because they are not precise, while there has been a mixup in the Rules of words like " market " and " market area " and " bought " and " brought " with unpleasant consequences. Powers have been assumed, may be because they are consequential, but the Act does not contemplate. This is the case in respect of the Collector's powers to hold election and lay the procedure for it. Again, certain provisions in the Rules e.g. Rules 65 and 67, are mere repetitions and certain actions are provided for which are either unnecessary or undesirable. In the latter category falls section 4(2) which visualises a regulated market without a Market Committee and section 16 which empowers the Government to acquire land for a Market Committee that is not set up. These examples are given by way of a sample and are by no means exhaustive. It is in this background that we commend the amendments.

## CHAPTER X.

## CONCLUSIONS.

349. We are directed to examine the working of the Bombay Agricultural Produce Markets Act, 1939, and to recommend modifications therein with a view to making it, as well as Rules framed thereunder, comprehensive, simple and effective, to ascertain whether separate legislation is necessary for commercial crops, and to enquire into the desirability of regulating the terminal markets. As a result of our enquiry extended over five months in Bombay State and our visits to the more important regulated markets in Hyderabad and Madras, we have arrived at certain conclusions which form the theme of our Report. We feel that our recommendations embodied in the previous chapters should go a long way in removing the difficulties in the way of development of regulated markets and creating conditions of orderly trading on a fair and equitable basis so as to prevent the exploitation of the agriculturists. We are satisfied that though the Act has not been able to produce the desired results fully, its achievements, inspite of its limitations, the lack of adequate experience and organisational difficulties reinforces the faith in its potentialities. We are, therefore, of the view that there is no need for any other legislation to regulate the marketing of any particular agricultural commodity provided certain adjustments are made within its framework to meet the requirements of certain types of agricultural produce including tobacco.

350. The main subject of our enquiry is to suggest measures which can make the Act and Rules comprehensive, simple and effective. Our recommendations can be grouped into four broad categories which are designed to impart discipline and efficiency at all stages of agricultural marketing in regulated markets and provide ancillary services to them. The first set of recommendations seeks to bring within the scope of the legislation all types of transactions in respect of regulated markets commodities in a given market area. It embraces all sales including those in factories and villages of the regulated produce irrespective of the fact as to whether it is imported or locally produced or whether the transactions are between traders and agriculturists or between traders and traders or by way of resales, but excluding retail sales to the consumer. The pattern of regulation is the same that was initiated in 1939; but our recommendations aim at rationalising it. We have come to the conclusion that sales in villages or at factories will have to be tolerated until the market yards are fully developed but have at the same time made recommendations to ensure that only desirable market functionaries are allowed to enter the market, they behave according to a precise code of conduct, and they will be punished adequately if they fail to do so. These recommendations are in line with the



regulations framed by well organised commodity exchanges controlled exclusively by the traders themselves in this State and should be able to minimise the extent of malpractices associated with agricultural marketing. At the same time, we have favoured the provision of facilities which will enable the market functionaries to give a better service in the field of agricultural marketing.

351. The second group of recommendations is designed to make the Market Committee, which is concerned with the administration of the market, fully representative, strong and alert and to assure it of adequate financial wherewithals as well as initiative. To eliminate its weaknesses at the initial stage, a recommendation has been made that the Government should appoint their Secretaries from amongst those in its special cadre of market specialists the creation of which we have favoured. We hope that as an executive authority and a public servant, this officer, whose future will no more depend on the whims of the Market Committee or its Chairman, can take the initiative in the matter of supervising the market and bringing offenders to book. At the same time, we have made a series of recommendations designed to strengthen the hands of the Market Committee itself in order to enable it to impose the much needed discipline on the market and to undertake schemes for developing the market yard. We hope that the recommendations in the two groups should firmly entrench the well managed Market Committees in a position to organise regulated markets for the benefit or, firstly, the agriculturists selling their produce and, secondly, the traders themselves.

352. Our recommendations in the third category are designed for strengthening supervision, assistance and direction from the Government. They are aimed at rationalising and strengthening the administrative system both at the headquarters and in the field, so that the working of Market Committees is effectively supervised and a liason is maintained between them and the Director of Agricultural Marketing, who is responsible for the administration of the Act. We have further recommended that the Director should be exclusively concerned with the regulation of markets and that he should be armed with adequate powers including those necessary for enabling him to impose Byelaws on the Market Committees and direct them to take particular action as well as cancel licences of recalcitrant traders. A plea for giving him adequate staff in order to enable him to discharge his functions effectively has also been made. We hope that armed with these powers among others, and supported by an adequate and efficient staff, the Director will be able to impart strength to the Market Committees wherever it is lacking and take action in cases where they fall short of the requirements inspite of the support. The whole object of the provision for powers and safeguards is to encourage fair means of business and stamp out unfair ones in regulated markets.

353. The three categories of recommendations referred to above are exclusively designed to policing the working of regulated markets. We, however, feel that these efforts must also be accompanied by positive measures to encourage such markets. Two of the major recommendations in this sphere are provision by the Government for efficient service and the measures for strengthening marketing co-operatives. It has been an accepted fact that agriculturists can build up their strength only by organising themselves. Unless they do it, no amount of legislative measures can help them fully in the field of orderly marketing. The manner in which marketing co-operatives can be built up is outside our terms of reference but we repeat that without their presence no Market Committee can thrive.

354. All these recommendations taken together make the prescription. It is to be given and taken as a whole. We hope that this prescription will be found agreeable both to those, who have to dispense it as well as those who have to take it, including Market functionaries, Agriculturists and Market Committees. The first three categories of our recommendations are meant as a cure for the disease from which some of the markets are suffering. The problem of getting over the weaknesses is faced by almost all markets. From the talks with traders and their representatives we have reason to hope that they will give up their time honoured methods of bullying the authorities by strikes, boycotts and other threats and reconcile to the pattern of market regulation we have visualised, as well as to the new social order that is now in the making. Whether this hope will materialise or not, the future alone can say. We submit this report in the hope that as a result of our recommendations, it should at least be possible for the Government to create conditions whereunder the market mechanism in regulated areas can at least conform to the minimum standards but for which agricultural marketing in the State will be a farce and agricultural development futile.

(Signed) T. G. SHIRNAME,  
Chairman.

(Signed) F. N. RANA,

(Signed) B. A. PATIL,  
Member-Secretary.

(Signed) G. M. LAUD,  
Member.

(Signed) ARJUN LALA,  
Member.

(Signed) C. S. HULKOTI,  
Member.

Poona, 21st December 1955.

## APPENDIX 1.

## QUESTIONNAIRE.

**Enquiry Form**

Please return to the Secretary of the Committee (The Chief Marketing Officer & Joint Registrar, Co-operative Societies, Bombay State, Poona) on or before 25th August 1955.

Name.....

Occupation.....

Constituency represented.....

Period of association with the Committee.....

Address.....

Date.....

## PART I

*Constitution*

1. When was your Market Committee established? What is the total annual income of your Market Committee? Give details of various heads of income. What is the total expenditure on various heads of expenditure, viz. Staff, Buildings, Amenities. (See section 5.)

2. What is its area of operation? [See section 4 (i).]

3. Whether in your opinion the market area should be extensive, i.e., whether it should extend to one or more talukas or it should be restricted to 5 or 10 miles?

4. Whether your Market Committee is giving any protection or benefit or providing any amenities beyond the market yard to the producers for sale of regulated commodities? Please list such benefits and their nature.

5. What is the percentage of the sales of the commodities regulated at the yard and village sales to the total production?

6. Whether you favour village sales?

7. Are there any malpractices in village sales? If so, what measures you suggest for eradication of malpractices prevailing in village sales?

8. What are the commodities regulated in your market?

9. Whether you favour the view that agricultural produce which does not arrive in sufficient quantity in the market should be regulated on the ground that it is in the interest of agriculturists.

## PART II

*Committee*

1. Whether the present constitution of Committee is working satisfactorily? (See section 6).
2. If not, whether you suggest any modifications or alterations in respect of various constituencies, i.e., Agriculturists, Traders, Local Authorities, etc. (See section 6). Do you favour that any qualifications or limitations should be attached to the eligibility of candidates seeking election? If so, give details.
3. Whether you think that the representation should be given to Local Authorities, if not, why not? [See section 6 (1) (iii) (a) and (b)].
4. Whether the Local Authorities should be necessarily consulted before a market is regulated, if not, why not? [See Proviso to section 3 (i)].
5. Whether you find it necessary to give a separate Constituency, to Co-operative Societies in view of the programme of building of Co-operative Marketing for sale of agricultural produce?
6. Whether Retail Traders should be allowed to vote in election, if not, why not? If they are allowed to vote in election, whether there should be a separate constituency or whether they should represent the Traders' Constituency?
7. Whether the present procedure for electing agriculturists representatives on the market committee is satisfactory and is working effectively? If not suggest modifications, if any. [See section 6 (i)].
8. What suggestions would you make for strengthening the agriculturists co-operatives and agriculturists?

## PART III

*Cess, Market Charges and Fees.*

1. Whether the present system of collection of cess on agricultural produce is working well, if not, what are the defects? [See rules 53(i) and 54(i) and Bye-laws 29 and 30 (2)].
2. Whether you favour that cess should be recovered on the agricultural produce bought and sold in market area, market yard? Give reasons in support of your views. [See rule 54(i) and section 11 and clause (f) of section 26 (2)].
3. Whether the present rate of cess is adequate to meet growing expenditure for development of yard? (See Bye-law No. 29).
4. Whether you favour the system of collection of cess on *advalorem* or quantum basis? Give reasons for your opinion.
5. Whether commission should be recovered from both sellers and buyers? What is the system prevailing in your market in this regard and, whether you suggest any change in this respect? (See Bye-law No. 44).
6. Whether graded rates of licence fees should be prescribed according to turn over or whether the present system should be continued? (See Bye-law No. 33, appendix II, schedule I).

## PART IV

*Trade Allowance.*

1. Whether your Market Committee allows *ad-hoc* trade allowance in respect of refraction, containers, weights, etc.? If not whether you favour or disfavour such *ad-hoc* deductions. (See section 17 and bye-law No. 47).

## PART V

*Market Functionaries*

1. Whether it is desirable to limit the number of each of the various functionaries in different markets and whether the licences should be transferable? What should be the qualifications or restrictions to be attached to issue of licences?

1A. Has the present classification of traders into 'A', 'B' and retailers is working satisfactorily? Do you think that the area allotted to these market functionaries for the purpose of trading is adequate? Do you suggest any change? (See bye-law No. 33).

2. Whether Co-operative Marketing Societies should be given preferential treatment as licensed traders and commission agents, if so, why and if not, on what basis?

3. Whether the cartsmen, motor lorry owners, hamals and others should be treated as other operators or ancillary operators in the market and whether they should be licenced and licence fee should be recovered from them? [See rule 53 (i) and bye-law No. 33].

4. Whether the present system of exercising control over market functionaries is satisfactory and effective? (See rules under Rule 67).

5. Whether the existing provisions in the Act and Rules are adequate and effective for suspending and cancelling licences of market functionaries? Whether you suggest any change in the procedure and suggest any remedies for improvement? [See rules 66 and 67 (6)].

6. What are the conditions attached to the grant of licences to different market functionaries? Are any defaults committed by market functionaries? Do you consider that the Director of Agricultural Marketing should be empowered to endorse licences of market functionaries for defaults committed? If so, what are your suggestions?

## PART VI

*Election*

1. Whether the present system and method of election is working satisfactorily? If not, suggest improvements. (See rules 8, 9, 10, 11 and 12).

2. Whether for the purpose of election, the whole area should be a constituency or it should be split up in suitable units? (See rule No. 8).

3. What in your opinion should be the period of elected and nominated bodies? [See section 6 (3)].

4. Whether in your opinion the election of Chairman and Vice-Chairman should be held every year or it should be held once during the tenure of the Committee [See rule 30 and section 6 (3)].

5. Whether the existing system of preparation of voters' lists and the expenditure incurred in that connection is satisfactory? If not, suggest improvements (See rule No. 10).

## PART VII

*General Working*

1. What is the system of sale of agricultural produce in your market i.e., by open auction or open agreement or by Hatta system? [See rule 60 (4)].

2. Whether mugham or N-sales or forward sales take place in your market area? What remedies you suggest for improvement?

3. Whether in your market the sale proceeds are promptly paid by the purchasers? If not, what suggestions you make for improvement? (See bye-law No. 49).

4. Whether in your Market strike or by-cott or cornering had taken place? If so, what steps you have taken to overcome the situation? What are your suggestions to stop such impediments? Whether the steps taken were effective? Give details.

5. Whether any emergency in actual working of the market committee has arisen in your market committee? What measures you suggest for overcoming such emergencies?

6. Whether in your market committee any emergency such as disqualification of Chairman and Vice-Chairman or the whole Committee by a decision of Court has arisen? If so, what steps you have taken to overcome such situation? If not, what steps you suggest for overcoming such contingencies?

7. Whether you are experiencing any difficulties in allotting timings for auction? If so, what remedies you suggest for removing these difficulties?

## PART VIII

### *Miscellaneous*

1. Whether storage facilities are adequate in your market? (See rule No. 88).

2. Whether your Committee is exercising full control over storage operations?

3. Whether you favour undertaking of storage activities by your Committee?

4. Is the agricultural produce brought in good condition, properly cleaned and in unadulterated condition? What action you suggest against persons responsible for adulteration?

5. Whether the Market Committee has undertaken grading of agricultural produce? If not, what steps you suggest? (See rule 91).

6. Whether the present system of nominating the Mamlatdar as a Government Nominee is working satisfactorily? If not, whether you suggest any alternative? [See clause (iv) of sub-section (2) of section 6].

7. Whether your Committee has taken steps to collect statistical data regarding acreage, production, market trends? If not, whether you suggest that provision should be made in the Act for undertaking such activities compulsorily?

8. What arrangements do you suggest for displaying prices of agricultural produce for the use of farmers and traders? Whether you suggest compulsion in this regard? (See rule No. 92).

9. Whether you think that the office bearers and staff of the market committees should be treated as public servants (Section 21 of the Indian Penal Code).

10. Whether the provisions for trial of offences are adequate, if not, suggest improvements.

11. Additional observations and remarks, if any.

## PART IX

*Marketing Legislation (Act & Rules)*

1. Whether in your opinion the provisions of the Act and Rules work satisfactorily? Whether you find any difficulties or defects in the working of the Act, Rules and Bye-laws. Do you consider that the Director of Agricultural Marketing should be invested with a power to amend or incorporate a bye-law in the bye-laws of the Market Committee?

2. Whether any of the provisions of the Act, Rules are ambiguous or ineffective?

3. Whether there are any inconsistencies in the provisions of the Act, Rules and Bye-laws? If so, point out.

4. Are any of the provisions of the Act, Rules and Bye-laws challenged in the Court of Law? If so, give details and the decision given by the Court of Law.

5. Whether you suggest any change in the Act and Rules?

6. Whether you suggest improvements in wording, phraseology, etc?

7. Whether you suggest any change in the title of the Act?— Whether in your opinion 'forest produce' should be brought within the purview of the Act? (Section 1).

8. Whether in your opinion a special Act for commercial and non-commercial crops is necessary? Whether two separate market committees can be set up in the same market area for handling two different commodities? (Section 5).

9. Whether you favour bringing terminal markets under this Act or whether such markets should be regulated under the Municipal Corporations Act?

10. What in your opinion should be the definition of a retail sale [Section 2(i) and (ix)].

11. Whether you favour grant of exemption to non-producers also if they sell agricultural produce to consumers [See section 4(2A)].

12. Whether you favour the idea of acquiring a land even before the nomination of a market committee, what remedies do you suggest for expeditious acquisition of land required by the market committee? (Section 16).

12A. Whether you prefer the present dual control of the Revenue Authorities on the one hand and the Director of Agricultural Marketing on the other with regard to the administration of the Act, if not, give reasons.

13. Additional observations and suggestions, if any.

*General Instructions for Answering the Questionnaire*

1. Please do not furnish your replies on the questionnaire itself. Use blank paper to write out your answers. At the top of your reply-sheet, fill in the particulars indicated therein before answering the questionnaire.

2. You need not copy out the question before writing out its reply. You may only refer to the question number and the part as given in the questionnaire and start with your reply straightway. If you choose not to answer a certain question, put down the number of that question in your reply-sheet and against it say 'N.A.' or 'Not answered.'

3. The questionnaire is divided into 9 parts with a view to facilitate the order in which subjects are grouped. This is done in respect of questionnaire issued to market committees, sale societies, other individuals except the Associations of merchants. In the case of Associations of merchants

a separate questionnaire is prepared and is sent only to such institutions. If you think that there are some other points which would be well worth studying, add a section in your reply and furnish both the questions and your answers.

4. You may please approach the Marketing Inspectors or Assistant Marketing Officers in your region in case you desire to have their guidance or/and information in replying the questionnaire. They have been asked separately to render assistance to you in this respect.

5. The institutions, other than regulated markets may please give replies on the points with which they are concerned.

*Expert Committee to review the Bombay  
Agricultural Produce Markets Act, 1939.*

GOVERNMENT OF BOMBAY:

DEVELOPMENT DEPARTMENT.

Resolution No. PMA 7255.

Bombay No. 1, 22nd June 1955.

Read letter No. MRT-Act (c)/3561, dated the 27th April 1955.

RESOLUTION :—Government is pleased to appoint an Expert Committee to review the working of the Bombay Agricultural Produce Markets Act, 1939, the Bombay Agricultural Produce Markets Rules, 1941, and the Bye-laws made thereunder and to suggest amendments to them. The Committee shall consist of the following :—

- (1) Dr. T. G. Shirname,  
Director of Agriculture, Bombay State, Poona: —Chairman.
- (2) Shri F. N. Rana, I.A.S.,  
Registrar of Co-operative Societies and Director of Agricultural Marketing and Rural Finance, Poona.
- (3) Shri B. A. Patil,  
Chief Marketing Officer and Joint Registrar of Co-operative Societies, Poona. —Member—Secretary.
- (4) Shri G. M. Laud,  
Ex-President of the Bombay State Co-operative Marketing Society, Ltd., Bombay. —Member.
- (5) Shri Arjun Lala, M.L.C.,  
Chairman, Central Advisory Committee of Regulated Markets of Gujarat, Ahmedabad. —Member.
- (6) Shri D. S. Desai, M.L.A.,  
Chairman, Central Advisory Committee of Regulated Markets of Maharashtra. —Member.
- (7) Shri C. S. Hulkoti, M.L.A., Gadag. —Member.

2. The terms of reference to the Committee should be :—

(1) To review the operation of the Bombay Agricultural Produce Markets Act, 1939 and the Bombay Agricultural Produce Markets Rules, 1941.

(2) To suggest modifications and additions to the existing provisions of the Act and Rules, if necessary, with a view to making the provisions of the Act and Rules more effective, comprehensive and simple as far as possible.

(3) To examine whether a separate Act is necessary for commercial and non-commercial crops.



(4) To suggest whether it is necessary to bring the terminal markets within the purview of the Act.

3. The Chairman may allow some of the members to visit Markets in the Hyderabad State to study the working of agricultural markets there.

4. The Committee is requested to submit its report within a period of three months.

5. The non-official members of the Committee should be entitled to travelling allowance and daily allowance in accordance with scale I in Rule (1) (i) (b) in Section I of Appendix XLII-A in the Bombay Civil Services Rules Manual, Volume II, as amended from time to time.

6. The expenditure on this account should be met from the sanctioned grants under "42-Co-operation" during the current financial year.

By order and in the name of the Governor of Bombay,

I. B. PATEL,

Assistant Secretary to Government.

To

The Director of Agriculture, Poona,

The Registrar of Co-operative Societies and Director of Agricultural Marketing and Rural Finance, Poona,

The Chief Marketing Officer and Joint Registrar of Co-operative Societies, Poona,

The Accountant General, Bombay (through the Finance Department).

The Finance Department,

The Agriculture and Forests Department,

Non-official Members (by letter).

## APPENDIX 2.

QUESTIONNAIRE SENT BY THE EXPERT COMMITTEE TO THE  
MERCHANTS' ASSOCIATIONS.**Enquiry Form**

Please return to the Secretary of the Committee (The Chief Marketing Officer and Joint Registrar, Co-operative Societies, Bombay State, Poona) on or before.....1955.

Name :—

Profession :—

Position :—

Nature and period of your association with the institution :—

- (1) Whether the purchase and sale of agricultural commodities are regulated under the Bombay Agricultural Produce Markets Act, 1939 in your area ?
- (2) Whether you have to say anything about the working of the Act, Rules and Bye-laws ?
- (3) Please point out deficiencies, and defects, if any, in the working of the Act, Rules and Bye-laws. Offer suggestions, if any, for developing orderly marketing.
- (4) Whether your Association has established relations with the market committee? If so, the nature of the same may be given.
- (5) Whether the relations of the Traders and the market committee are cordial? If not, nature of friction may be given. Please suggest remedies for establishing cordial relations.

*Note.*—The answers may please be given in separate papers in respect of each question. Sr. No. of the question may please be mentioned against the answer.

## APPENDIX 3.

LIST OF INDIVIDUALS AND INSTITUTIONS WHO  
REPLIED THE QUESTIONNAIRE.*"A" Agricultural Produce Market Committees.*

## GUJARAT REGION.

1. Agricultural Produce Market Committee, Ankleshwar, District Broach.
2. Agricultural Produce Market Committee, Bavala, District Ahmedabad.
3. Agricultural Produce Market Committee, Bodeli, District Baroda.
4. Agricultural Produce Market Committee, Broach, District Broach.
5. Agricultural Produce Market Committee, Dohad, District Panchmahals.
6. Agricultural Produce Market Committee, Derol, District Panchmahals.
7. Agricultural Produce Market Committee, Deesa, District Banaskantha.
8. Agricultural Produce Market Committee, Dehgam, District Ahmedabad.
9. Agricultural Produce Market Committee, Godhra, District Panchmahals.
10. Agricultural Produce Market Committee, Dhansura, District Sabarkantha.
11. Agricultural Produce Market Committee, Himatnagar, District Sabarkantha.
12. Agricultural Produce Market Committee, Jambusar, District Broach.
13. Agricultural Produce Market Committee, Kapadwanj, District Kaira.
14. Agricultural Produce Market Committee, Lunavada, District Panchmahals.
15. Agricultural Produce Market Committee, Anand, District Kaira.
16. Agricultural Produce Market Committee, Nadiad, District Kaira.
17. Agricultural Produce Market Committee, Patan, District Mehsana.
18. Agricultural Produce Market Committee, Sanand, District Ahmedabad.
19. Agricultural Produce Market Committee, Surat, District Surat.
20. Agricultural Produce Market Committee, Ahmedabad, District Ahmedabad.
21. Agricultural Produce Market Committee, Mehmedabad, District Kaira.
22. Agricultural Produce Market Committee, Thasra, District Kaira.
23. Agricultural Produce Market Committee, Talod, District Sabarkantha.
24. Agricultural Produce Market Committee, Viramgam, District Ahmedabad.
25. Agricultural Produce Market Committee, Vijapur, District Mehsana.
26. Agricultural Produce Market Committee, Umreth, District Kaira.
27. Agricultural Produce Market Committee, Unjha, District Mehsana.

## MAHARASHTRA REGION.

1. Agricultural Produce Market Committee, Kurduwadi, District Sholapur.
2. Agricultural Produce Market Committee, Sangli, District South Satara.
3. Agricultural Produce Market Committee, Tasgaon, District South Satara.

## MAHARASHTRA REGION—contd.

4. Agricultural Produce Market Committee, Takari, District South Satara
5. Agricultural Produce Market Committee, Satara, District North Satara
6. Agricultural Produce Market Committee, Koregaon, District North Satara.
7. Agricultural Produce Market Committee, Karad, District North Satara.
8. Agricultural Produce Market Committee, Bodwad, District East Khandesh.
9. Agricultural Produce Market Committee, Navapur, District West Khandesh.
10. Agricultural Produce Market Committee, Pachora, District East Khandesh.
11. Agricultural Produce Market Committee, Pandharpur, District Sholapur.
12. Agricultural Produce Market Committee, Shrirampur, District Ahmednagar.
13. Agricultural Produce Market Committee, Nasik, District Nasik.
14. Agricultural Produce Market Committee, Shirpur, District West Khandesh.
15. Agricultural Produce Market Committee, Gadhinglaj, District Kolhapur
16. Agricultural Produce Market Committee, Baramati, District Pooa.
17. Agricultural Produce Market Committee, Lasalgaon, District Nasik.
18. Agricultural Produce Market Committee, Malegaon, District Nasik.
19. Agricultural Produce Market Committee, Dhulia, District West Khandesh.
20. Agricultural Produce Market Committee, Nandgaon, District Nasik.
21. Agricultural Produce Market Committee, Chopda, District East Khandesh.
22. Agricultural Produce Market Committee, Nandurbar, District West Khandesh.
23. Agricultural Produce Market Committee, Jalgaon, District East Khandesh.
24. Agricultural Produce Market Committee, Amalner, District East Khandesh.
25. Agricultural Produce Market Committee, Khed, District Pooa.
26. Agricultural Produce Market Committee, Akkalkot, District Sholapur.
27. Agricultural Produce Market Committee, Ghoti, District Nasik.
28. Agricultural Produce Market Committee, Koinapur, District Koinapur.
29. Agricultural Produce Market Committee, Shahada, District West Khandesh.
30. Agricultural Produce Market Committee, Barsi, District Sholapur.
31. Agricultural Produce Market Committee, Chalisgaon, District East Khandesh.
32. Agricultural Produce Market Committee, Satana, District Nasik.
33. Agricultural Produce Market Committee, Dondaiche, District West Khandesh.
34. Agricultural Produce Market Committee, Kopergaon, District Ahmednagar.

## KARNATAK REGION.

1. Agricultural Produce Market Committee, Byadgi, District Dharwar.
2. Agricultural Produce Market Committee, Nargund, District Dharwar.
3. Agricultural Produce Market Committee, Laxmeshwar, District Dharwar.
4. Agricultural Produce Market Committee, Bailhongal, District Belgaum.
5. Agricultural Produce Market Committee, Jamkhandi, District Bijapur.
6. Agricultural Produce Market Committee, Hubli, District Dharwar.
7. Agricultural Produce Market Committee, Ranebennur, District Dharwar.
8. Agricultural Produce Market Committee, Athani, District Belgaum.
9. Agricultural Produce Market Committee, Dharwar, District Dharwar.
10. Agricultural Produce Market Committee, Sankeshwar, District Beigaum.
11. Agricultural Produce Market Committee, Gadag, District Dharwar.
12. Agricultural Produce Market Committee Bijapur, District Bijapur.
13. Agricultural Produce Market Committee, Annigeri, District Dharwar.
14. Agricultural Produce Market Committee, Bagalkot, District Bijapur.

*"B" Co-operative Societies.*

1. Shri Ganpati Co-operative Kharedi Vikri Sangh, Sangli.
2. Gadhinglaj Taluka Co-operative Kharedi Vikri Sangh, Gadhinglaj, District Kolhapur.
3. Ahmedabad Co-operative Fruit and Vegetable Growers' Association Ltd., Ahmedabad, District Ahmedabad.
4. Potato Growers' Co-operative Association Ltd., Ahmedabad, District Ahmedabad.
5. Daskroi Taluka Co-operative Purchase and Sale Union Ltd., Ahmedabad, District Ahmedabad.
6. Kalol Taluka Co-operative Purchase and Sale Union, Kalol, District Mehsana.
7. Hubli Co-operative Cotton Sale Society, Hubli, District Dharwar.
8. Agricultural Co-operative Sale Society, Mundargi, District Dharwar.
9. Nargund Co-operative Cotton Sale Society, Nargund, District Dharwar.
10. Gadag Co-operative Cotton Sale Society, Gadag, District Dharwar.
11. Shetkari Sahakari Sangh Ltd., Kolhapur, District Kolhapur.
12. Kopergaon Big Bagaitdar Co-operative Multipurpose Society Ltd., Kopergaon, District Ahmednagar.
13. Karad Co-operative Purchase and Sale Union Ltd., Karad, District North Satara.
14. Godavari and Pravara Canals Co-operative Purchase and Sale Union Ltd., Kopergaon, District Ahmednagar.

*"C" Traders' Associations.*

1. Belgaum Vyapari Sangh.
2. Chamber of Commerce, Sangli.
3. Unjha Vyapari Mandal.
4. Shahupuri Merchants' Association, Kolhapur.
5. Baramati Merchants' Association.
6. Vambori Merchants' Association.
7. Grain and Seeds Merchants' Association, Umreth.
8. Sirsi Merchants' Association.
9. Kirana Merchants' Association, Karjat.
10. Merchants' Association, Hubli.
11. Grain Merchants' Association, Lunavada.
12. Merchants' Association, Pandharpur.
13. Gadag Cotton Market Association.
14. Merchants and Commission Agents' Association, Dhulia
15. Nasik Merchants' Association.
16. Belapur Road Merchants' Association.
17. Merchants' Association, Nipani.
18. Gadhinglaj Merchants' Association.
19. Barsi Merchants' Association, Barsi.
20. Market Mapari Union, Lasalgaon.

*"D" M.L.As. and M.L.Cs.*

1. Dr. C. J. Patel, M.L.A., Ahmedabad.

*"E" Officials.*

1. Agricultural Marketing Adviser to the Government of India, New Delhi.
2. Assistant Marketing Officer, Ahmedabad.
3. Assistant Marketing Officer, Nasik.
4. Marketing Inspector, Ahmedabad.
5. Shri R. R. Wani, Special Auditor, Co-operative Societies, Nasik.
6. Marketing Inspector, Sangli.
7. Marketing Inspector, Kolhapur.
8. Marketing Inspector, Dhulia.
9. Assistant Marketing Officer, Poona

10. Marketing Inspector, Nasik.
11. Assistant Registrar, Co-operative Societies, Amrell.
12. Assistant Registrar, Co-operative Societies, Himatnagar.
13. Assistant Registrar, Co-operative Societies, Broach.
14. Assistant Registrar, Co-operative Societies, Satara.
15. Assistant Registrar, Co-operative Societies, Dhulia.
15. Assistant Registrar, Co-operative Societies, Ratnagiri.
17. Assistant Registrar, Co-operative Societies, Belgaum.
18. Assistant Registrar, Co-operative Societies, Sangli.
19. Assistant Registrar, Co-operative Societies, Karwar.
20. Assistant Registrar, Co-operative Societies, Palanpur.
21. Assistant Registrar, Co-operative Societies, Jalgoan.
22. Assistant Registrar, Co-operative Societies, Sholapur.
23. Assistant Registrar, Co-operative Societies, Ahmednagar.
24. Assistant Registrar, Co-operative Societies, Kolhapur.

*"F" Individuals.*

1. Project Officer, Karnatak.
2. Shri B. M. Shettar, B.A., LL.B., Legal Advisor to Agricultural Produce Market Committee, Gadag.
3. Somachand Vithaldas Shah of Dehgam.
4. Shri T. K. Dave, Legal Advisor to Agricultural Produce Market Committee, Ahmedabad.
5. Shri L. B. Patil, Pleader, Dhulla.
6. Shri Y. V. Salunkhe, Dhulia.
7. Shri D. V. Narkar, Barsi.
8. Sheth Mansukh Dalsukh and others of Bakore, Taluka Lumawada.

## APPENDIX 5.

## WORKING OF REGULATED MARKETS IN HYDERABAD STATE.

*A. Marketing Legislation.*

The Hyderabad Agricultural Markets Act was passed in the year 1930 to provide for the establishment of open markets for the purchase and sale of cotton and other agricultural produce and livestock in the State of Hyderabad and for the better regulation of such markets.

The salient features of the Act and the Rules framed thereunder are as given below :—

(1) Government by notification in the Gazette declares a place of market either for agricultural produce or for cotton or for both.

(2) The area of the market is usually limited to five miles around Collector's Office, and the market yard is limited to municipal limits. Agricultural produce comes for sale from places within a radius of about 25 miles from the market yard. The Committees exercise no control whatsoever over the purchase and sale beyond the market area. In the market proper no purchases or sales are allowed. Beyond the market proper and within the market area sales are allowed by licensing petty dealers.

(3) Government establishes a market Committee for every market. The Committee consists of not more than 16 persons. In practice and as prescribed in Rule 3A, the Committee consists of 12 persons of whom one is nominated by Government. Of these not less than half are persons elected or nominated from among the growers of agricultural produce or cotton of such area as Government may prescribe. In practice six persons representing agricultural interests in the area, served by the market area nominated by the Collector of the District with the approval of the Secretary to Government, Marketing Department. Not less than 4 members are jointly elected by the traders and the remaining are nominated by Government. The Chairman, though he is to be elected by the Committee from among the members, subject to the approval of the Department or Government in this behalf, but in practice the Revenue Officer is the Chairman. If the Market Committee happens to be at the headquarters of the Collector, he will be its Chairman, if it happens to be at the headquarters of the Prant Officer, he will be its Chairman and if it is at the headquarters of the Mamlatdar, he will be its Chairman. Recently there is a tendency towards electing non-official as Chairmen. There are at present 7 markets where non-officials are Chairmen. Out of 7 markets where non-officials are the Chairmen, in 2 markets the traders are the Chairmen and in the remaining five markets the agriculturists are the Chairmen. The election of the representatives of the traders is conducted by the Revenue Authorities.

***Functions of the Committee.***

The Market Committee frames its own byelaws, defines the local market practices and fixes the handling charges payable to the various market functionaries in the course of transactions. The byelaws are approved by the Secretary, Reconstruction Department. The rates of levy, handling charges are to be approved by the Secretary to Government, Marketing Department. A Market Committee is empowered to issue and cancel licences of market functionaries, to call for daily, weekly, monthly or any periodical returns relating to arrivals, prices, stocks or any other accounts from the licensed traders and to check weighments, weights, scales or any other appliance handled by the market functionaries. Market Committees are also



empowered to scrutinise tak-patties or sale slips issued by the Adayas or commission agents. These powers of the Committee are in practice limited as they are subject to the orders of Government and such authority as Government may prescribe.

#### *Collection of cess.*

Cess at the rate not exceeding As. 4 per Rs. 100 worth produce is provided in the Rules. Cess at present is collected at As. 4 per Rs. 100 worth produce on advalorem basis on agricultural produce sold, from the sellers. The bulk of the income of the Committee is from this source. The budgets of income and expenditure of the Market Committee are approved by the Secretary to Government, Marketing Department.

The traders are registered, the brokers and weighmen are licensed. Very small amount of licence fee is recovered from them. The rate of commission charges to be recovered by the Adayas is approved by the Secretary to Government, Marketing Department. Usually the rate does not exceed Rs. 2 per Rs. 100 worth of produce. The commission is recovered from the sellers only. The weighment is paid by the commission agent, out of his own commission. The weighmen are practically the employees of the commission agents. The rates of hamali to be paid to the hamals is fixed by the Market Committee.

#### *Central Marketing Fund.*

The Marketing Department recovers 40 per cent. of the income of the Markets and pools the same. Out of this pooled fund the pay of the Secretaries of the markets and Superintendents of markets are disbursed. The pay of Assistant Chief Marketing Officers, audit staff etc., is also met out of this fund. Grants are given to the Committees for construction of rest house, godowns etc. Expenditure on publicity, collection of statistical information is also met out of this fund. The total amount of this fund stood at Rs. 26, 58, 196 on 1st April, 1955. The fund is administered by the Chief Marketing Officer subject to the approval of Government.

#### *Employment.*

The Superintendents of all the markets are appointed by Government and their salaries, terms of service, promotions, dismissals, etc., are subject to the orders of Government. The Superintendents are transferable throughout the State. The other employees of the Market Committee are paid out of the funds of the Market Committee. Though the Committee is competent to appoint, other staff, in practice the Chief Marketing Officer appoints the staff. The Superintendent of the market is very powerful. He exercises full control over the staff. He settles ordinary disputes. He takes decisions on the spot. Storage of Agricultural Produce.

The Market Committee makes arrangements for the storage of agricultural produce in accordance with the byelaws framed in this behalf.

#### *Methods of sale.*

The following methods of sale are in practice :—(1) Open heap system ; (2) Open cart system ; (3) Sample system ; (4) Block-wise system ; (5) Fardi system.

### *B. Working of the Markets visited.*

#### *Nanded Market Committee.*

Nanded is an important assembling market for cotton and cereals in the Nanded District of Hyderabad. Its population is 65024. It is situated on the Manmad-Kacheguda Metre gauge of the Central Railway. The Committee

was established on 2nd September 1931. Its notified area is five miles around the Collector's office. A new market yard was established three years back. The area of the yard is acquired by the municipality and the land is owned by it. The municipality has arranged for water and light. Byots-shed, cattle troughs, police station are built. There are 303 godowns and 175 shops owned by the traders and commission agents. The yard is yet to be fully developed. It is about 2 miles from the town and about  $1\frac{1}{2}$  miles from the Railway Station.

The Commodities regulated are Kapas, Jaggery, Karda, Wheat, Jowar, Groundnut, Rice, Mug, Tur, and other millets and pulses.

Annual average arrivals in the market are 372,713 pallas (one palla is equal to 120 seers). The above arrivals are classified as under :—

5 per cent. by rail, 55 per cent. by carts, and 40 per cent. by trucks. 25 per cent. of the arrivals of the produce is brought by the agriculturists and the remaining 75 per cent. by small traders who purchase from the villages. 40 per cent. of the arrivals is kapas and 25 per cent. is jowar. The value of produce which arrives in the market annually is estimated at Rs. 2 crores.

The total income derived by the market during the last year was Rs. 66,507 out of which Rs. 54,862 was by way of cess and Rs. 9,013 was by way of licence fees and the remaining Rs. 2,633 was from other sources. There are 161 registered traders, 85 petty traders, 18 brokers, 300 hamals and 42 weighmen.

#### *Method of sale.*

Grains are sold by open auction on heaps. Cotton is sold by fardi system and groundnut is sold by open auction—

(i) *Open heap system.*—According to this system all grains coming for sales are heaped in front of the Adatyas-shops or on a specified platform and auctioned. The buyers after examining the commodity after their own prices and the produce is consequently sold to the highest bidder provided the seller agrees. Soon after auction the weighment starts on the same spot. The auction is completed very quickly.

(ii) *Open cart system.*—In the open cart system the produce is kept for examination in the cart itself. The buyers after examining the commodity offer their own prices.

(iii) *Fardi System.*—Under this system the Adatyas are divided into six fardis or groups. Every day the total arrivals of one group fixed for the day is put to auction and are invariably purchased by the buyer who offers the highest bid. The Adatyas of other groups have to sell at the rate bid for the day to any buyer of their choice. In the absence of any other buyer the Adatyas offer their names to be entered on the fardi before auction and the highest bidder of the day has to purchase the whole lot. One or two or even more buyers combine together and purchase the lots in the name of one person. This system quickens sales where arrivals are heavy and sales of individual lots are not possible.

(iv) *Open auction.*—According to this system carts are examined and they are sold in open auction to the highest bidder.

#### *Market charges.*

Adat Commission :—

Cotton Rs. 1-8-0 per cent.

Grains Rs. 2-0-0 per cent.

Lint Re. 1-0-0 per cent.

**Market fees :—**

As. 4 per cent. (As. 4 per Rs. 100 worth of produce).

Cess is collected by the Adayas from Agriculturists and handed over to the Market Committee.

**Staff—**

(1) Market Superintendent	..	..	1
(2) Assistant Market Superintendent	..	..	1
(3) Ahlekars	..	..	1
(4) Peons	..	..	3
(5) Segedars	..	..	2
(6) Kamgars	..	..	6
(7) Other menials.	..	..	4

The agreement slips are given to buyers, sellers and Market Committee. The payments of sale proceeds are prompt. They are made every day. No allowances by way of refraction are allowed. There is no co-operative society working in this market. The Committee consists of 12 persons. The Collector of Nanded District is the Chairman. He signs important papers only. He attends meetings of Market Committee when called. The day to day work is done by the Market Superintendent. As already pointed out 40 per cent. of the income is contributed to the Central Marketing Fund. The Collector is said to have very little time to look to the day to day work of the Committee.

**Municipality—**

In the past the Collector was the President of the Municipality. He used to take great initiative in acquiring and development of market yards. Now the Collector is not the President of the Municipality. Market Committees and the Municipality are working at two different institutions. No octroi is recovered by the Municipality.

**(2) NIZAMABAD MARKET.**

The population of Nizamabad is 58,000 souls. It is on the Manmad-Kacheguda metre gauge line of the Central Railway. The Act was applied to this market on 29th January 1938. The notified area of the market is 5 miles around the Collector's office. Agricultural produce from 25 miles round about the yard is brought for sale in the market. The area of the market yard is 7.58 acres. There are 51 shops and 40 godowns. The land of the market yard is owned by the Municipality. The Market Committee has its office building in the centre of the yard. On all the sides there are shops-cum-godowns. In front of each shop there is a paved space, where auction sales take place. The Municipality has arranged for water and light in the market yard. There is a carting compound, and construction of a ryot-shed is undertaken.

The commodities regulated are jaggery, groundnut, turmeric, chillies, Til, cereals, etc. The estimated value of the annual arrivals of these commodities is estimated at Rs. 3,20,00,000. Out of these arrivals, the following is the classification of percentage of arrivals of various commodities :—

Jaggery 27 per cent., groundnut 17 per cent, turmeric 13 per cent., chillies 3 per cent., and the rest is of the remaining commodities.

The annual income of the market is about Rs. 98,342, out of which Rs. 89,093 is from market fees and Rs. 6,662 is from licence fees. The remaining is from other sources.

There are 92 registered traders, 141 petty dealers, 34 weighmen, 225 hamals, and 20 brokers.

*Market Charges—*

The market charges in this market are similar to those of the Nanded Market.

*Staff—*

The following is the staff working in this market :—

(1) Market Superintendent				1
(2) Assistant Market Superintendent	...	...	...	1
(3) Segedar	...	...	...	1
(4) Ahlekar	...	...	...	1
(5) Kamgars	...	...	...	6
(6) Peons	...	...	...	3
(7) Other menials	...	...	...	5

The terms and conditions of employment of the staff are similar to those of the Nanded market. The Chairman of this Market Committee is also the Collector of the District. About the constitution and working of this market, the position is the same as that of the Nanded Market.

*Method of sale—*

The method of sale is by open auction. In case of grains and gul, the auction is done on examining the heap placed in front of the shop of each dalal. With regard to auction of other commodities exactly at 10 O'clock all the commission agents and buyers assemble in the market. Commission agents give chits containing therein information regarding the quantity to be sold. The Market Superintendent counts all the chits and declares the figures of different qualities. Auction then takes place, the highest bidder has to purchase all the quantity listed. The dalals are bound to deliver the quantity mentioned in the chits. If the purchaser fails to purchase all the quantity at the price bid by him, he has to give the difference if the sellers get a price which is lower than the bid price. With regard to the remaining quantity lying with the dalals or with the agriculturists, they are allowed to sell at the rate which is declared at the bid.

## APPENDIX 6.

## WORKING OF REGULATED MARKETS IN MADRAS STATE.

*Marketing Legislation.*

The Madras Commercial Crops Markets Act, 1933, provides for the better regulation of the buying and selling of commercial crops and for that purpose it provides the establishment of markets. Commercial crops are defined in the Act. If any other crops which are not defined in the Act are to be brought under regulation, Government notifies such crops as commercial crops.

The salient features of the Act and the Rules framed thereunder are as under :—

- (1) Government after declaring its intention of exercising control over the purchase and sale of commercial crops, as specified in the notification, declares a notified area and establishes a Market Committee for the notified area.
- (2) The area of the Market Committee extends to a District.
- (3) The Market Committee provides central places i.e., markets for the sale of commercial crops. The Committee at the headquarters controls and manages the markets.
- (4) After declaration of the market area, no person shall within the notified area set up, establish or use, continue or allow to be continued any place for the purchase or sale of a notified commercial crops except under and in accordance with the conditions of a licence granted to him by the Collector.
- (5) Sales and purchases of notified commercial crops do not take place in the market proper.
- (6) There are three places where the purchase and sales take place in the notified area viz., (i) market yard, (ii) pressing and processing factories, and (iii) villages.
- (7) The Collector issues licences to the coppers, press owners, oil-mill owners and other merchants to permit them to have a place for purchase and sale of notified commercial crops in their premises.
- (8) Traders are licensed to purchase and sale in the villages.
- (9) The Collector also gives licences to persons within the notified area to set up, establish or use, continue or allow to be continued any place for the storage, weighing, pressing or processing of any notified commercial crops, subject to certain terms and conditions.
- (10) The Market Committee issues licences to weighmen and brokers.
- (11) Traders in the market yard are not licensed but the names of such traders are registered by the Market Committee.
- (12) No cess is recovered on notified commercial crops from the sellers of such crops.
- (13) Fees are recovered from the buyers of commercial crops.

(14) Fees are also recovered from the persons, who are licensed to establish a place to carry on trade beyond the market yard and from the persons who are allowed to undertake storage, weighment, pressing or processing of notified commercial crops.

(15) The Market Committee recovers registration fees from the traders for registering their names as traders.

(16) The Market Committee recovers arbitration fees from the parties concerned.

(17) The Superintendent of the market has powers under the Act to inspect weights and measures, used by the traders.

#### *Constitution—*

The Market Committee consists of 12 persons of whom, five are the representatives of growers, four are representatives of traders, two are Government nominees and one is an Ex-officio member, who is a District Agricultural Officer of the area, served by the Market Committee. Five representatives of the growers are elected by the growers of commercial crops, within the notified area. Five seats of the growers are distributed amongst the talukas according to the number of the growers. There are five groups in the notified area of the market. From each group, one representative is elected. The traders' representatives are elected from constituencies made up of persons licensed as traders and who have dealings beyond the market area and persons who are allowed to set up, establish or use, continue or allow to be continued any place for storage, weighment, pressing or processing of any notified commercial crops. Two are nominated by Government. The elections of the Market Committees are conducted by the Revenue Authorities. Government has framed rules known as The Madras Commercial Crops Markets (Election) Rules, 1940. The Chairman and the Vice-Chairman of the Market Committee are elected from among the members. The powers enjoyed by the Market Committee are wide. The Market Committee is competent to employ its staff in accordance with the Service Rules prescribed by Government. The Secretary of Market Committee is a Government servant and his services are loaned to the Committee. The Secretary of the Market Committee is its executive officer and he is under the disciplinary control of the Chairman. The Market Committee can borrow funds for the purpose of carrying out its objects, for which it is established, with the previous sanction of Government. The State Government is empowered to supersede a Market Committee if it is not competent to perform its duties properly or makes default in performing the duties imposed upon it or abuses its powers.

#### *Progress of Regulations—*

At present six commercial crops viz., cotton, tobacco, gingelly, coconut, groundnut and arecanuts are declared as commercial crops under the Madras Commercial Crops Markets Act, 1933. There are 17 Market Committees which have set up 13 regulated markets in the State. Out of 17 markets, 8 are in South Arcot District and are working under the control of the South Arcot Market Committee, Cuddalore. The progress of regulation of markets in other districts is hampered as a result of the opposition to the enforcement of the Act, made by certain traders. Working of the markets visited.

Before giving the working of the markets visited, an idea about the South Arcot Market Committee under whose control these are working is given.

The South Arcot Market Committee, Cuddalore, was established on the 1st April, 1939. Its area extends to the district of South Arcot comprising 8 talukas. The headquarters of the Market Committee is at Cuddalore. The commodities regulated are groundnut, cotton and gingelly. There are at present 8 regulated markets, operating in the South Arcot District at important assembling centres. A total quantity of 64070 tons of groundnut kernels were handled in these 8 markets during the year 1954. Out of the total production of 1 lakh tons roughly about 64 per cent. of the total production or about 80 per cent. of the marketable surplus is sold in the regulated markets. The income of the Committee amounted to Rs. 2,53,650 during the year.

The Committee consists of 12 persons, of whom, 3 representatives of traders, 4 are representatives of growers, 2 nominees of Government and one is an *ex-officio* Member, who is District Agricultural Officer. The Secretary is a Government Officer from the Agricultural Department. He is of the rank of the District Agricultural Officer. His services are loaned to the Committee. The present Chairman of the Market Committee who is an agriculturist has been working as Chairman for the last 12 years. Each market has a Superintendent. The staff of the markets is controlled by the head office.

#### TINDIVANAM MARKET.

This market was established on the 12th December 1939. The market yard is surrounded by a wall built of stone. There is a godown and small office. In front of the godown, there is drying place which is made of cement concrete. There are water facilities in the yard.

#### *Method of sale.*

Groundnut is the commodity which arrives in the market. The producers themselves bring groundnut (shelled) for sale in the market. As soon as the produce arrives in the market, the sellers are advised to clean it if necessary. The sellers clean the groundnut seeds on the drying space provided in the market yard. The empty gunnies are given by the Market Committee gratis for putting the clean seeds in them. The gunnies are of a standard size. The cleaned seeds are then weighed by the licensed weighmen and tokens are given for each of the lot. All the lots are placed on the drying space. The buyers examine the quality of the produce at a stipulated time, the lots assembled are auctioned by the close "bid tender system". The prospective purchasers who are exporters or owners of crushers, ghanis, oil mills or vanaspati manufacturers, within the locality or within the district or outside the district go round the lots, examine them one by one visually. The purchasers are given as many bid slips as there are number of lots. The purchaser mentions his bid in the chit. All the chits tendered by the parties are collected by the Market Superintendent and the bids are then compared. The highest bid for each lot is taken as a final price. The owner of the produce has the final say in the matter. Only after he expresses his consent to part with his produce for the highest bid tendered, the bargain is finally settled. No commission agents are employed in the transactions. There is a gang of weighmen headed by literate weighmen and all these are licensed. The weighing charges are fixed by the Market Committee. The literate licensed weighman is held responsible for all weighments done. Eight pies per bag are the weighing charges. Seven pies are given to the rest of the weighmen, while one pie is given to the head of the gang. The agriculturists are given storage facilities for storing their produce for 72 hours free of charge. After that period, certain fees are recovered from them for the storage facilities. Payments of sale proceeds are prompt and are usually made on the same day. In case of an unknown trader, deposits are taken from him before he is

allowed to bid in the auction. If he delays to make payments, he will not be allowed to bid in the auction next day. No trade allowances are permitted. After the transaction is over three receipts are prepared, one is kept with the Committee, one is given to the seller and one is given to the trader. The auctions are quick. In peak season about 300 lots of produce are sold.

#### VILLUPURAM MARKET.

Villupuram is a bigger market than Tindivanam. The main produce that comes for sale in the market is groundnut. The area of the market yard is about 8 acres. There are two godowns and a small office building. There is also a rest house and water troughs. The yard is fenced by a stone wall. The weighing and delivery of agricultural produce and the payment of sale proceeds are done on the market yard. No trade allowances are recovered. The speciality of this market is that groundnut quality test competition is held by the Market Committee. Agriculturists who bring groundnuts of best quality are given prizes. While deciding the quality, foreign matter, broken groundnuts, nooks, driage, etc. are taken into consideration.



## APPENDIX 7.

(2) THE AGRICULTURAL PRODUCE MARKET COMMITTEE, AHMEDABAD,  
DISTRICT AHMEDABAD.

The Agricultural Produce Market Committee, Ahmedabad was established in the year 1948 for the regulation of the purchase and sale of fruits and vegetables. It is the first market of its kind in the whole of the country. The area of the Market Committee extends to a radius of 10 miles from Ahmedabad. Beyond the market yard the whole area is declared as market proper. At present regulation of trade of vegetables only is undertaken, because there is no space for carrying on the trade of fruits under regulation. All kinds of vegetables are brought for sale in this market. Vegetables come for sale not only from the notified market area but also from other areas of the district and even from areas outside the district.

The Committee consists of 15 members of whom 7 are representatives of agriculturists, 4 are representatives of traders and 3 are Government nominees, Shri Arjun Lala has been working as Chairman of this Market Committee since its inception.

*Arrivals of agricultural produce.*

The arrivals of vegetables which were 10,45,226 B. Mds. in 1948-49 rose to 16,36,976 B. Mds. in 1953-54.

*Financial position.*

The total income of the Market Committee during the year 1953-54 was Rs. 74,927. Out of this amount, Rs. 25,693 were by way of income from licence fees, Rs. 25,578 were by way of income from market fees and the remaining amount was by way of income from miscellaneous receipts. The total expenditure of the Market Committee was Rs. 41,147 and the net surplus was Rs. 33,780. The permanent fund of the Market Committee as on 31st August 1954 amounted to Rs. 1,52,812.

*Method of sale*

As soon as the produce arrives in the market yard, the gate-keeper issues a gate pass to the producer in which name of the seller, kind of agricultural produce, its weight, name of the place from which brought and the name of the commission agent engaged are duly recorded. The producer then takes the produce to the general commission agent. The auction begins under cover and ends with open auction. After the auction is completed, an agreement is executed between the buyer and the seller. A detailed bill in the prescribed form is then supplied to the producer giving details regarding the price and weight of the produce and the deductions made.

*Market yard*

The Committee has not been able to secure a permanent site for its market yard. The existing site in which transactions at present take place is made available by the Ahmedabad Municipal Corporation. The Committee is in correspondence with the Municipal Corporation for the purpose of securing a suitable site for its permanent yard.

*Amenities*

The Market Committee has provided amenities like, light water, sanitation etc., on its market yard. The Committee has also made arrangements for cold storage of perishable agricultural produce with the help of the Ahmedabad Ice and Cold Storage.

### *Market Functionaries*

The market functionaries are licensed and licence fees according to the rates prescribed in the byelaws approved by the Director of Agricultural Marketing are recovered. Market fees are recovered from the sellers on the agricultural produce brought for sale but no market fees are recovered from the sellers who sale the produce themselves on the market yard.

### *Relations of market functionaries.*

The relations of the market functionaries with the Market Committee are on the whole good. However, for the last one year or so, there has been some friction in the smooth working of the Market Committee.

## **Notes on the working of Regulated Markets visited.**

### **(1) THE AGRICULTURAL PRODUCE MARKET COMMITTEE, BROACH, DISTRICT BROACH.**

The Broach Agricultural Produce Market Committee was established in the year 1948 for the regulation of the purchase and sale of Lang and Peas. Subsequently cotton, ginned and unginced, was also brought under regulation at this market. The area of operation of this Market Committee extends to Broach and Wagra talukas and Amod Mahals of the Broach District. It has one sub-yard at Halder.

### *Arrivals of agricultural produce.*

The arrivals of lang, peas and cotton (ginned and unginced) which were of Rs. 5,985-6-6 in 1948-49 rose to Rs. 24,783-1-0 in 1953-54.

### *Financial position.*

The total income of the Market Committee during the year 1953-54 was Rs. 24,783-1-0. Out of this amount, Rs. 12,550 were by way of income from licence fees, Rs. 12,050-13-6 were by way of income from market fees and the remaining amount was by way of income from miscellaneous receipts. The total expenditure of the Market Committee was Rs. 16,695-11-0 and the net surplus was Rs. 8,087-6-0.

### *Method of sale.*

The sales are conducted by open auction. The Market Committee is, however, not able to effect sales of cotton by open auction on its market yard on account of opposition from certain gin owners. The sales of cotton are, therefore, conducted in the gins. The other commodities viz., lang and peas are sold by open auction on the market yard.

### *Market yard.*

The Market Committee has secured a permanent site for its market yard and has acquired the same with the help of a Government loan of Rs. 40,000.

### *Amenities.*

The Market Committee has provided a well, water trough, wire fencing, weighing balance room, etc.

### *Relations of market functionaries.*

The relations of market functionaries with the Market Committee are in general good, except in case of traders in cotton. As regards cotton the produce is not so far sold on the market yard but is taken to the gins and it

is weighed, measured and surveyed there and sold. The Market Committee has made all efforts to improve the relations of traders in cotton and it is expected that cotton will also be sold in open auction on the market yard shortly.

### (3) THE AGRICULTURAL PRODUCE MARKET COMMITTEE, DHULIA, EAST KHANDESH

The Dhulia was the first market regulated for purchase and sale of cotton under the Bombay Cotton Markets Act in the year 1930. On the passing of the Bombay Agricultural Produce Markets Act, 1939, Dhulia Market was deemed to be a market established under the provisions of the Bombay Agricultural Produce Markets Act, 1939. Subsequently additional commodities like groundnut, (shelled and unshelled) mug, udid, gram, math, chola, sesamum, wheat, jowar, bajri, gul, cattle, sheep and goats were regulated at this market. The area of operation of this Committee extends to Dhulia taluka of the West Khandesh District. There are no sub-market yards under this market.

#### *Arrivals of agricultural produce.*

The total arrivals of cotton and groundnut were 8,95,158 in 1953-54.

#### *Financial position.*

The total income of the Market Committee during the year 1953-54 was Rs. 27,502, out of which Rs. 14,071 were by way of income from licence fees, Rs. 10,912 were by way of income from market fees and the remaining amount was by way of income from miscellaneous receipts. The total expenditure of the Market Committee was Rs. 20,883 and the net surplus was Rs. 6,619. The permanent fund of the Market Committee was on 31st August 1954 amounted to Rs. 46,846.

#### *Method of Sale.*

This is the only market where auction sales are not so far conducted. However, the Market Committee has been asked to introduce the system of sales by open auction and delivery and weighing of agricultural produce on the market yard with immediate effect. At present the sales are conducted under the Hatta system.

#### *Market yard.*

A site measuring 7 acres and 2 gunthas has been obtained on lease for 51 years on nominal rent of rupee one per year from 1st June 1933. In addition, the Market Committee has acquired adjoining additional lands in Survey No. 340 measuring 19 acres and 18 gunthas. The Market Committee has not so far developed the market area.

#### *Amenities.*

The Market Committee has provided the following amenities :—

Compound wall—1,550 feet—Rs. 9,636 ; fencing 670 feet—Rs. 2,184 ; electric motor pump—Rs. 1,041 ; water trucks—Rs. 2,000 ; water tank with capacity of 700 gallons ; laterines. The other amenities such as roads, water taps are provided by the Dhulia Municipality. The Market Committee has also made arrangements for lighting and has constructed an office building and temporary shed.

*Relations of market functionaries.*

In the beginning there was a strong opposition from the traders for the regulation of trade in cotton at this market, but subsequently, it was sub-sided. The general relations of the market functionaries with the Market Committee do not appear to be very cordial.

(4) THE AGRICULTURAL PRODUCE MARKET COMMITTEE, KOPERGAON,  
DISTRICT AHMEDNAGAR.

The Kopergaon Market Committee was established in the year 1948 for the regulation of purchase and sale of gul. Its area of operation extends to Kopergaon taluka of Ahmednagar district. After decontrol and derationing, commodities like wheat, jowar, bajri were regulated in this market in addition to tur, gram, mug, math, groundnut, (shelled and unshelled), linseed, safflower, and mosambies with effect from 16th August 1954. Kopergaon is an important marketing centre for gul and is next in importance to Kolhapur market in the State.

*Arrivals of agricultural produce.*

The total arrivals of gul which were 6,49,630 B. Mds. in the year 1951-52 rose to 6,85,384 B. Mds. in the year 1953-54.

*Financial Position.*

The total income of the Market Committee during the year 1953-54 was Rs. 21,352-4-0, out of which Rs. 11,440 were by way of income from licence fees, Rs. 9,224-4-0 were by way of income from market fees and the remaining amount was by way of income from miscellaneous receipts. The total expenditure of the Market Committee was Rs. 13,983-0-10 and the net surplus was Rs. 3,249-3-2.

*Method of sale.*

Sale by open auction and by open agreement is allowed in case of gul. Gul stored in godown is sold by open agreement after the auction sales on Mondha are over in the morning. Carts of gul coming on the Mondha are sold by open auction from 9-0 a.m. under the supervision of the Market Committee. The Market Committee has appointed supervisory staff for supervision of auction sales. Carts coming on the Mondha are arranged by serial number and are sold by open auction according to serial numbers given to them. The time limit fixed by the Market Committee for auction is as under :—

1 to 2 carts	... 1 minute.
3 to 5 carts	... 2 minutes.
6 to 8 carts	... 3 minutes.
9 to 10 carts	... 4 minutes.
One motor truck	... 4 minutes.

Similarly time limits are fixed for auction of grain and pulses as under :—

1 to 5 bags	... 1 minute.
More than 5 bags	... 2 minutes.

In case of Mosambies, their sale is effected by open auction on weekly bazar day viz., Monday under the supervision of the staff of the Market Committee. Mosambi garden sales are common and mosambies purchased in garden sales are exported directly by the traders. Gul sold on the market yard is weighed and delivered on the same day. Gul sold in registered godowns

is weighed and delivered within 5 days. Grains and pulses sold on the market yard are weighed and delivered on the spot. Licensed weighmen are employed for weighing of the produce and allotted shops by rotation.

#### *Market yard.*

The Committee has not so far secured land for its market yard. The Committee has now decided to purchase private land measuring about 13 acres by private negotiations at a cost of Rs. 14,001.

#### *Amenities.*

The Market Committee has not so far secured a permanent land for a market yard of its own and hence it has not provided any amenities nor it has provided any godowns of its own on the market yard.

#### *Relations of market functionaries.*

The relations of the market functionaries with the Market Committee are cordial. There were no deadlocks in this market. The Market Committee is, however, finding difficulties in the effective enforcement of the provisions of the Act, Rules and Bye-laws in the absence of a permanent site for its market yard.

### (5) THE AGRICULTURAL PRODUCE MARKET COMMITTEE, HUBLI, DISTRICT DHARWAR.

The Agricultural Produce Market Committee, Hubli, was established in the year 1943 for the purchase and sale of cotton (ginned and unginned). Subsequently, the provisions of the Bombay Agricultural Produce Markets Act, 1939 were further extended to commodities like groundnut (shelled and unshelled), safflower, sesamum, gram, tur, mug, udid, kulthi, linseed, nigerseed, castorseed, onions, potatoes, jowar, wheat, paddy (husked and unhusked), bajari, coriander and navani. The area of operation of this Market Committee extends to Hubli, Kalghatgi and Bankapur talukas and Kundagol mahal of Dharwar District. The Committee has established 3 sub-market yards at Kundgol, Gudgeri and Yelavigi.

#### *Arrivals of agricultural produce.*

The arrivals of groundnut (unshelled) and cotton were 78,991 B. Mds. and 2,60,646 B. Mds. respectively in 1953-54.

#### *Financial position.*

During the year 1953-54 the Committee earned a total income of Rs. 52,263 as against which its expenditure was Rs. 48,977. The total permanent fund of the Market Committee as on 31st August 1954 was Rs. 1,20,167.

#### *Method of sale.*

In Hubli Market agricultural produce is sold either by open auction or by open agreement. The Committee has introduced the system of executing agreements as required under Rule 62. The sales are conducted under the supervision of the staff of the Market Committee. The sale proceeds are also paid promptly to the agriculturists.

#### *Market yard.*

The Market Committee has got a well developed market yard measuring about 56 acres and is divided into 205 plots. The traders who owe these plots have constructed godowns on the same, and godowns constructed number

in all 73. The Committee has established 3 sub-market yards at Kundgol, Gudgeri and Yelavigi. It also proposed to declare sub-market yard at Kalghatgi.

#### *Amenities.*

The Committee has a market yard of its own and the commission agents have constructed godowns on the same. The Committee has constructed an office building at a cost of Rs. 72,000. It has maintained grading apparatus worth Rs. 14,000. It has also built a cattle shed worth Rs. 43,000 with the help of a Government loan for the use of the cattle and the agriculturists who bring their produce for sale on the market yard. The Hubli Municipality has provided electricity and few water taps on the market yard.

#### *Relations of market functionaries.*

The relations of the market functionaries with the Committee are of a cordial nature and occasions for frictions are very rare.

### (6) THE AGRICULTURAL PRODUCE MARKET COMMITTEE, GADAG, DISTRICT DHARWAR.

The Gadag Market Committee was established in the year 1943 for the regulation of the purchase and sale of cotton only. Subsequently, the provisions of the Bombay Agricultural Produce Markets Act, 1939 were applied to this market for the purchase and sale of groundnut (shelled and unshelled), safflower, linseed, seamum, castorseed, tur, mug, math, kulthi, betel-leaves, jowar, wheat, gram, corriander, etc. The area of this Market Committee extends to Gadag and Ron talukas and Mundargi peta of Dharwar District. The principal market yard of the Committee is at Gadag. The striking feature of this market is that in order to conform the benefits of regulation upon the primary producers and to enable them to sale their agricultural produce at their doors, it has open 7 sub-market yards in its market area at places viz., Mulgund, Mundargi, Ron, Naregal, Sudi, Hole-Alur and Gajendragad.

#### *Arrivals of agricultural produce.*

The total value of arrivals in respect of kapas, lint, groundnut (unshelled) and safflower was Rs. 4,42,87,458 in 1953-54.

#### *Financial position.*

The total income earned by the Committee during the year 1953-54 was Rs. 1,05,078 and the total expenditure incurred by the Committee during the same year was Rs. 74,555. The Committee has a permanent fund of Rs. 2,84,339.

#### *Method of sale.*

All cotton brought in the compounds of the co-operative cotton sale societies is sold by open auction and all the other regulated agricultural produce is sold by open agreement system in all the market yards except at Mulgund where groundnut is also sold by open auction.

#### *Market yard.*

The Committee has got a market yard of its own.

*Amenities.*

The market yard of the Committee is equipped with essential amenities and facilities. The Committee has constructed a sale hall. It has completed the work of construction of office building and cattle shed recently. It is reported that the site of this building was granted to the Committee free of cost by Government. The Gadag Municipality has constructed a permanent cement concrete road in the heart of the cotton market. The Committee has made arrangements for light and water facilities.

*Relations of market functionaries.*

The relations of the market functionaries with the Market Committee are of a cordial nature and the market functionaries have not given scope for any litigations.

(7) THE AGRICULTURAL PRODUCE MARKET COMMITTEE, SANGLI,  
DISTRICT SOUTH SATARA.

The Sangli Market Committee was established in the year 1951 for regulation of purchase and sale of groundnut (shelled and un-shelled), gul, turmeric, chillies. Subsequently additional commodities like cotton (ginned and un-ginned), gram, tur, safflower, corriander, mug, matki, udid, castorseed, jowar, bajri, wheat and maize were regulated in this market. Sangli is a big multi-commodity assembling market in the State. Commodities like groundnut, chillies, turmeric and gul arrive in large quantities in this market. It is the biggest market for turmeric in the State. Forward trade in groundnut and turmeric was carried on in Sangli till recently when it was prohibited by the Central Government. There is an association known as Spices & Oilseeds Exchange Ltd., Sangli, which conducted forward trade. The area of operation of this Committee extends to Miraj Taluka of South Satara District. The Market Committee had opened a sub-yard at Madhavnagar but the same has been discontinued recently.

*Arrivals of agricultural produce.*

The arrivals in respect of groundnut (unshelled), groundnut (shelled), gul, turmeric, chillies, were 804757 bags in the year 1953-54.

*Financial position.*

The total income of the Market Committee during the year 1953-54 was Rs. 80,908-8-9. Out of this amount, Rs. 60,725 were by way of income from licence fees, Rs. 15,370-12-3 were by way of income from market fees and the remaining amount was by way of income from miscellaneous receipts. The total expenditure of the Market Committee was Rs. 39,855-11-9 and the net surplus was Rs. 41,052-13-0. The permanent fund of the Market Committee was on 31st August 1954 amounted to Rs. 1,38,907-9-0.

*Method of sale.*

The agricultural produce brought for sale on the market yard is sold by open auction under the supervision of the staff employed by the Market Committee.

*Market yard.*

The Market Committee has acquired a specious land for its market yard measuring 99 acres and 30 gunthas at a cost of Rs. 1,75,000 for its permanent principal market yard at Sangli. The Committee has divided the market yard into 364 plots and these plots have been given on lease to the market functionaries.

*Amenities.*

The Committee has constructed an office building on its market yard at a cost of Rs. 50,000. It has also constructed roads and fenced the market yard. The Sangli Municipality has undertaken a plan of providing water facilities and electricity on the market yard at an estimated cost of about Rs. 1½ lacks. The Committee has undertaken construction of a water tank of a capacity of 30,000 gallons in order to maintain an adequate supply of water at all times and the cost of this tank is estimated at Rs. 5,000. The Committee has also prepared an ambitious plan for an allround development of the market yard which visualises construction of godowns, arrangement for post and telegraph office, boarding and lodging house, hotels, cycle shops, shops supplying agricultural implements and manures, dispensary for people and a veterinary dispensary for animals to be run with the help of the Janata Sahakari Arogya Kendra, quarters for employees of the Market Committee and rest house for the farmers.

*Relations of market functionaries.*

The relations of market functionaries with the Market Committee are cordial and there was only one case of difference of opinion between the Committee and the traders in the matter of shifting of trade from the Vakhar Bhag area to the newly acquired site last year.

**(8) THE AGRICULTURAL PRODUCE MARKET COMMITTEE,  
KOLHAPUR, DISTRICT KOLHAPUR.**

The Kolhapur Market was regulated in the year 1945 under the provisions of the then Kolhapur Agricultural Produce Markets Act, 1945 for the purchase and sale of gul, groundnut (shelled and unshelled), with effect from 15th October 1945. After the merger of the State in Bombay in March 1949, the Kolhapur Market was deemed to be a market regulated under the provisions of the Bombay Agricultural Produce Markets Act, 1939. The area of operation of this Market Committee extends to 4 talukas viz., Karvir, Radhanagari, Ehdargad and Panhala mahal of Kolhapur District. The Committee has not so far opened sub-yards in the market area. It is, however, proposed to extend the market area of this Committee to Hatkanangale, Kagal, Shahuwadi talukas and Gaganbawada mahal and to open sub-market yards at Wadgaon in Hatkanangale Taluka, Murgad in Kagal Taluka and Malkapur in Shahuwadi Taluka. The Kolhapur Market is a very important assembling market for gul and the gul produced in the district is renowned for its colour, taste and durability.

*Arrivals of agricultural produce.*

The arrivals of groundnut were 2,23,219 bags and in respect of gul were 18,99,462 lumps, in the year 1953-54, valued at Rs. 34,49,316.

*Financial position.*

The total income of the Market Committee during the year 1953-54 was Rs. 74,727, out of which Rs. 60,481 were by way of income from licence fees, Rs. 12,123 were by way of income from market fees and the remaining amount was by way of income from miscellaneous receipts. The total expenditure of the Market Committee was Rs. 38,451.



*Method of sale.*

The sales are conducted by open auction. The arrivals are heavy during the season. The Committee has, therefore, adopted a system of conduction auction sales by a system of rotation or turns and by allotting specific time to each general commission agent depending on the arrivals of gul.

*Market yard.*

The Kolhapur Market Committee has not got a permanent market yard of its own. Steps to acquire a spacious permanent site for its market yard are in progress. The Committee has prepared a plan for development of its market yard.

*Amenities.*

The Committee has not yet secured a permanent market yard of its own and as such it has not provided amenities on the market yard.

*Relations of market functionaries.*

The relations of the market functionaries with the Market Committee are not so cordial as in the other markets and there are frictions at times with regard to the method of auction adopted by the Market Committee, rates of licence fees prescribed and the general administration of the Act and Rules.

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APPENDIX 8.

*Statement showing the Position of the Regulated Markets in the Bombay State,  
as on 31st August 1955.*

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APPENDIX 8.

Statement showing the Position of the Regulated Markets in the Bombay State, as on 31st August 1955.

Serial No.	District.	Name of the Market Committee.	Date of Constitution.	Commodities Regulated.
1	2	3	4	
GUJERAT REGION.				
1	Banaskantha	1. Deesa ...	21st November 1951.	Mug, Math, Udid, Val, Chola, Tur, Guwar, Sesamum, Sarsav, Castorseed, Grass, Fodder, Chino, Gram, Isabgul, Bajari and Jowar.
2	Sabarkantha	2. Talod ...	23rd September 1948.	Cotton, Groundnut Castorseed, Tur, Mug, Chola, Gram, Sesamum, Sarsav, Bajri, Jowar, Wheat, Barley, Maize and Chino.
		3. Dhansura ...	10th May 1949 ...	Cotton, Groundnut, Tur, Mug, Math, Castorseed, Sesamum, Wheat, Gram, Maize, Jowar and Udid.
		4. Himatnagar...	1st May 1951 ...	Cotton, Groundnut, Castorseed, Sesamum, Sarsav, Wheat, Methi, Asario, Barley, Maize, Gram, Bajari and Jowar.
		5. Khedbrahma.	7th February 1955.	Cotton, Groundnut, Maize, Bajari, Jowar, Wheat, Kodra, Gram, Mug and Chola.
3	Mehsana	6. Patan ...	5th November 1951.	Mug, Math, Udid, Chola, Tur, Banti, Chino, Castorseed, Sarsav, Sesamum, Isabgul, Variali, Cattle, Sheep, Goats, Jiru, Guwar, Rai, Raido, Methi, Gram, Bajari, Jowar and Wheat.
		7. Vijapur ...	17th. February 1955.	Mug, Math, Chola, Tur, Val, Guwar, Til, Sarsav, Rai, Castorseed, Variali, Jiru, Chillies, Cotton, Bajari, Wheat, Jowar, Chino and Mangoes.
		8. Unjha ...	29th September 1954.	Variali, Jiru, Isabgul, Sarsav, Rai, Castorseed, Til, Asario, Rajgiro, Methi, Mug, Math, Udid, Gram, Tur, Chino, Banti and Bavto.
4	Amreli	9. Amreli ...	24th December 1952.	Groundnut, Sesamum, Udid, Mug, Gram, Gur, Chillies, Jowar, Bajari and Wheat.
		10. Damnagar ...	11th October 1954.	Jowar, Bajari, Wheat, Groundnut, Gul, Cotton, Sesamum, Chillies and Gram.

5	Baroda	...	11.	Bodeli	...	1st March 1939 ...	Groundnut and Cotton.
			12.	Dabhoi	...	6th February 1952.	Cotton, Groundnut, Tur, Math and Mug.
6	Ahmedabad	...	13.	Bavla	...	10th October 1943.	Vegetables, Condiments, Fruits, Cotton, Tur, Math, Mug, Castorseed, Bajari, Jowar, Wheat and Barley.
			14.	Sanad	...	30th September 1943.	Jowar, Bajari, Wheat, Cotton, Mug, Tur, Math, Udid and Paddy.
			15.	Viramgam	...	30th September 1948.	Cotton, Grass, Fodder, Wheat, Jowar and Bajari.
			16.	Ahmedabad...	3rd May 1948	...	Vegetables and Fruits.
			17.	Dehgam	...	25th April 1951 ...	Cotton, Groundnut, Sesamum, Tur, Mug, Math, Udid, Chillies, Guwar, Gram, Mangoes and Bajari.
7	Kajra ...	...	18.	Nadiad	...	25th October 1948.	Kodra, Bavto, Tur, Mug, Math, Udid, Val, Chola, Castorseed, Sesamum, Jiru, Varijali, Rai, Methi, Bajari, Wheat and Gram.
			19.	Anand	...	19th October 1948.	Tur, Mug, Udid, Val, Gram, Castorseed, Sesamum, Tur-dal, Mug-dal, Math-dal, Udid-dal, Val-dal, Gram-dal, Bajari, Kodra and Bavto.
			20.	Umreth	...	19th October 1948.	Tur, Chola, Math, Udid, Groundnut, Castorseed, Sesamum, Bavto, Kodra, Gram, Bajari and Guwar.
			21.	Thasra	...	24th March 1948.	Kodra, Bavto, Tur, Mug, Math, Chola, Castorseed, Sesamum, Groundnut, Cotton, Jowar, Bajari, Val, Val-dal, Mug-dal, Math-dal, Chola-dal, Gram and Gram dal.
			22.	Kapadvanj	...	30th May 1947 ...	Tur, Mug, Cotton, Groundnut, Guwar, Math, Chola, Castorseed, Sesamum, and Varijali.
			23.	Mehamedabad	...	12th July 1950 ...	Kodra, Bavto, Tur, Mug, Math, Chola, Udid, Castorseed, Sesamum, Varijali, Bajari, Jowar, Gram and Wheat.
			24.	Borsad	...	7th April 1955 ...	Kodra, Bavto, Chino, Tur, Gram, Mug, Math, Udid, Val, Chola, Castorseed, Sesamum, Guwar, Bajari, Jowar, Wheat, Tur-dal, Gram-dal, Udid-dal, Math-dal and Val-dal.

APPENDIX 8—*contd.*

Serial No.	District.	Name of the Market Committee.	Date of Constitution.	Commodities Regulated.
1	2	3	4	
<i>GUJARAT REGION—contd.</i>				
		25. Cambay ...	20th June 1955 ...	Wheat, Paddy, Bajari, Jowar, Kodra, Tur, Mug, Udid, Val, Chola, Gram, Castorseed, Sesamum and Cotton.
		26. Matar ...	27th July 1955 ...	Wheat, Paddy, Bajari, Kodra, Bavto, Tur, Gram, Mug, Math, Udid, Castorseed, Sesamum and Cotton.
8	Panchmahals ...	27. Godhra ...	12th June 1949 ...	Groundnut, Tur, Sanhemp, Castorseed, Tilseed, Chillies, Udid, Mug, Peas, Val, Chola, Khursani, Gram, Punwad, Methi and Sarsav.
		28. Jhalod ...	19th September 1949.	Groundnut, Bavto, Tur, Mug, Math, Udid, Val, Chola, Castorseed, Sesamum, Gram and Cotton.
		29. Dohad ...	29th September 1948.	Groundnut, Castorseed, Gram, Tur, Udid, Sanhemp, Chola, Sesamum, Chillies, Mug, Peas, Bavto, Khursani, Sarsav and Onion.
		30. Derol ...	2nd September 1948.	Cotton, Groundnut, Tur, Castorseed and Sesamum.
		31. Santrampur...	3rd May 1952 ...	Tur, Chola, Mug, Math, Val, Udid, Sanhemp, Chillies, Bavto, Kodra, Punwad, Sesamum, Sarsav, Rai, Methi, Koohara, Castorseed and Groundnut,
		32. Lunawada ...	12th November 1951.	Groundnut, Tur, Mug, Chola, Val, Chillies and Sesamum.
		33. Deogadhbaria	26th October 1951.	Groundnut, Tur, Udid, Chola, Castorseed, Sesamum and Sanhemp.
9	Broach ...	34. Broach ...	20th July 1948 ...	Cotton, Lang and Peas.
		35. Jambusar ...	17th February 1951.	Cotton, Tur, Bavto, Kodra, Math, Val, Guwar, Sesamum and Castorseed.

36. Ankleshwar... 14th September 1953. Cotton, Groundnut, Val, Mug, Math, Tur, Sesamum and Lang.

37. Jhagadia ... 18th November 1954. Cotton, Groundnut, Tur, Gram, Sesamum, Jowar and Bajari.

10 Surat ...

... 38. Surat ... 26th March 1951. Vegetables, Fruits, Condiments and Spices.

39. Vyara ... 21st May 1955 ... Cotton, Groundnut, Jowar, Wheat, Tur, Val, Gram, Udid, Mug, Peas and Castorseed.

MAHARASHTRA REGION.

11 Ahmednagar ...

... 40. Kopergaon ... 20th January 1949. Gur, Wheat, Jowar, Bajari, Tur, Gram, Math, Groundnut, Linseed, Safflower, and Mosambis.

41. Shirampur ... 28th February 1949. Gul, Mosambis, Groundnut, Safflower, Sesamum, Mug, Tur, Math, Udid, Cottonseed, Linseed, Gram, and Kulthi.

42. Shevgaon ... New M. C. ... Jowar, Bajari, Wheat, Cotton, Groundnut, Safflower, Sesamum, Tur, Math, Linseed, Mug, Kulthi and Gram.

43. Rahuri ... 15th January 1951. Mosambis, Gur, Safflower, Mug, Math, Tur, Linseed, Sesamum, Cotton, Groundnut and Cotton-seed.

44. Ahmednagar. 16th August 1954. Jowar, Bajari, Safflower, Groundnut, Sesamum, Linseed, Nigarseed, Tur, Gram, Mug, Udid, Math, Kulthi, Vari, Cotton, Cottonseed and Chillies.

12 East-Khandesh ...

... 45. Chalisgaon ... 1st September 1945. Cotton, Groundnut, Gur, Udid, Mug, Math, Castorseed, Sesamum, Linseed and Safflower.

46. Pachora ... 13th September 1945. Cotton, Groundnut, Udid, Chola, Mug, Math, Castorseed, Linseed, Sesamum, Tur and Gul.

47. Jalgaon ... 4th August 1937. Cotton, Groundnut, Corriander, Udid, Mug and Chillies.

48. Amalner ... 1st September 1934. Cotton, Groundnut, Corriander, Udid, Mug, Tur, Chola, Math, Sesamum, Castorseed and Chillies.

APPENDIX 8—*contd.*

Serial No.	District.	Name of the Market Committee.	Date of Constitution.	Commodities Regulated.
MAHARASHTRA REGION— <i>contd.</i>				
		49. Chopda ...	7th February 1948.	Cotton Groundnut Udid Mug Math Chola, Sesamum, Gram & Corriander
		50. Bodwad ...	16th November 1951.	Cotton and Groundnut.
13	West-Khandesh	... 51. Dhulia ...	1st September 1930.	Cotton and Groundnut.
		52. Dondaichha...	Old ...	Cotton, Groundnut, Chillies, Tur, Mug, Udid, Math, Chola, Sesamum, Linseed, Castorseed, Gram, Gul, Jowar, Wheat and Bajari.
		53. Shirpur ...	22nd July 1948 ...	Cotton, Groundnut, Sesamum, Mug, Udid, Tur, Gram, Math, Chola, Linseed, Jowar, Wheat, Bajari and Cattle.
		54. Shahada ...	13th March 1949.	Cotton, Groundnut, Udid, Mug, Tur, Gram, Sesamum, Cattle, Jowar, Bajari, Wheat, Math, Chola, Kulthi and Methi.
		55. Nandurbar ...	22nd July 1948 ...	Cotton, Groundnut, Castorseed, Tur, Mug, Udid, Math, Chola, Sesamum, Linseed, Nigarseed, Ambadi, Gul, Chillies, Jowar, Bajari and Wheat.
		56. Nawapur ...	8th May 1950 ...	Cotton, Groundnut, Castorseed, Nigarseed, Tur, Udid, Gram, Sesamum, Jowar, Wheat and Ambadi.
14	Nasik	... 57. Lasalgaon ...	27th March 1948	Groundnut, Onion, Linseed, Tur, Gur, Mug, Math, Safflower, Bajari, Jowar, Wheat, ram, Methi, Kulthi, Rai, Sesamum and Chillies.
		58. Malegaon ...	17th November 1948.	Cotton, Groundnut, Gul, Sesamum, Methi, Math, Math-dal, Castorseed, Kulthi, Gram, Gram-dal, Tur, Tur-dal, Mug, Mug-dal, Udid, Udid-dal, Linseed, Chillies and Rai.

	59.	Satana	...	17th	November	1948.	Cotton, Groundnut, Gul, Onions, Potato, Sesamum, Nigerseed, Castorseed, Corria-n-nder, Kulthi, Rai, peas, Methi, Gram-dal, Gram, Tur, Tur-dal, Mug, Mug-dal, Udid, Udid-dal, Math, Linseed, Safflower, Chillies, Chola, Jowar, Wheat and Bajari.	
	60.	Nandgaon	...	5th	February	1949.	Cotton, Groundnut, Sesamum, Safflower, Gram, Mug, Math, Chola, Tur, Kulthi Castorseed, Linseed, Gul, Jowar, Bajari and Wheat.	
	61.	Nasik	...	21st	November	1952.	Vari, Gram-dal, Gram, Tur, Tur-dal, Mug, Mug-dal, Udid, Udid-dal, Math, Masur, Masur-dal, Methi, Kulthi, Nigerseed, Rai, Corriander, Linseed, Sesamum, Castorseed, Peas, Chola, Safflower, Gul, Groundnut, Onions, Potatoes, Sweet-potatoes and Chillies (wet and dry).	
	62.	Ghoti	...	9th	February	1953.	Nagli, Vari, Lang, Lang-dal, Val, Groundnut, Khursani, Gram, Gram-dal, Tur, Tur-dal, Udid, Udid-dal, Masur, Masur-dal, Peas, Chola, Kulthi, Mug and Mug-Dal.	
	63.	Yeola	...	New M. C.	...	...	Jowar, Bajari, Wheat, Tur, Gram, Mug, Math, Kulthi, Sesamum, Methi, Onions and Gul,	
15	Poona	...	64.	Baramati	...	Old	...	Gul and Onion.
	65.	Khed	...	29th	August	1950.	Potatoes and Groundnut.	
	66.	Manchar	...	20th	December	1950.	Potatoes.	
16	Satara North	...	67.	Karad	...	Old	...	Groundnut, Turmeric, Gul, Tur, Mug, Chillies and Onion.
	68.	Koregaon	...	29th	October	1949.	Groundnut, Turmeric, Gul, Tur, Mug, Chillies, Onions, Jowar and Bajari.	
	69.	Lonand	...	15th	February	1952.	Onions, Gul and Safflower.	
	70.	Satara	...	17th	January	1953.	Groundnut, Corriander, Turmeric, Onion, Gram and Tur.	



APPENDIX 8—*contd.*

Serial No.	District.	Name of the Market. Committee.	Date of Constitution.	Commodities Regulated.
1	2	3	4	5
<b>MAHARASHTRA REGION—<i>contd.</i></b>				
17	Sholapur	71. Pandharpur...	7th October 1947.	Cotton, Groundnut, Safflower and Tur.
		72. Barsi ...	17th January 1948.	Groundnut, Cotton, Safflower, Tur, Udid, Mug, Jowar, Bajari, Wheat, Gram, Corriander, Linseed, Sesamum, Turmeric and Chillies.
		73. Karmala ...	22nd February 1948.	Safflower, Groundnut, Tur, Chilies, Mug, Matki, Hulga, Jowar, Wheat, Gram, Maize, Udid, Linseed, Sesamum, Gul and Cotton.
		74. Akluj ...	8th February 1951.	Gul, Cotton, Groundnut, Safflower, Tur, Gram, Jowar, Bajari, Wheat and Maize.
		75. Kurduwadi...	18th September 1950.	Cotton, Groundnut, Tur and Safflower.
		76. Akalkot ...	24th January 1953.	Groundnut, Safflower, Tur, Gul, Chillies, Udid, Mug, Jowar, Bajari, Wheat, Gram, Linseed, Sesamum and Cotton.
		77. Mohol ...	26th April 1955.	Jowar, Bajari, Wheat, Maize, Gram, Tur, Mug, Safflower, Gul, Cotton, and Groundnut.
18	Kolaba	78. Karjat ...	17th June 1955 ...	Paddy, Nagli and Vari.
19	Ratnagiri.			
20	Satara South	79. Sangli ...	22nd March 1951.	Groundnut, Gur, Turmeric, Chillies, Cotton, Tur, Mug, Gram, Safflower, Corriander, Matki, Udid, Castorseed, Jowar, Bajari, Wheat and Maize.

80. Tasgaon ... 3rd August 1948. Groundnut, Turmeric, Tur, Gul, Safflower, Jowar, Bajari, Gram, Udid, and Corriander.
81. Takari ... 24th December 1947. Groundnut, Turmeric, Gul, Corriander and Safflower.
- 21 Kolhapur ... 82. Kolhapur ... Merged ... Gul and Groundnu..
83. Gadhinglaj ... Area ... Gul, Groundnut and Chillies.

#### KARNATAK REGION.

- 22 Belgaum ... 84. Belgaum ... 28th January 1955. Gur, Potatoes, Sweet-Potatoes, Dry-chillies and Green-Chillies.
85. Athani ... 30th May 1948 ... Cotton and Groundnut.
86. Bailhongal ... 22nd April 1936... Cotton, Groundnut, Gur and Safflower.
87. Gokak ... 22nd May 1948 ... Cotton, Groundnut, Gur, Tur and Safflower.
88. Sankeshwar... 11th May 1949 ... Gur, Chillies and Groundnut.
- 23 Bijapur ... 89. Bijapur ... 1st October 1936. Cotton, Groundnut, Safflower, Linseed and Sesamum.
90. Bagalkot ... 5th May 1945 ... Cotton and Groundnut.
91. Jamkhandi ... 1st December 1951. Cotton, Groundnut, Gram, Safflower, Tur, Chillies and Gur.

APPENDIX 8—*contd*

Serial No.	District.	Name of the Market Committee.	Date of Constitution.	Commodities Regulated.
1	2	3	4	
KARNATAK REGION— <i>contd.</i>				
24	Dharwar	... 92. Haveri	... 4th February 1955.	Cotton, Groundnut, Safflower, Castorseed, Linseed, Kulthi, Mug, Gram, Tur, Udid, Nagli, Jowar, Chillies and Nigerseed.
		93. Gadag	... 6th May 1943	... Cotton, Groundnut and Safflower.
		94. Nargund	... 10th September 1947.	Cotton, Groundnut, Tur, Safflower, Udid, Mug, Val and Gram.
		95. Hubli	... 5th June 1953	... Cotton, Groundnut, Safflower, Sesamum, Gram, Tur, Mug, Udid, Kulthi, Linseed, Nigerseed, Castorseed, Nagli, Onions and Potatoes.
		96. Annigeri	... 23rd April 1942	... Cotton, Groundnut, Safflower, Linseed, Gram, Castorseed, Tur and Udid.
		97. Dharwar	... 21st June 1948	... Cotton, Groundnut, Safflower, Udid, Gram, Tur, Mug, Linseed, Castorseed and Onions.
		98. Byadgi	... 10th January 1948.	Chillies, Cotton, Groundnut, Gul, Garlic, Kulthi, Nagli and Castorseed.
		99. Laxmeshwar.	23rd July 1952	... Cotton, Groundnut, Sesamum, Safflower, Castorseed, Kulthi and Chillies.
		100. Ranebennur.	27th May 1953	... Cotton, Groundnut and Chillies.
		101. Sirsi	... 3rd January 1948.	Bettlonut, Cardamum and Pepper.

*Statement showing the information with regard to Markets surveyed, to be surveyed and cannot be regulated,  
in the Bombay State, as on 31st August 1955.*

Serial No.	District.	Names of the Markets surveyed.		Names of the Markets to be surveyed.		Names of the Markets cannot be regulated.	Remarks.
		Major.	Minor.	Major.	Minor.	Major.	
1	2	3	4	5	6	7	8
GUJERAT DIVISION.							
1	Banaskantha	... (1) Deesa (2) Bhabhar. (3) Palanpur.	... (1) Deodar	... (1) Abu-road	.....	(1) Tharad (2) Chhapi. (3) Wav.	.....
2	Sabarkantha	... (4) Talod (5) Himatnagar. (6) Dhansura. (7) Khadbrahma.	... (2) Idar (3) Salal. (4) Prantij. (5) Bayad. (6) Modasa. (7) Dehmai.	... ..	(1) Bhiloda (2) Sathamba. (3) Malpur. (4) Harsol. (5) Vijaynagar. (6) Meghraj.	... ..	.....
3	Mehsana	... (8) Patan (9) Unjha. (10) Vijapur. (11) Harij. (12) Visnagar. (13) Kadi. (14) Chanasma.	... (8) Sidhpur (9) Ranuj.	... (2) Kalol (3) Mehsana. (4) Radhanpur. (5) Sami.	... ..	.....	.....
4	Amreli	... (15) Amreli (16) Damnagar. (17) Dbari. (18) Kodinar.	... ..	.....	.....	.....	.....

APPENDIX 8—contd.

Serial No.	District.	Names of the Markets surveyed.		Names of the Markets to be surveyed.		Names of the Markets cannot be regulated.	Remarks.
		Major.	Minor.	Major.	Minor.	Major.	
1	2	3	4	5	6	7	8
GUJERAT DIVISION—contd.							
5	Baroda	... (19) Dabhoi ... (20) Bodeli. (21) Baroda. (22) Savli. (23) Padra. (24) Baroda (Cattle)	.....	(6) Karjan ...	.....	.....	.....
6	Ahmedabad	... (25) Ahmedabad ... (26) Sanand. (27) Bavla. (28) Virangam. (29) Dehgam. (30) Dhanduka.	(10) Manekchowk ... (11) Dholka. (12) Koth. (13) Mandal. (14) Detroj.	(7) Ahmedabad (Cattle.)	.....	.....	.....
7	Kaira	... (31) Nadjad ... (32) Anand. (33) Kapadvanj. (34) Umreth. (35) Thasra. (36) Mehmedabad. (37) Borsad. (38) Cambay. (39) Matar. (40) Balasinor.	(15) Kaira (16) Kathlal. (17) Dakore. (18) Savalia. (19) Vasad. (20) Mahuda.	... (8) Petlad ...	.....	.....	.....

8 Panchmahals	...	(41) Godhra	...	(21) Linedi	...	.....	.....	.....	.....
		(42) Deogad-Baria.		(22) Vejalpore.					
		(43) Santrampur.		(23) Piplod.					
		(44) Jhalod.							
		(45) Dérol.							
		(46) Dohad.							
		(47) Lunawada.							
		(48) Halol.							
9 Broach	...	(49) Broach	...	(24) Kavi	...	.....	.....	.....	.....
		(50) Jambusar.		(25) Kors.					
		(51) Jhagadja.		(26) Hansot.					
		(52) Ankleshwar.		(27) Ilav.					
		(53) Rajpipla.		(28) Panoli.					
10 Surat ...	...	(54) Surat	...	.....	(9) Bulsar	...	.....	.....	.....
		(55) Vyara.							
		(56) Bardoli.							
		(57) Navsari.							
		(58) Banada							
		(59) Mangrol.							
		(60) Olpad.							
		(61) Mahuwa.							
		(62) Gandevi.							
11 Coloba ...	...	(63) Karjat	...	.....	(10) Mahad	...	.....	.....	.....
		(64) Murud.			(11) Palghar.				
					(12) Shahapur.				
					(13) Poynad.				
					(14) Panwel.				
					(15) Pen.				
					(16) Shriwardhan.				
12 Thana ...	...	(65) Basscin	...	.....	.....	.....	.....	.....	.....
		(66) Kalyan.							
		(67) Murbad.							
		(68) Bombay (Cattle.)							

APPENDIX 8—contd.

Serial No.	District.	Names of the Markets Surveyed.		Names of the Markets to be surveyed.		Names of the Market cannot be regulated.	Remarks.
		Major.	Minor.	Major.	Minor.	Major.	
1	2	3	4	5	6	7	8

MAHARASHTRA REGION.

13	Ahmednagar	...	(69) Kopergaon	...	(29) Wambori	...	(17) Shrigonda	...	(7) Jamkhed			
		...	(70) Shirampur	...	(30) Belapurgaon	...	(18) Sangamner	...	(8) Akola.			
			(71) Rahuri.							(9) Karjat.		
			(72) Shevgaon.							(10) Walki.		
			(73) Ahmednagar.							(11) Parner.		
			(74) Pathardi							(12) Rahata.		
										(13) Newasa.		
										(14) Gholegaon		
										(15) Kukane.		
										(16) Kharela.		
		14	East-Khandesh	...	(75) Amalner	...	(31) Mehumbare	...	(19) Bhusawal	...	(17) Bhadgaon	
				...	(76) Jalgaon	...	(32) Dharangaon	...	(20) Jamner	...	(18) Varangaon	
				...	(77) Pachora	...	(33) Varkhedi	...	(21) Faizpur	...	(19) Jamthi.	
					(78) Chalisgaon	...	(34) Nagardeola	...				(20) Edlabad.
					(79) Chopda	...	(35) Parola.	...				(21) Shendurni
					(80) Bodwad	...	(36) Kajgaon.	...				(22) Raver.
										(23) Savda.		
										(25) Yawal.		
										(25) Mhaswad.		
								(26) Neri.				
								(27) Nandre.				
								(28) Adawat.				

15 West-Khandesh ...	(81) Dhulja ...	(37) Nardana ...	.....	(29) Akkalkuwa	
	(82) Dondaicha ...	(38) Sindkheda ...		(30) Dhadgaon	
	(83) Nandurbar ...	(39) Sarangkhedra.			
	(84) Shirpur ...	(40) Taloda.			
	(85) Shahada ...	(41) Visarwadi.			
	(86) Nawapur ...	(42) Betwad,			
		(43) Khandbara.			
		(44) Chinchpada.			
		(45) Dhanrat, (Fair)			
		(46) Sakri.			
16 Nasik ...	(87) Satana ...	(47) Deola	.....	(31) Dindori.	
	(88) malegaon ...	(48) Chandor		(32) Vani.	
	(89) Nasik ...	(49) Bhagur		(33) Saykheda.	
	(90) Lasalgaon ...	(50) Deolali		(34) Pimpalgaon.	
	(91) Ghoti ...	(51) Ozar		Baswant.	
	(92) Nandgaon ...	(52) Niphad		(35) Pient.	
	(93) Yeola ...	(53) Paikhed			
	(94) Sinnar ...	(54) Vavi.			
17 Poona ...	(95) Baramati ...	(55) Chakan	.....	(36) Dhond ...	(4) Indapur.
	(96) Khed ...			(37) Shikrapur ...	(5) Bhigwan.
	(97) Manchar.			(38) Talegaon.	
	(98) Nira			(39) Kedgaon.	
	(99) Poona (Gul) ...			(40) Junnar.	
	(100) Shirur.			(41) Vadgaon.	
				(42) Bhor.	
				(43) Poona (Addl.)	
				(44) Poona (Vegt.)	
18 Satara-North ..	(101) Karad ..	(56) Wai	....	(45) Shenoli	(6) Wathar
	(102) Satara ..	(57) Surur.		(46) Aundh.	(7) Shirwal.
	(103) Koregaon.	(58) Lonand			(8) Medha.
	(104) Phaltan	(59) Damner.			(9) Daliwadi
		(60) Malharpeth.			(10) Vaduj.
		(61) Umbraj.			
		(62) Masur.			
		(63) Patan.			
		(64) Kole			



APPENDIX 8—concl'd.

Serial No.	District.	Names of the Markets Surveyed.		Names of the Markets to be surveyed.		Names of the Markets cannot be regulated.	Remarks.
		Major.	Minor.	Major.	Minor.	Major.	
1	2	3	4	5	6	7	8
MAHARASHTRA REGION—cont'd.							
19	Satara-South	(105) Sangli .. (106) Takari .. (107) Tasgaon ..	(65) Miraj (66) Vita (67) Islampur	....	(47) Salghar .. (48) Shirola.	(11) Jath ..	....
20	Kolhapur	(108) Kolhapur .. (109) Gandhinglaj..	(68) Ichalkranji	....	....	(12) Jayasingpur .. (13) Wadgaon.	....
21	Ratnagiri	....	....	....	(49) Ratnagiri .. (50) Deogad .. (51) Malwan .. (52) Vengurla .. (53) Sawantwadi. (54) Kudal. (55) Chiplun	(14) Rajapur .. (15) Dapoli ..	....
22	Sholapur	(110) Pandharpur .. (111) Barsi .. (112) Karmala .. (113) Akluj ... (114) Kurduwadi .. (115) Akkalkot .. (116) Mohol. (117) Sholapur.	(69) Vairag (70) Natepute (71) Dudhani (72) Tembhorni. (73) Modnimb. (74) Sangola. (75) Mangalwedha	....	(56) Maud .. (57) Pomalwadi.. (58) Kem (59) Tadwal. (60) Yedshi (61) Madha.	....	....

KARNATAK REGION.

23	Belgaum	(118) Gokak (119) Sankeshwa (120) Bailhongal (121) Athani (122) Belgaum. (123) Ramdurg (124) Nipani	(76) Raibag (77) Khanapur (78) Kittur (79) Murgod. (80) Saundatti. (81) Yergatti. (82) Hukeri (83) Pachhapur.	....	(62) Chandgad ..	....	....
24	Bijapur	(125) Bijapur. (126) Jamkhandi (127) Bagalkot.	(84) Talikot (85) Indi. (86) Mudebihal. (87) Nalatwad (88) Badami. (89) Hungund (90) Ilkal. (91) Rabakari (92) Banahatti. (93) Bilgi..	....	(63) Bagewadi .. (64) Sindgadi. (65) Kolar. (66) Telgi. (67) Kaladagi. (68) Kulageri.	....	....
25	Dharwar	(128) Gagad (129) Nargund. (130) Hubli. (131) Annigeri. (132) Dharwar. (133) Byadgi. (134) Laxmeshwar. (135) Ranebennur. (136) Haveri. (137) Savnur	(94) Mulgund (95) Mudargi. (96) Naregal. (97) Holealur. (98) Gajendragad. (99) Sudi. (100) Ron. (101) Kundgol. (102) Gudageri. (103) Yelviggi. (104) Hirekurur. (105) Shigli. (106) Shirhatti. (107) Bellati. (108) Halgeri. (109) Rattihali. (110) Kalghatgi. (111) Hansbhavi.	....	(69) Akkialur .. (70) Alnawar.	....	....
26	North-Kanara	.. (138) Sirsi ..	(112) Siddapur ..	(22) Haliyal ..	(71) Kumta ..	....	....
Total		.. 138	112	22	71		

## APPENDIX 9

Statement showing market charges payable by seller and buyer before and after regulation on sales of agricultural commodities

Before Regulation.

After Regulation.

Commodity.	Item.	Unit of charges.	By seller.	By buyer.	By seller.	By buyer.
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AGRICULTURAL PRODUCE MARKET COMMITTEE, KAPADWANJ, DISTRICT KAIRA.

Cotton	...	.....	Per Bhar of 12 B. Mds. (one cart load).	Sample worth Rs. 1-6-0. Mehta-sukhadi Re. 0-2-0 Dharmada 0-1-0 weighing and Hamali 1-0-0 Commission 1-0-0.	Nil.	Market fees—seed cotton 0-4-0. Full pressed bale 0-4-0.	Nil
						Commission—Seed cotton 1-0-0 Full pressed bale 0-8-0.	
						Weighing including Hamali—Cotton outside yard 0-4-0. Full pressed bale 0-1-0.	

AGRICULTURAL PRODUCE MARKET COMMITTEE, KARAD, DISTRICT NORTH SATARA.

			Rs. a. p.		Rs. a. p.	
Groundnut.	Commission.	Per Rs. 100 of sales in 1943.	1 4 0	.....	1 4 0	...
	Brokerage	...	0 11 0	.....	0 0 0	...
	Hamali	... Per bag ...	0 7 6	.....	0 0 9	...
	Charity	.....	0 5 0	.....	0 0 0	...
	Cess	... Per bag ...	0 0 0	.....	0 0 3	...

APPENDIX 9—*contd.**Before Regulation.**After Regulation.*

Commodity.	Item.	Unit of charges.	By seller.	By buyer.	By seller.	By buyer.
AGRICULTURAL PRODUCE MARKET COMMITTEE, BAGALKOT, DISTRICT BIJAPUR						
			Rs. a. p.		Rs. a. p.	
Cotton ... (unginned.)	Commission.	Rs. 100 of sale proceed.	1 4 0	.....	0 13 0	.....
	Hamali ...	Do. ...	0 4 0	.....	0 4 0	.....
	Stacking ...	Do. ...	0 1 0	.....	0 1 0	.....
	Godown rent.	Do. ...	0 2 0	.....	0 2 6	.....
	Weighment.	Do. ...	.....	.....	0 0 9	.....
	Insurance ...	Do. ...	0 2 6	.....	0 2 6	.....
Cotton ... (ginned.)	Commission.	Do. ...	0 12 6	.....	0 13 0	.....
	Hamali ...	Do. ...	0 2 0	.....	0 1 6	.....
	Stacking ...	Do. ...	0 1 0	.....	0 0 6	.....
	Godown rent.	Do. ...	0 2 0	.....	0 1 3	.....
	Weighment.	Do. ...	.....	.....	0 0 6	.....
	Insurance ...	Do. ...	0 2 6	.....	0 2 6	.....

## APPENDIX

*Statement of Strikes and Boycotts in the*

Serial No.	Year.	Name of the Agricultural Produce Market Committee.	Period of strike or Boycott.	Reasons.
1	2	3	4	5
1	1953	... A. P. M. C., Amreli.	One week	... Not known to the Committee.
2	1952	... A. P. M. C., Karad.	One week	... Traders and general Commission Agents wanted to raise the commission from Rs. 1-4-0 to 1-9-0.
3	...	A. P. M. C., Dabhoi ...	One week	... The Market Committee had launched some cases against such traders who have transacted without obtaining licence from concerned Market Committees.
4	1955	A. P. M. C., Akh...	3 days	... The President Vyapari Mandal, Akhuj showed sympathy to Pandharpur Vyapari Committee as that committee desired to have the former rate of adrat of Rs. 1-9-0 instead of Re. 1.
5	1955	A. P. M. C., Akhuj.	7 days at Natepute under M. C., Akhuj 6-1-55 to 12-1-1955.	One of the Market Committee servants insulted the merchants and hence the market was closed by the merchants.
6	1953	A. P. M. C., Akalkot.	14-12-55	... On account of the Municipal Elections.
7	1955	Do.	10-10-1955	... Akalkot wholesale merchants Association did not agree with the opinion of the Prant Punar-Rachana-Samiti and it wanted to have Akalkot Taluka in Karnatak Province and hence to show sympathy the market was closed.
8	1952-53	A. P. M. C., Broach.	Continuous upto now as regards cotton.	The Producers do not bring carts on the yard and they say that as there are only two buyers at Broach there is no scope for competition and as such they have boycotted the market.
9	1952-53	A. P. M. C., Ankleshwar.	Do.	... Do. do.
10	1950-51	A. P. M. C., Anand.	15 days	... Traders wanted to make weightment of goods at their shops while the Committee forced them to weigh on the yard.

*Regulated Markets in the State of Bombay*

Ultimate Result. (whether compromised).	Whether any action was taken by the Market Committee against the strikers.	If any punishment was inflicted on the strikers if so, details.
6	7	8
The merchants of their own accord surrendered unconditionally.	No.	Nil.
Compromise was effect and the rate of commission was raised to Rs. 1-9-0.	....	....
Withdrawn as advised by Government and compromise was made for the time being.	....	....
The Chairman, Market Committee, Akluj wrote a letter to President, Akluj Vyapari Mandal not to do any illegal things and to start the business.	No.	No.
The traders commenced regular working on 13-1-1955.	No.	No.
....	No.	No.
....	No.	No.
Compromised since beginning that sales outside the yard shall be allowed and traders will hold the licence to trade.	No court case is filed as no evidence can be obtained to prove that transaction was effected in the market proper as staff could not enter private premises.	Nil.
Do.	Do.	Nil.
do.	do.	Nil.
Boycott was failed as the traders were in need of Commodities. They accepted the terms of market.	Sale Societies began to purchase commodities from the market yard against traders.	Nil.

## APPENDIX

Serial No.	Year.	Name of the Agricultural Produce Market Committee.	Period of strike or Boycott.	Reasons.
1	2	3	4	5
11	1955-56 ...	A. P. M. C. Cambay.	One week ...	Not known.
12	1954-55 ...	A. P. M. C. Thasra.	Do. ...	(1) Market yard was far, (2) To decrease the licence fees. (3) For not approving the licence for areas out-side the principal market yard, (4) For recovery of weighment from agriculturist, (5) For not assessing cess for external goods, (6) For no approach road to Thasra market (7) For keeping Head Quarter at Thasra.
13	1930 ...	A. P. M. C. Dhulia.	.....	(1) On account of decrease in market charges. (2) For introduction of weighment and delivery on the market yard.
14	1950 ...	A. P. M. C. Shahada.	.....	(1) Weighment and delivery introduced on market yards. (2) Chela system of weighment was stopped and M. C. insisted upon the use of pans for weighing at produce except Cotton.
15	1948 ...	A. P. M. C. Shirpur.	.....	On account of certain mis-understanding between a member of Market Committee and a trader.
16	1939 ...	A. P. M. C. Dondaiche.	.....	When the M. C. insisted upon the purchase & Sales of chillies by open auction on the market yard, the traders and general commission agents also threatened to work to strike and boycott when the M. C. insisted upon the purchase and sales of cereals etc. by the open auction of the market yard.
17	1947 ...	A. P. M. C. Hubli.	One day ...	As the hamali charges were insufficient the Hamals showed the attitude of going on strike.

10—contd.

Ultimate Result. (Whether compromised).	Whether any action was taken by the Market Committee against the strikers.	If any punishment was inflicted on the strikers if so, details.
6	7	8
Peaceful compromised ..	Nil.	Nil
Peaceful compromised ..	Nil.	Nil.
The strike and boycotts were compromised by holding discussion with the prominent persons from both the parties viz. the traders as well as the agriculturists.	No action was taken by the M. C. against the strikers but the difference was settled by bringing about compromise between the market functionaries.	No punishment was implicated on the strikers.
The boycotts though were resorted to by the traders could not at least for a long time due to the co-operation of some merchants and the local Purchase & Sale Union. The boycotts were in the way compromised.	The M. C. took a firm stand in this respect and did not deviate from its decided policy.	Do.
The strike lasted for one day only on 25-11-55. A compromise was brought about between the two important market functionaries viz. traders & agriculturists by the prominent persons of Shirpur.	An urgent meeting of the Committee was called but as the matter was compromised, no action was necessary.	Nil.
The trader and general commission agents did not resort to actual strike or boycott as the Chairman of the M. C. convinced the traders and agriculturists the importance of this system of sale and pleaded for their co-operation. The matter was thus compromised.	The matter was compromised by the intervention of prominent local people.	.....
The Chief Marketing Officer was invited and he explained the situation of Hubli market & after consideration of local condition of hamals and their labour etc. promised them to enhance the Hamali charges. So the Hamals then did not go on strike.	No.	No.



## APPENDIX

Serial No.	Year.	Name of the Agricultural Produce Market Committee.	Period of strike or Boycott.	Reasons.
1	2	3	4	5
18	1949...	A. P. M. C. Hubli.	One day	... As the hamali charges were insufficient the hamals showed the attitude of going on strike.
19	1953-54.	A. P. M. C. Dharwar.	3 days	... The weighmen demanded higher rates of weighment charges.
20	1943...	A. P. M. C. Laxmeshwar.	3 days	... The application of the Act since the market area as merged. Deccan states area.
21	1953-54. 1954-55.	A. P. M. C. Chalsgaon.	2-10-1953 to 18-10-1953 and 21-11-1954 to 2-12-1954.	... When the M. C. decided to effect weighment and delivery of groundnut on the market yard.
22	1952-53.	Do.	... 26-9-1952 to 29-9-1952.	When the Hamali surcharge of Re. 0-0-6 per B. Md. was discontinued by the Director.
23	1954-55.	Do.	... 15-10-1954 to 18-10-1954.	When the Hamali surcharge of Re. 0-0-6 per B. Md. was discontinued by the Committee.
24	1954-55.	Do.	... 7-12-1954 to 13-12-1954.	When the M. C. decided to introduce the system of sale of additional commodities by making heaps of the produce instead of on sample basis.

10—contd.

Ultimate Result. (Whether compromised).	Whether any action was taken by the Market Committee against the strikers.	If any punishment was inflicted on the strikers if so, details.
6	7	8
Pursuated by the then Chairman not to go on strike and then accordingly withdrew their decision of going on strike.	No.	No.
With the efforts of M. I. and Chairman of M. C. the weighmen were duly convinced of the facts of present situation of market etc. then the weighmen withdrew the strike.	No.	No.
The traders opposed the application of. But as the market charges prescribed in the byelaw were too low. The M. I. on receipt of the wire, proceeded to Laxmeshwar and with the help of the local leaders convinced them by explaining the benefits of regulation under the Act etc. The strike was then withdrawn.	No.	No.
On both the occasions the traders demanded necessary facilities as roads, lighting godown, etc, on the market yard, prior to introduction, weighment and delivery of groundnut on market yard site. On both the occasions a compromise was arrived at for providing necessary facilities on market yard site at the second time there was a written agreement between market committee and the traders in this behalf.	No	No.
The Hamali surcharge was continued by one year more.	No.	No.
The system of sale of sample basis was introduced instead of sale by making heaps of the produce.	No.	No.
The rate of Re. 0-0-1 per B. Md. was raised for additional work of making heaps of the produce.	No.	No.

## APPENDIX

Serial No.	Year.	Name of the Agricultural Produce Market Committee.	Period of strike or Boycott.	Reasons.
1	2	3	4	5
25	1953-54	Chalisgaon ...	29-12-1953 to 5-1-1954.	The trades were given warning to put an end to illegal practice of settling the disputes in respect of unginned cotton by making reduction in the weightment of the cotton without the knowledge of the M. C. and were further asked not to reduce the rate once filed on the market yard.
26	1953-54	A. P. M. C., Bodwad.	3 days. ...	The Committee decided to start the weightment of the regulated agricultural produce as per unit of 40 seers instead of 20 seers.
27	1954-55	A. P. M. C., Jalgaon.	22-11-1954 to 7-12-1954.	There were disputes in the spinning factories at the time of taking delivery.
28	1954-55	Do. ...	4-1-1955 to 8-1-1955.	There were disputes about the earth allowance in corriander at the time of giving delivery.
29	1952-53	A. P. M. C., Lasalgaon.	28-11-1952 one day.	The M. C. meeting held on 11-10-1952 resolved to arrange carts of Agricultural produce serially as they came. The traders used to sell the produce in groupwise system wherein auctions were conducted for groups of carts. Each general commission agent used to group all the carts for whom he acted as general commission agent. The auction on 28-12-1952 was boycotted by the traders when the staff of M. C. was arranging the carts serially as per orders of the M. C. All the traders except the purchase and sales Union. Lasalgaon did not attend the auction sale on that day only.
30	1954-55 ...	M. C., Lasalgaon.	7-12-1954 to 8-12-1955.	The wagons for supply of ground nut seeds were not available. 150 indents were pending. The traders did not attend the sales until supply of adequate number of wagons for the purpose. The Market Committee took initiative and requested the Railway Authorities for supply of adequate number of wagons. The dead-lock was removed.

10—*contd.*

Ultimate Result. (whether compromised).	whether any action was taken by the Market Committee against the strikers.	If any punishment was inflicted on the strikers if so, details
6	7	8
<p>The traders suggested that the whole cost of the cotton to be employed into heap before the beginning of the auction-sale, the suggestion though theoretically correct in practically impossible and hence a pannel of local members of the M. C. was appointed for settling the disputes.</p>	No.	No.
<p>Comprom'ise was made between the traders and the Committee to start the weighment of regulated agricultural produce as per unit of 40 seers from the next year. i.e. 1954-55.</p>		
<p>It was compromised between traders and the M. C.</p>	Some written conditions were taken from the cotton traders.	No.
Do. do.	Do. do.	No.
<i>Nil.</i>	<i>Nil.</i>	<i>Nil.</i>
<i>Nil.</i> —	<i>Nil.</i>	<i>Nil.</i>

## APPENDIX

Serial No.	Year.	Name of the Agricultural Produce Market Committee.	Period of strike or Boycott.	Reasons.
1	2	3	4	5
31	1954-55	M. C., Lasalgaon.	16-3-55 to 22-3-55.	The traders after auction of the foodgrains used to sieve the grains and they weighed. To stop this practice, the Market Committee resolved to weigh the agricultural produce in the condition in which it is brought and auctioned. The traders refused to abide by the orders of the Market Committee and boycotted the sales of food-grains. The boycott was the compromised.
32	1944-45	M. C., Gadag.	6 dyas	Demanded for increase in commission charges in case of cotton from Re. 0-0-4 to 0-0-6 for kapas and Re. 0-1-0 to 0-1-6 for lint per quarter respectively.
33	1948-49	Do. ...	16 days	The Groundnut and Safflower was taken up for regulation from 27th October 1948. The Market Committee fixed refraction at certain rates which is not traceable from the records. But the merchants (traders) demanded more refraction for which the Market Committee refused to do so. Hence there was strike.
34	1948-49	Do. ...	3 days	Demand for Hamali charges in ease of Groundnut unshelled and shelled and safflower by hamals.
35	1955-56	M.C., Nadiad.	27-10-1955 to onwards.	<ol style="list-style-type: none"> <li>(1) General Commission Agents are not ready to fill up the agreement forms.</li> <li>(2) General Commission Agents are not ready to business in commission charges, which is approved.</li> <li>(3) Those, who are working as General Commission agents are not ready to hold licence of general commission agents.</li> <li>(4) Traders wanted something more in kind.</li> <li>(5) General Commission Agents are not ready to furnish a bill to the Market Committee.</li> </ol>

10—contd.

Ultimate Result. (whether compromised).	whether any action was taken by the Market Committee against the strikers.	If any punishment was inflicted on the strikers if so, details.
6	7	8
Compromised	...	.....
Heavy arrivals noticed in the bazar. Absence of transaction affected adversely to the agriculturists.	The Market Committee enhanced the said commission charges fixing at R. 0-0-6 and Re.0-1-6 for kapas and lint respectively with effect from the date of approval of the Director.	No
There was not any transaction in the bazar. Heavy arrivals were noticed in the godowns of the general commission agents which was kept unsold. This resulted temporary loss to the cultivators directly or indirectly.	The refraction was fixed by mutual agreement and a new bye law No. 47-(a) was adopted and got approved by the Director.	
Do. do. (Compromised).	... The Market Committee called a meeting of the representatives of hamals and some merchants and amicably settled. And the same is approved by the Director.	
Nil.	... The Market Committee is facing against the strikers by checking high level.	No punishment up-til now is inflicted upon the strikes but the such problems are just now under consideration.

## APPENDIX

Serial No.	Year.	Name of the Agricultural Produce Market Committee.	Period of strike or Boycott.	Reasons.
1	2	3	4	5
36	1948-(a).	M. C. Ahmedabad.	7 days 12-7-1948 to 19-7-1948	This strike was held by the merchants that the Act is wrong and licences are not necessary.
37	1949(b).	A. P. M. C. Ahmedabad.	4 months, 1-9-49 to 31-12-49	This time the merchants were of the opinion that for renewal of licences, fresh applications forms are not required to be filled in and they went on strike.
38	1954 ...	Do. ...	9 months, 6-9-1954 to 30-5-1955.	The merchants have boycotted the trade with the Ahmedabad Fruit and Vegetable Co-operative Association.
39	1952 ...	A. P. M. C. Kolhapur.	Half day on 16-11-1952.	Introduction of the system of open auction sales.
40	1952 ...	Do. ...	3 days from 17-12-1952.	Increase in the rates of licence fees.
41	1954 ...	Do. ...	10 days from 7-8-1954.	Introduction of the system of taking agreements, as per Rule No. 62.
42	1955 ...	Do. ...	Half day on 13-1-1955.	Allotment of more time to Shetkari Sahakari Sangh for auction.
43	1955 ...	Do. ...	3 days from 15-2-1955.	The Committee allotted more time to Shetkari Sangh intending to give more licences to Sangh.
44	1947 ...	A. P. M. C. Bijapur.	4 days by Hamals.	Demanding increased Hamali charges.
45	1952 ...	A. P. M. C. Sangli.	9 days 12-2-1952 to 20-2-1952.	(1) Traders and General Commission Agents wanted $\frac{1}{2}$ seer as the last weight to be used in weighing groundnut bags, (2) Hamals wanted something in place of Namuna in each consignment of Chillies.

10—contd.

Ultimate Result. (Whether compromised).	Whether any action was taken by the Market Committee against the strikers.	If any punishment was inflicted on the strikers if so, details.
6	7	8
The merchants went to court of Law but they failed. The market yard in possession of the merchants was denotified and the trade was undertaken in the Manekchowk yard. The merchants then came round and the matter was compromised.	As the merchants lost the trade due to the denotification of markets, the Committee has not taken any further action in both the cases, (a) (b).	Nil.
This time also the Rajanagar market which was in possession of the merchants was denotified and the trade was undertaken in the Manek Chowk Market. The merchants at last surrendered unconditionally.		
This was lasted for about 9 months and at last both traders and the Association made the compromise.	The Market Committee could not legally take action.	Nil.
Traders were yielded and abided by the decision of the Market Committee.	No.	No.
Compromise took place after an assurance of scrutiny of rates.	No.	No.
No compromise. Traders yielded.	No.	No.
Committee accepted the demand of traders for not giving more time to Sangh.	No.	No.
Demand of traders for not issuing more than one licence to the same firm or individual was granted by Committee.	No.	No.
Compromise Hamali charges were increased a little bit.	No action was taken by the Market Committee against the strikers.	
Both the cases were settled by compromise.	.....	.....



## APPENDIX

Serial No.	Year.	Name of the Agricultural Produce Market Committee.	Period of strike or . Boycott.	Reasons.
1	2	3	4	5
46	1952 ...	A. P. M. C. Derol.	One day	... Per Multipoint sales tax as requested by their Mandal.
47	1954 ...	Do. ...	One day	... It was the mischief of local traders against the Committees, Secretary to harass him.
48	1954 ...	A. P. M. C. Dohad.	3 days	... Regarding Practice of Kadada.
49	1937 ... (January).	A. P. M. C. Amalner.	15 days	... On account of weighment on platform bridge in respect of seed cotton carts, the buyers were claiming 14 lbs., per cart unauthorised allowance but that was ordered to be disallowed. So the traders declared boycott.
50	1951 ... (May).	M.C. Amalner.	10 days	... It was decided to introduce the system of open auction sales on the market yard but the purchasers of groundnut opposed it and closed their purchases for 10 days. But as it was a slack season, there were no arrivals. The effect was given from 1-9-1951.
51	1954 ... (December).	Do. ...	9 days	... It was decided to introduce the system of weighment on the market yard. So the matter was discussed in the meeting and started weighment system but the traders went on strike and the market was closed for 9 days.

10—*contd.*

Ultimate Result. (Whether compromised).	Whether any action was taken by the Market Committee against the strikers.	If any punishment was inflicted on the strikers if so, details.
6	7	8
There was regular work on the next day.	Nil.	Nil.
The Purchase and Sale Union took licences and some traders of Kalol and Derol village purchased the goods.	The traders were requested to purchase the goods.	Nil.
The Committee settled the case and amended the bye-law No. 47-A, suitably.	Nil.	Nil.
The dispute was reported to the Collector. Committee allowed 10 lbs. per cart till the end of season by compromise. During next season weighment of seed cotton was started on beam scales. The Collector under his reference No. ACR-142, dated 23-2-1937 disallowed such allowance and ordered to reduce the prices of diet, Matti etc.	Nil.	Nil.
The open auction sale system was introduced during the season 1950-51 (1-9-1951).	Nil.	Nil.
The matter was discussed in the meeting with the groundnut buyers and it was compromised that the system should be introduced after providing fencing round the market yard hard ground etc.	The Groundnut buyers were asked as to why the purchases are stopped. They replied that on account of depression the purchases are stopped.	Nil.

## APPENDIX 11.

*Statement showing the names of the Agricultural Produce Market Committees which have received Government loans the purpose for which the loans were received, the requirements made as on 31st August 1955.*

Serial No.	Name of the Market Committee which has received Government loan.	Amount of loan sanctioned.	Purpose for which the loan is sanctioned.	Amount of loan recovered so far.	Balance outstanding.	Overdue instalments, if any.
1	2	3		Rs. a. p.	Rs. g. p.	Rs.
1	Annegiri. ...	27,000	For construction of office building ... ..	.....	27,000	Nil.
2	Amalner ...	8,000	For acquisition of site for market yard ... ..	3,000	5,000	Nil.
		50,000	For acquisition of site and development of market yard ... ..	6,660	43,340	Nil.
3	Amreli ...	20,000	For construction of fence and other developments on yard ... ..	1,333	17,667	Nil.
4	Bavla ...	20,000	For construction of office building, warehouses and cattle shed ... ..	6,000	14,000	Nil.
		20,000	Acquisition of cost of site ... ..	6,000	14,000	Nil.
5	Bodeli ...	10,000	For construction of office building ... ..	8,572	1,428	Nil.
		25,500	For acquisition of site for sub-yards ... ..	.....	25,500	Nil.
		9,000	For construction of warehouses ... ..	.....	9,000	
6	Broach ...	40,000	For acquisition of site for market yard, and construction of office building.	15,298-9-0	24,701-7-0	Nil.
7	Bodwad ...	20,000	For acquisition of site for market yard ... ..	.....	20,000	Nil.

8	Byadgi	...	50,000	For construction of cattle shed	...	...	...	3,350	46,650	Nil.
9	Chalisgaon	...	25,000	For cost of acquisition of land for market yard	...	...	...	3,860	21,140	Nil.
			25,000	For development of market yard	...	...	...	.....	25,000	Nil.
			22,000	For construction of warehouses	...	...	...	.....	22,000	
10	Chopda	...	20,000	For acquisition of site for market yard	...	...	...	.....	20,000	Nil.
11	Dohad	...	30,000	For acquisition of site for market yard and for development of the yard.				.....	30,000	Nil.
12	Dhulia	...	20,000	For development of yard such as godown, office building, fencing, etc.				6,000	14,000	Nil.
13	Dondaiche	...	15,000	For development such as construction of godowns, loans, roads, drainage, etc.				4,500	10,500	Nil.
			30,000	Development of yards.	...	...	...	.....	30,000	Nil.
14	Dhansura	...	25,000	For cost of acquisition of site for market yard	...	...	...	5,000	20,000	Nil.
			20,000	For construction of warehouses	...	...	...	.....	20,000	Nil.
			25,000	For development of yard	...	...	...	3,320	21,680	Nil.
15	Derol	...	20,000	For construction of warehouses	...	...	...	.....	20,000	
			20,000	Cost of development of market yard	...	...	...	.....	20,000	Nil.
16	Dabhoi	...	50,000	For development of yard	...	...	...	.....	50,000	Nil.
15A	Gokak	...	13,000	For meeting the cost of land for market yard	...	...	...	865	12,135	Nil.
16A	Gadag	...	25,000	For construction of warehouses	...	...	...	.....	25,000	Nil.
17	Hubil	...	43,000	For construction of cattle shed	...	...	...	.....	43,000	Nil.
18	Himatnagar	...	20,000	For acquisition of site for market yard	...	...	...	.....	20,000	Nil.
19	Jambusar	...	10,000	For acquisition of cost of market yard	...	...	...	2,640	7,360	Nil.

APPENDIX 11—contd.

Serial No.	Name of the Market Committee which has received Government loan.	Amount of loan sanctioned.	Purpose for which the loan is sanctioned.	Amount of loan recovered so far.	Balance outstanding.	Overdue instalments, if any.
1	2	3	4	5	6	7
		Rs.		Rs.	Rs.	Rs.
20	Jhalod ...	17,000	Cost of acquisition of site for market yard ...	2,260	14,740	Nil.
21	Karad ...	30,000	For acquisition of cost of land for market yard ...	6,000	24,000	Nil.
22	Kurduwadi ...	15,000	For acquisition of cost of land for market yard ...	.....	15,000	Nil.
23	Kapadvanj ...	40,000	For acquisition of land for market yard... ..	14,000	26,000	Nil.
		20,000	For development of market yard ... ..	6,000	14,000	Nil.
		15,000	For development of market yard ... ..	12,000	3,000	Nil.
		20,000	For construction of warehouses ... ..	.....	20,000	Nil.
24	Koregaon ...	10,000	For cost of land for market yard ... ..	.....	10,000	Nil.
25	Lasalgaon ...	80,000	For cost of land for market yard ... ..	16,000	64,000	Nil.
		20,000	For construction of warehouses ... ..	.....	20,000	Nil.
26	Mehmedabad ...	40,000	For cost of land and development of market yard ...	2,666	37,334	Nil.
27	Malegaon ...	40,000	For cost of acquisition of site for yard ... ..	.....	40,000	Nil.
28	Nadiad ...	35,000	Do. do. ... ..	4,660	30,340	Nil.
		20,000	For construction of warehouses ... ..	.....	20,000	Nil.

29	Nargund	...	25,000	For construction of office building	...	...	...	25,000	Nil.	
30	Nasik	...	20,000	For construction of warehouses	...	...	...	20,000	Nil.	
31	Nawapur	...	30,000	For cost of land of development	...	...	...	30,000	Nil.	
32	Pachora	...	20,000	For cost of land and development of yard	...	...	5,000	15,000	Nil.	
33	Pandharpur	..	60,000	For cost of acquisition of site in market yard	..	..	4,000	56,000	Nil.	
34	Patan	..	30,000	For acquisition of site and development of yard	..	..	....	30,000	Nil.	
35	Sangli	..	1,50,000	For acquisition of site for market yard	..	..	10,000	1,40,000	Nil.	
36	Shirpur	..	50,000	For acquisition of site for yard	..	..	6,660	43,340	Nil.	
				Do. do.	..	..	3,330	4,660	Nil.	
37	Shahada	..	40,000	For cost of acquisition of site for market yard	..	..	1,760	38,240	Nil.	
38	Satana	..	50,000	For cost of land and development of yard	..	..	6,660	43,340	Nil.	
39	Santrampur	..	4,500	For cost of land for market yard	..	..	....	4,500	Nil.	
40	Shrirampur	..	40,000	For cost of land for market yard	..	..	....	40,000	Nil.	
41	Tasgaon	..	15,000	Do. do.	..	..	2,000	13,000	Nil.	
42	Takari	..	5,000	For acquisition of site for market yard	..	..	660	4,340	Nil.	
43	Thasra	..	25,000	For cost of land for market yard	..	..	7,500	17,500	Nil.	
				15,000	For cost of lands for sub yards	..	..	....	15,000	Nil.
				10,000	For cost of warehouses	..	..	....	10,000	Nil.
44	Talod	..	50,000	For construction of godowns, office buildings, fencing, etc.	..	..	10,000	40,000	Nil.	
				10,000	For cost of warehouses	..	..	....	10,000	Nil.
45	Umreth	..	5,000	For construction of office building	..	..	....	5,000	Nil.	
Grant Total			18,64,000							

## APPENDIX

Statement showing the Names of Market Committees and

Serial No.	Name of the Market Committee.	Office building (cost).	Fencing (cost).
1	2	3	4
		Rs.	Rs.
<i>Gujarat Division</i> <i>(Banaskantha District).</i>			
1	Deesa ... ..	.....	.....
<i>(Sabarkantha District).</i>			
2	Talod ... ..	31,100 Salol M. Y. Rs. 1,500 incomplete.	.....
3	Dhansura ... ..	20,640 Principal Market Yard & S. Y. Rs. 446 Sub-Yard.	1,500 Principal Market Yard. S. Y. 190
4	Himatnagar ... ..	20,140	8,320
5	Khedbrahma ... ..	.....	.....
<i>Mehsana District.</i>			
6	Patan ... ..	.....	.....
7	Unjha ... ..	.....	.....
8	Vijapur ... ..	.....	.....
<i>Amreli District.</i>			
9	Amreli ... ..	.....	Not reported
10	Dhamnagar .....	.....	.....
<i>Baroda District.</i>			
11	Bodeli ... ..	2,870	.....
12	Dabhoi ... ..	.....	.....

12.

*Amenities provided by them and by local bodies.*

Sale hall (cost).	Water facilities		Roads (cost).	Lights (cost).
	Well (cost).	Trough (cost).		
5	6	7	8	9
Rs.	Rs.	Rs.	Rs.	Rs.
.....	.....	Yes	..	.....
.....	.....	500	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	90	.....	.....
.....	.....	.....	.....	.....
.....	.....	Not Reported	..	.....
.....	Not reported ...	.....	Not reported ...	.....
.....	.....	.....	.....	.....
.....	.....	Not reported	..	.....
.....	.....	Not reported	..	.....
14,965	well 2,470	.....	.....	.....
.....	.....	Not reported	..	.....



## APPENDIX

Statement showing the Names of Market Committees and

Serial No.	Name of the Market Committee,	Weigh bridge (cost).	Cattle shed (cost).	Other Amenities (cost).
1	2	10	11	12
		Rs.	Rs.	Rs.
<i>Gujarat Division</i> <i>(Banaskantha District).</i>				
1	Deesa ... ..	.....	.....	.....
<i>(Sabarkantha District).</i>				
2	Talod ... ..	.....	1,230	1,970 Gates 8850 Towers 150 Urinals.
3	Dhansura ... ..	375 P.M.Y.	.....	2,000 Pagi room culvert 2,200
4	Himatnagar ... ..	.....	.....	.....
5	Khedbrahma ... ..	.....	.....	.....
<i>Mehsana District</i>				
6	Patan ... ..	.....	.....	.....
7	Unjha ... ..	.....	.....	.....
8	Vijapur ... ..	.....	.....	.....
<i>(Amreli District).</i>				
9	Amreli ... ..	.....	.....	Gates culvert canteen.
10	Dhamnagar ... ..	.....	.....	.....
<i>Baroda District.</i>				
11	Bodeli ... ..	.....	Weigh bridge room 960 weigh bridge 1,595	Pagi Room 902 water room 1839 privies Rs. 206.
12	Dabhoi ... ..	.....	.....	.....

12—contd.

*Amenities provided by them and by local bodies.*

Rest house (Cost).	Godowns (cost).	Remarks.
13	14	15
Rs.	Rs.	
.....	No godown of M. C.	.....
.....	One godown of M. C. 18,450	.....
.....	3 godowns 1 at principal Yard. 2 at Sub-Yard.	Ware-house under construction (20,000)
.....	Cost 12,881 (P. M. Y.) Cost 11,690 Modsa (Sub-yard) Cost 2,000 (Byad Sub-Yard.)	.....
.....	.....	.....
.....	.....	New Market Committee.
.....	No godowns on market yard	.....
.....	No godowns on market yard	.....
.....	.....	New Market Committee.
.....	1 godown on market yard on lease from Government.	.....
.....	No godown on market-yard	.....
Retiring hall 3,073	Ware house of the Market Committ 4,646	.....
.....	No godowns on market-yard	.....

## APPENDIX

Serial No.	Name of the Market Committee.	Office building (cost).	Fencing (cost).
1	2	3	4
		Rs.	Rs.
<i>Ahmedabad (District)</i>			
13	Bavla ... ..	18,280	2,240 940
14	Sanand ... ..	.....	.....
15	Virangam ... ..	.....	.....
16	Dehgam ... ..	Not Reported	.....
17	Ahmedabad ... ..	.....	.....
<i>Kaira District.</i>			
18	Kapadvanj ... ..	25,270	5,500
19	Thasra ... ..	5,860	.....
20	Nadiad ... ..	23,300	.....
21	Anand ... ..	.....	.....
22	Umreth ... ..	5,208	.....
23	Mehmedabad ... ..	15,600 (Mehmedabad Yard) 7,000 (Kaira Sub-yard)	.....
24	Borsad ... ..	.....	.....
25	Cambay ... ..	.....	.....
26	Matar ... ..	.....	.....

12—contd.

Sale hall (cost).	Water facilities		Roads (cost).	Lights (cost).
	Well (cost).	Trough (cost).		
5	6	7	8	9
Rs.	Rs.	Rs.	Rs.	Rs.
.....	3,930	1,780	.....	.....
.....	.....	....	.....	.....
.....	.....	.....	.....	.....
.....	Not Reported ...	.....	.....	Not Reported.
.....	.....	.....	13,600	.....
3,570	15,680	1,320	.....	6,523
.....	.....	.....	.....	.....
2,000	.....	Not reported	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	400 (Mehmedabad Yard.)	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

## APPENDIX

Serial No.	Name of the Market. Committee.	Weigh bridge (cost).	Cattle shed (cost).	Other Amenities (cost).
1	2	10	11	12
		Rs.	Rs.	Rs.
<i>Ahmedabad District.</i>				
13	Bavla ... ..	.....	.....	.....
14	Sanand ... ..	.....	.....	.....
15	Virangam ... ..	.....	.....	.....
16	Dehgam ... ..	.....	.....	.....
17	Ahmedabad ... ..	.....	.....	Sanatorium cost not reported Central Ring 19,700.
<i>Kaira District.</i>				
18	Kapadvanj ... ..	.....	.....	Canteen 2590. Watchman Room 900.
19	Thasra ... ..	.....	.....	.....
20	Nadiad ... ..	.....	.....	Canteen
21	Anand ... ..	.....	.....	Temporary shed water arrangement.
22	Umreth ... ..	.....	.....	.....
23	Mehmedabad ... ..	.....	.....	5,000 Retaining wall on Mehmedabad 2000-Pagi room (Meh. Yard). 2000-Pagi room (Kaira sub-yard). Latrines and bath-room. 1,050 (Meh. yard). 1050 (Kaira sub-yard).
24	Borsad ... ..	.....	.....	.....
25	Cambay ... ..	.....	.....	.....
26	Matar ... ..	.....	.....	.....

12—contd.

Rest house (Cost).	Godowns (cost).	Remarks.
13	14	15
Rs.	Rs.	Rs.
.....	3 godowns Rs. 34,361	.....
.....	No godown on market-yard	... The M. C. has not its own yard.
.....	.....	.....
Not Reported ...	.....	.....
.....	Godown on market yard.	.....
.....	Warehouse under construction. ... 25,000	.....
.....	.....	No godown on market-yard.
.....	Ware house under construction ... 20,000	.....
.....	No godown on market-yard.	.....
.....	No godowns of M. C.	.....
3,000 (Mek. Yard). 200 (Kaira Yard).	2 godowns Rs. 24,000	.....
.....	.....	New M. C.
.....	.....	Do.
.....	.....	Do.

## APPENDIX

Serial No.	Name of the Market Committee.	Office building (cost)	Fencing (cost).
1	2	3	4
		Rs.	Rs.
<i>District Panchmahals.</i>			
27	Godhra ... ..	.....	.....
28	Dohad ... ..	N. R.	N. R.
29	Jhalod ... ..	.....	.....
30	Derol ... ..	17,000	Under construction.
31	Santrampur ... ..	.....	.....
32	Lunawada ... ..	.....	.....
33	Deogad Baria ... ..	.....	.....
<i>District Broach.</i>			
34	Broach ... ..	.....	1,843
35	Jambusar ... ..	.....	.....
36	Ankleshwar ... ..	.....	.....
37	Jhagadia ... ..	.....	.....
<i>District Surat.</i>			
38	Surat ... ..	.....	.....
39	Vyara ... ..	.....	.....





## APPENDIX

Serial No.	Name of the Market Committee.	Weight bridge (cost)	Cattle shed (cost)	Other amenities (cost).
1	2	10	11	12
		Rs.	Rs.	Rs.
<i>District Panchmahals.</i>				
27	Godhra ...	.....	.....	.....
28	Dohad ...	.....	.....	Telephone
29	Jhalod ...	.....	.....	.....
30	Derol ...	.....	.....	.....
31	Santrampur ...	.....	.....	.....
32	Lunawada ...	.....	.....	.....
33	Deogad Baria ...	.....	.....	.....
<i>District Broach.</i>				
34	Broach ...	4,200	.....	Pagi room 420 Mech. room 500
35	Jambusar ...	.....	.....	.....
36	Ankleshwar ...	.....	.....	.....
37	Jhagadia ...	.....	.....	.....
<i>District Surat.</i>				
38	Surat ...	.....	.....	.....
39	Vyara ...	.....	.....	.....

12—contd.

Rest house (cost).	Godowns (cost)	Remarks.
13	14	15
Rs.	Rs.	
.....	.....	There are shops and godowns of traders and G. C. As. on temp. yard obtained on lease.
.....	N. R.	
.....	.....	
.....	.....	Ware house under construction.
.....	No godowns of M. C.	
.....	Do.	
.....	Do.	The M. C. has not its own site.
.....	Godown of M. C. under construction.	
.....	No godowns of M. C.	
.....	Do.	
.....	Do.	New M. C.
.....	Do.	
.....	.....	Do.

## APPENDIX

Serial No.	Name of the Market Committee.	Office building (cost).	Fencing (cost).
1	2	3	4
		Rs.	Rs.
<i>District Ahmednagar.</i>			
40	Kopergaon ... ..	.....	.....
41	Shrirampur ... ..	.....	.....
42	Rahuri ... ..	.....	12,650
43	Ahmednagar ... ..	(The Market Committee has not started functioning).	
44	Shevgaon ... ..	(The Market Committee has not started functioning).	
<i>District East Khandesh.</i>			
45	Chalisingaon ... ..	25,000	3,273
46	Pachora ... ..	16,110	N. R.
47	Jalgaon ... ..	790	280
48	Amalner ... ..	22,513	.....
49	Chopda ... ..	.....	.....
50	Bodwad ... ..	.....	.....
<i>District West Khandesh.</i>			
51	Dhulia ... ..	17,410	2,184 compound 9,640
52	Dondaicha ... ..	.....	.....
53	Shahada ... ..	.....	543
54	Nandurbar ... ..	Building on sub-yard N. R.	26,850
55	Navapur ... ..	.....	.....
56	Shirpur ... ..	.....	.....

12—contd.

Sale hall (cost).	Water facilities		Roads (cost).	Lights (cost).
	Well (cost).	Trough (cost)		
5	6	7	8	9
Rs.	Rs.	Rs.	Rs.	Rs.
.....	.....	.....	.....	.....
.....	(Cost not reported)	(Cost not reported)	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	3,509	666	4,000	2,000
.....	6,000	.....	.....	N. R.
.....	.....	.....	480	.....
.....	Tank, 3,223 Electric 2,700 Motor.	.....	N. R.	500
.....	.....	.....	.....	.....
.....	.....	N. R.	.....	.....
.....	.....	1,270 Pump 760	N. R.	N. R.
.....	.....	.....	.....	.....
.....	2,200	367	.....	N. R.
.....	7,860	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

## APPENDIX

Serial No.	Name of Market Committee.	Weight bridge (cost)	Cattle shed (cost)	Other Amenties (cost).
1	2	10	11	12
		Rs.	Rs.	Rs.
<i>District Ahmednagar.</i>				
40	Kopergaon ...	.....	.....	.....
41	Shrirampur ...	.....	.....	.....
42	Rahuri ...	.....	.....	.....
43	Ahmednagar ...	... (The Market Committee has not started functioning).		
44	Shevgaon ...	... (The Market Committee has not started functioning).		
<i>District East Khandesh.</i>				
45	Chalisingaon ...	.....	.....	Temporary shed Sale Hall ... 5,825
46	Pachora ...	.....	.....	.....
47	Jalgaon ...	.....	.....	.....
48	Amalner ...	.....	.....	Canteen ... 4,460
49	Chopda ...	.....	.....	Weighing Plat- 1,728 form. Temporary shed. 135
50	Bodwad ...	.....	.....	Temporary shed. 50
<i>District West Khandesh.</i>				
51	Dhulia ...	.....	.....	Library ... 16
52	Dondaicha ...	.....	.....	.....
53	Shahada ...	.....	.....	Temporary shed on subyard, 12,420
54	Nandurbar ...	.....	.....	.....
55	Navapur ...	.....	.....	.....
56	Shirpur ...	.....	.....	.....

12—contd.

Rest house (cost)	Godowns (cost)	Remarks.
13	14	15
Rs.	Rs.	
.....	.....	The M. C. has not its own site.
.....	No godowns of M. C.	
.....	Do.	Do.
.....	.....	.....
.....	.....	.....
8,158	Warehouse under construction 20,000.	
.....	Warehouse 22,450 and Shed for agriculturists.	
2 sheds ... 1,700 Latrines and 1,480 Urinals.	Construction of godown under progress.	
7,133	No godowns of M. C.	
N. R.	Do.	
.....	Do.	
.....	No godown of M. C.	
.....	Do.	
.....	Do.	
.....	Do.	
.....	Do.	
.....	Do.	

## APPENDIX

Serial No.	Name of the Market Committee.	Office building (cost)	Fencing (cost).
1	2.	3	4
		Rs.	Rs.
<i>District Nasik.</i>			
57	Lasalgaon ... ..	.....	15,760
58	Malegaon ... ..	.....	.....
59	Satana ... ..	.....	.....
60	Nandgaon ... ..	.....	.....
61	Ghoti ... ..	.....	.....
62	Nasik ... ..	.....	.....
63	Yeola ... ..	... (New Market Committee).	
<i>District Poona.</i>			
64	Baramati ... ..	3,064	.....
65	Khed ... ..	.....	.....
66	Manchar ... ..	.....	.....
<i>District Satara North.</i>			
67	Karad ... ..	at Karad 14,000 at Umbraj 12,000	at Karad 10,000 at Umbraj 4,500
68	Koregaon ... ..	.....	.....
69	Lonand ... ..	.....	.....
70	Satara ... ..	.....	.....
<i>Sholapur District.</i>			
71	Pandharpur ... ..	.....	.....
72	Barsi ... ..	.....	.....
73	Karmala ... ..	12,341	320
74	Kurdwadi ... ..	.....	.....
75	Akkalkot ... ..	.....	.....
76	Akluj ... ..	.....	.....
77	Mohol ... ..	... (New Market Committee).	

12—contd.

Sale hall (cost).	Water facilities		Roads (cost)	Lights (cost).
	Well (cost)	Trough (cost)		
5	6	7	8	9
Rs.	Rs.	Rs.	Rs.	Rs.
.....	.....	700	2,000	N. R.
.....	N. R.	.....	.....	.....
.....	.....	N. R.	.....	N. R.
.....	.....	.....	.....	.....
.....	.....	N. R.	.....	N. R.
.....	.....	.....	1,910	.....
.....	.....	.....	N. R.	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	at Karad	at Karad	3,400	2,300
	10,125	4,500		
	at Umbraj			
	4,260			
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	N. R.	.....	N. R.
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	344
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....



## APPENDIX

Serial No.	Name of the Market Committee.	Weight bridge (cost)	Cattle shed (cost)	Other Amenities (cost).
1	2	10	11	12
		Rs.	Rs.	Rs.
<i>District Nasik.</i>				
57	Lasalgaon	...	.....	2 Sheds 946 Hardening of ground 400 Canteen Cost N. R.
58	Malegaon	...	.....	.....
59	Satana	...	.....	.....
60	Nandgaon	...	.....	Radio Cost N. R.
61	Ghoti	...	.....	Temporary Shed Cost N. R.
62	Nasik	...	.....	Rs. 264 Shed.
63	Yeola.	...	.....	.....
<i>District Poona.</i>				
64	Baramati	...	N. R.	.....
65	Khed	...	.....	.....
66	Manchar	...	.....	.....
<i>District Satara North.</i>				
67	Karad	...	2,300	Goods 4,000, Syrel 400, Water Tank 600
68	Koregaon	...	.....	.....
69	Lonand	...	.....	.....
70	Satara	...	.....	.....
<i>Sholapur District.</i>				
71	Pandharpur	...	.....	.....
72	Barsi	...	.....	.....
73	Karmala	...	.....	.....
74	Kurduwadi	...	.....	.....
75	Akkalkot	...	.....	.....
76	Akluj	...	.....	.....
77	Mohol	...	.....	.....

12—contd.

Rest house (Cost).	Godowns (Cost)	Remarks
13	14	15
Rs.	Rs.	
.....	Warehouse under construction. Cost Rs. 20,000.	
.....	No godowns of M. C.	
N.R.	Do.	
.....	Do.	
.....	Do.	
.....	Warehouse under construction. Cost Rs. 20,000.	
.....	No godowns of M. C.	... M. C. has not its own site.
.....	Do.	
.....	Do.	
Under Const. Rs. 14,000	Do.	
.....	Do.	
.....	Do.	... M. C. has not its own yard.
.....	Do.	
.....	Do.	
.....	No godowns of M. C.	
.....	Do.	
.....	Do.	... M. C. has not its own yard.
.....	Do.	... Amenities are not provided as the M. C. has no yard of its own.
.....	.....	The M. C. has not its own yard.

## APPENDIX

Serial No.	Name of the Market Committee.	Office building (cost).	Fencing (cost).
1	2	3	4
		Rs.	Rs.
<i>District Kolh</i>			
78	Karjat ... ..	... (New Market Committee).	
<i>District Satara South.</i>			
79	Sangli ... ..	42,704	15,000
80	Takari ... ..	.....	.....
81	Tasgaon ... ..	.....	7,750
<i>District Kolhapur.</i>			
82	Kolhapur ... ..	.....	.....
83	Gadhinglaj ... ..	.....	.....
<i>District Belgaum.</i>			
84	Athani ... ..	.....	.....
85	Gokak ... ..	.....	13,796
86	Bailhongal ... ..	20,000	1,300 (Bailhongal yard). 800
97	Sankeshwar ... ..	.....	.....
88	Belgaum ... ..	.....	.....
<i>District Bijapur.</i>			
89	Bijapur ... ..	.....	.....
90	Bagalkot ... ..	.....	.....
91	Jamkhandi ... ..	.....	.....



## APPENDIX

Serial No.	Committee.	Weight bridge (cost)	Cattle shed (cost)	Other Amenities (cost).
1	2	10	11	12
		Rs.	Rs.	Rs.
<i>District - Kolaba.</i>				
78	Karjat ... ..	....		
<i>District Satara South.</i>				
79	Sangli ... ..	....		
80	Takari ... ..	....		
81	Tasgaon ... ..	....		Watchmen Shed Rs. 900.
<i>District Kolhapur.</i>				
82	Kolhapur ... ..	....		
83	Gadhinglaj ... ..	....		
<i>District Belgaum.</i>		<i>KARNATAK DIVISION.</i>		
84	Athani ... ..	....		
85	Gokak ... ..	....		Gates, drainage.
86	Bailhongal ... ..	....		
87	Sankeshwar ... ..	....		
88	Belgaum ... ..	....		
<i>District Bijapur.</i>				
89	Bijapur ... ..	....		
90	Bagalkot ... ..	....		
91	Jamkhandi ... ..	....		

12—contd.

Rest house (Cost).	Godowns (Cost).	Remarks.
13	14	15
Rs.	Rs.	
.. . . .	No godowns of M. C.	
.....	Do.	
.....	Do.	... The M. C. has not its own yard.
.....	.....	The M. C. is taking steps to develop the yard.
.....	No godowns of M. C.	
.....	Do.	... The M. C. has not its own yard.
.....	Do.	... Do.
.....	Do.	
.....	.....	Now M. C.
.....	.....	... Do.
.....	No godowns of M. C.	
.....	Do.	
.....	Do.	

## APPENDIX

Serial No.	Name of the Market Committee.	Office building (cost)	Fencing (cost).
1	2	3	4
		Rs.	Rs.
<i>North Kanara.</i>			
92	Sirsi ... ..	.....	.....
<i>District Dharwar.</i>			
93	Gadag ... ..	40,000	.....
94	Hubli ... ..	78,000	N. R.
95	Annigeri ... ..	70,000	5,070
96	Nargund ... ..	.....	3,860
97	Dharwar ... ..	.....	.....
98	Byadgi ... ..	54,200	6,221
99	Laxmeshwar ... ..	.....	.....
100	Ranebennur ... ..	.....	.....
101	Haveri ... ..	.....	.....

N.R.—indicates cost involved in construction is not reported.

12—*contd.*

Sale hall (cost).	Water facilities Well (cost)	Trough (cost)	Roads (cost)	Lights (cost).
5	6	7	8	9
Rs.	Rs.	Rs.	Rs.	Rs.
.....	.....	.....	.....	.....
56,220	14,000	N. R.	N. R.	N. R.
.....	.....	.....	.....	N. R.
.....	.....	.....	15,800	.....
.....	.....	N. R.	.....	.....
.....	.....	.....	.....	.....
.....	7,686	.....	1,635	1,073
.....	.....	.....	.....	N. R.
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....



## APPENDIX

Serial No.	Committee.	Weight bridge (cost)	Cattle shed (cost)	Other Amenities (cost).
1	2	10	11	12
		Rs.	Rs.	Rs.
<i>North Kanara.</i>				
92	Sirsi ... ..	.....	.....	.....
<i>District Dharwar</i>				
93	Gadag ... ..	.....	46,000	RCC Benches
94	Hubli ... ..	.....	43,000	*Grading Lab. Water tap Radio.
95	Annigeri ... ..	.....	.....	Gates two.
96	Nargund ... ..	.....	.....	Leveling Rs. 1,550. Drainage Rs. 190 Gate Rs. 1,490
97	Dharwar ... ..	.....	.....	.....
98	Byadgi ... ..	.....	48,198	.....
99	Laxmeshwar ... ..	.....	.....	.....
100	Ranebennur ... ..	.....	.....	.....
101	Haveri ... ..	.....	.....	.....

12—concl'd.

Rest house (Cost)	Godowns (cost)	Remarks.
13	14	15
Rs.	Rs.	
.....	.....	No. godown of M. C.
.....	... Warehouse under construction 25,000.	Rs.
N. K.	.....	
.....	No godowns of M. C.	
.....	Do	
.....	Do	
Rest house under construction.	Do.	
5,515	Do.	
.....	.....	New M. C.
.....	.....	Do.

APPENDIX 13.

Serial No.	Name of the Market Committee.	Name of the commodity.	Quantities allowed as <i>ad-hoc</i> deductions.	Remarks.	Whether discontinued or not.
1	2	3	4	5	6
			lbs.		
1	Jamkhandi	Cotton (unginned).	9		Bye-law No. 47 is disallowed by this office as per this office Memo No. MRT/114/6663, dated 17th September 1955.
		Cotton (ginned) ...	11		
		*Kapas or lint Docras.	*2	*The Market Committee is allowed for 2 lbs. deduction during rainy season from June to middle of November.	
		Groundnut (shelled) and (unshelled).	2½	} Tare allowance.	
		Safflower, Gram, Tur and Chillies.	5		
2	Gadag	Cotton (unginned).	9	In addition 2 lbs. is also deducted for analysing the cotton.	
		Cotton (ginned) ...	11		
3	Bagalkot	.....	...	.....	<i>Ad-hoc</i> deduction is kept under consideration as per this office Memo No. MRT/23, dated 6th January 1947.
4	Hubli	Cotton (unginned).	9	In addition 21 lbs. is also deducted for analysing the cotton.	Bye-law No. 47 i.e. <i>ad-hoc</i> deduction is kept under consideration as per this office Memo No. MRT/55/2552, dated 25th March 1955.
		Cotton (ginned) ...	11		
5	Bijapur	Cotton ...	1 (Katakati allowance).	.....	.....
		Groundnut, Safflower, Linseed and Sesamum.	½ seer (Katakati allowance).	In addition, if any Patti of any vatar weats one or two patches of Gunny cloth an allowance of 1 lb., shall be allowed. In addition "Moisture allowance" "Wet allowance" at 1 lb. should be deducted in case of cotton only.	

6	Annigeri	... Cotton (unginned) ...	9			
		Cotton (ginned) ...	11			
		Safflower, Groundnut, etc.	2½			
				Allowance for dryage is also allowed as determined by the Market Committee.		Trade allowance is discontinued as per this office Memo No. MRT/63/4601, dated 29th June 1955.
7	Gokak	... ..	...	No trade allowance as <i>ad-hoc</i> deduction is existing in market.		.....
8	Athani	... ..	...	No trade allowance as <i>ad-hoc</i> deduction is existing in market.		.....
9	Bailhongal	... Cotton ...	9			
		Groundnut, Safflower, etc.	2½			
				In addition 2 lbs., as dryage allowance.		.....
10	Byadgi	... Chillies ...	7	as mat containers	.....	.....
			3	in respect of Gunny bags weight. In addition, dryage allowance as determined by Market Committee.		
		For other commodities.	2 seers.			
11	Dharwar	... Cotton (ginned) ...	11			
		Cotton (unginned) ...	9			
		Groundnut, Safflower, etc.				
				In addition 2 lbs., in case of cotton should be deducted for scientific Grading. If the weight of the dirt, stones, etc., in a bag of Groundnuts, taken out from a sample of bags is more than ¼ seer, the deduction in weight equal to the weight of the dirt, in the bag, should be allowed on all the bags.		Bye-law No. 47 has also been kept under consideration as per this office Memo No. MRT/60/7800, dated the 1st November 1955.

APPENDIX 14.

*List of Cases Filed by the Agricultural Produce Market Committees against certain persons for breach of the certain provisions of the Act, Rules and Byelaws and decisions given by Courts thereon.*

Serial No.	Name of the Market Committee.	Date on which prosecutions filed.	Sections, Rules or Byelaws in respect of which prosecutions filed.	Whether decided in favour or against the Market Committee.	Time taken for decision.	Remarks (Gist of the Decision).
1	2	3	4	5	6	7
1	The Agricultural Produce Market Committee, Ankleshwar.	1st April 1954 2nd April 1954  15th April 1954  19th August 1954  11th January 1955	... Rule 67 and 73 ...  ... Section 4 (2), Rules 62(1), 69, Byelaw Nos. 35(2) (d), 36(2) (a).  ... Rule 65 ...  ... Byelaw 63 section 4(2), Rules 59, 65(3).	Prosecutions were withdrawn on 19th March 1955. The decision was against the M. C.  The prosecutions were withdrawn on 19th March 1955.  Decided in favour of the Market Committee.  Prosecutions were withdrawn on 30th April 1955.	Decided on 24th April 1954.      Decided on 16th October 1954.	The accused was acquitted under Rule 67(9) of the B.A.P.M. Rules. The judgement is based on the interpretation of Rule 67(9). It was opined by the Court that a person who is in the service of another person, is not required to obtain a licence from the Market Committee under Rule 67. The Market Committee, cannot, therefore, prosecute a person for not obtaining a licence.      The accused was fined Re. 1 for breach of provision.

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2 The A. P. M. C., Nawafur.	18th May 1951 ... 1st December 1951. 3rd February 1952. 3rd February 1952. 17th January 1952. 17th January 1952. 17th January 1952. 17th January 1952. 17th January 1952. 6th November 1952. 6th November 1952. 6th March, 1953. 6th March 1953. 6th March 1953. 6th March 1953 21st July 1953. 21st July 1953. 21st July 1953. 21st July 1953. 21st July 1953. *21st July 1953. 21st July 1953.	Rule 65 (4), I.P.C. 352 Rule 65(7).	The prosecutions were decided in favour of the Market Commi- ttee, except the one marked.*	Five months. Three months. Three months. Three months. One month. One month. One month. One month. One month. One month. One month. One month. One month. One month. One month. One month. One month. One month. One month. One month. Two months. Four months. One month. Two months. Two months. Five months.	Appeal rejected by the Collec- tor of West Khandesh.
3 The A. P. M. C., Dehgam.	12th May 1954 . ...	Rule 65 (7)	... Decided in favour of the Market Commi- ttee.	4½ months. ...	The accused was fined Rs. 25, or in default 2 weeks simple imprisonment.
					(i) The accused was trading in pulses and chillies. He pleaded that he had sold splits of pulses and not pulses. (ii) The accused pleaded that he had sold chilly powder and not chillies. (iii) Notifications under section 3(I) and 4 (I) were challenged on the grounds of publication in the Regional language and for the time limit.

APPENDIX 14—*contd.*

Serial No.	Name of the Market Committee.	Date on which Prosecutions filed.	Sections, Rules, OR Byelaws in respect of which prosecutions filed.	Whether decided in favour or against the Market Committee.	Time taken for decision.	Remarks. (Gist of the Decision).
1	2	3	4	5	6	7
4	The A. P. M. C. Sangli.	The M.C. had not filed any prosecutions. The traders of Sangli had filed prosecutions against the M.C. for its action in shifting the trade on the new m-yard.	The petitioners challenged the B.A.P.M. Act and Rules as a whole under article No. 19 (1) (f) and (g) of the constitution of India.	Decided in favour of the M. C.	Four months.	
5	The A. P. M. C. Tasgaon.	20th September 1954	Section 4 and Rule 65 (7).	Decided in favour of the M. C.	Six months	As the accused was young and admitted the guilt, he was given light punishment.
6	The A. P. M. C. Jhalod.	*4th March 1955 †7th April 1955. ‡11th April 1955.  §14th June 1955. £25th August 1955.	Byelaw 35 (1) (b) (4), section 4(2) Rule 65.  Do. Byelaw 35 (a) part B (4), Byelaw 35(1) (b) (4).	....	....	*As the defaulters have paid the licence fees, the M.C. has withdrawn the prosecutions on 12th April, 1955.  †Withdrawn on 11th April 1955. ‡Withdrawn on 13th June, 1955. §Withdrawn on 27th June, 1955. £Not yet decided.

7	The A. P. M. C. Nargund.	31st July 1954 .. 2nd August 1955.	.. Rule 65 (7) and Byelaw No. 33	Decided in favour of the M. C.	Three months. One month.	Accused fined Rs. 10 in both cases.
8	The A. P. M. C. Shrirampur.	*19th April 1952 .. †20th May 1952. ‡22nd January 1953.	.. Rule 65. .. Rule 76, 41 and Byelaw 36.	Decided in favour of the M. C.	One month One month. Nine months.	*The two partners of the Com- pany were fined Rs. 80. †The Firm closed the shop. ‡The Licence fee was recover- ed. Accused fined Rs. 25.
9	The A. P. M. C. Chalisgaon.	*20th December 1946 †7th July 1948. ‡7th July 1948.	Rule 65 (7). Rule 65 (7). Rule 73.	Do. .. Do. .. Decided against the the M. C.	Four and half months. Fifteen months	*Accused convicted and fined Rs. 50. †Accused convicted and fined. Rs. 30. ‡Accquitted.
		22nd June 1951.	Rule 65(7).	Settled amicably.	Withdrawn on 3rd August 1952.	
		‡25th January 1954	Rule 65(7) (12 cases).	Decided in favour of the M. C.	One month ...	†Accused convicted and fined Rs. 50 each in all the 12 cases.
		**25th January 1954.	Regulation Nos. B(2) and (3) un- der Byelaw No. 35(a), 52(3).	Do. ...	One month ...	**Accused convicted and fined Rs. 15.
		25th January 1954	Regulation No. B (2) under Bye- law No. 35 (A).	Decided against the - M.C.	Four months.	Accquitted.
10	The A. P. M. C. Kopergaon.	17th January 1955.	Section 27 (2) read with Section 511 of the I.P.C. and under Bye- law No.68 for contravention of Byelaw No. 35-A and Rule 90.	Not yet decided.	.....	.....



APPENDIX 14—contd.

Serial No.	Name of the Market Committee.	Date on which prosecutions filed.	Sections, Rules OR Byelaws in respect of which prosecutions filed	Whether decided in favour or against the Market Committee.	Time taken for decision.	Remarks (Gist of the Decision).
1	2	3	4	5	6	7
11	The A.P.M.C. Godhra.	21st December 1954	Rule 65 (1) and (7)	All cases decided in favour of the M.C.	Negligible.	Accused fined Rs. 10.
		21st December 1954	Do. ...	Do. ...	Do. ...	Do. do.
		21st December 1954	Rules 67 (1).	Do. ...	Do.	Do. do.
		4th March 1955 ...	Section 17, Rule 73 Byelaw No. 44.	Do.	Do.	Accused fined Rs. 25.
		10th May 1955.	Rule 65(1) and (7).	Do.	Do.	Accused fined Rs. 10.
		16th July 1955 .	Byelaw No. 35 (1) (b) Rule 67 (1), 72, Rule 65 (1) and (7).	Do.	Do.	Six cases were filed and the accused were fined Rs. 15, 3, 1, 1, 10, and 10 respectively
12	The A. P. M. C. Surat.	7th March 1952.	Rule 65 (1)	Decided in favour of the M.C.	One day	.....
		12th May 1952.	Byelaw 35(1) (a).	Do. ...	15 days.	.....
		29th September 1952 (9 cases).	Rule 65 (1)	Do. ...	37 days.	.....
		30th September 1952 (3 cases).	Do. ...	Do.		Accused were fined. Time taken was *(i) 60 days, (ii) 90 days (iii) 60 days.

	19th December 1952.	Rule 65 (1).	Decided in favour of the M.C.	90 days.	Accused were fined.	
13	The A. P. M. C. Dabhoi.	3rd March 1955 ... (7 cases).	Section 4, Rule 65 (7).	.....	.....	As compromise was effected, the prosecutions were withdrawn.
14	The A. P. M. C. Santrampur.	24th April 1954 ...	Rule 65(7).	... All cases were decided	1 month.	... Accused were fined.
		17th July 1954 ... (8 cases).	Rule 65(7), Bylaw 63.	... in favour of the M.C.	2½ months.	Do.
		30th November 1954.	Bylaw 63	... Do.	... 15 days.	... Do.
		31st January 1955 ...	Section 17	... Do.	... 1½ months.	... Do.
		2nd March 1955 ...	Rule 65(7)	... Do.	... 1 month	... Do.
		29th July 1955 ...	Rule 65(7)	... Do.	... 1½ months.	... Do.
15	The A. P. M. C. Dhansura.	July 1950 ...	Bylaw 63	... Compounded	... 4 months	... ..
		January 1954 ...	Rules 65, 67 and Bylaw 35 and 63.	Do.	... 3 months.	... ..
		June 1952 ...	Rule 65 and 67 ...	Decided in favour of the M. C.	3 months.	... Accused fined Rs. 25.
		July 1951 ...	.....	.....	.....	A case was filed by a land- owner against the M. C. for acquisition of land. It was withdrawn.

APPENDIX 14—*contd.*

Serial No.	Name of the Market Committee.	Date on which Prosecutions filed.	Sections, Rules, or Bye-laws in respect of which prosecutions filed.	Whether decided in favour or against the Market Committee.	Time taken for decision.	Remarks (Gist of the Decision).
1	2	3	4	5	6	7
16	The A. P. M. C. Thasra.	13th August 1954 ...	Rule 65, 67 ...	Decided in favour of the M. C.	88 days	... Accused fined Rs. 20 or in default one month S. I. Rs. 30 were given to the M.C
		27th August 1954 (3 cases) ...	Rule 65, 67 ...	Decided against the M. C.	169 days 175 days 126 days.	... ..
		23rd September 1954. (2 cases).	Rule 65, 67 ...	Decided in favour of the M. C.	154 days each	... Accused fined Rs. 10 or in default one week's S. I.
17	The A. P. M. C. Pandharpur.	28th November 1950.	Rule 65(1) and (7).	Amicably settled.	... 4 years.	.....
18	The A. P. M. C. Bailhongal.	4th February 1953 (3 cases) ...	Rule 65 ...	Decided in favour of the M. C.	3 months each	... Accused fined Rs. 15 in each case.
		4th February 1953 ...	Rule 65 ...	Compromised	... 4 months	... Cases withdrawn.
		11th February 1953 (11 cases) ...	Rule 65 ...	Do.	... 1 year	... Cases withdrawn.

19 The A. P. M. C. Lasalgaon.	2nd September 1953.	Rule 65 (3). Bye-law 46, 36.	Decided against the M. C.	1 month	...	...
	20th April 1953	...	Rule 76, Bye-law 35-A.	Do.	...	10 days
	20th April 1953	...	Rule 65 (7)	Decided in favour of the M. C.	...	10 days
	4th September 1954	...	Rule 68, 77, 65(7).	Cases withdrawn by the M. C.	...	1 year
	4th September 1954	...	Rule 54, 59	.....	...	1 year
					...	One case was withdrawn by the M. C. Three were decided in favour of the M. C. One was decided against the M. C. In cases, decided in favour of the M. C., accused were fined.
20 The A. P. M. C. Kolhapur	16th August 1950	...	Rule 59, 65 (7), and 70.	Decided in favour of the M. C.	...	1½ years
	30th October 1950	...	Rule 65(7).	Do.	...	1½ years
	7th September 1955	...	Section 17, Rules 74, 77, Bye-laws No. 35-A. Condition No. 12.	.....	.....	Not yet decided.
	28th November 1953.	...	Declarations Suit Reg : Licence fees filed by traders against the M. C.	.....	.....	Not yet decided.
	15th April 1954	...	Reg : Election	.....	...	6 months
	21st April 1954	...	Declaration suit Reg : Licence Fees, filed against the M. C. by traders	.....	.....	Not yet decided.

## APPENDIX

*Information regarding complaints filed by the Agricultural*

Serial No.	Date of filing complaints.	Name of the Court.	Details of offence.	Breach of		
				Act.	Rules	Bye laws.
				a	b	c
1	11-3-1953	... First Class magistrate at Broach.	Purchase of Cotton without holding a licence.	...	65(1)	...
2	14-3-1953	... Do. ...	Worked as a G. C. Agent without holding a licence.	...	65(1)	...
3	6-4-1953	... Do. ...	Worked as broker without holding licence.	...	67	...
4	7-4-1953	... Do. ...	Purchase of Cotton (ginned) without holding a licence.	...	65(1)	...
5	7-4-1953	... Do. ...	Do. ...	...	65(1)	...
6	4-1-1954	... Do. ...	For not taking permission of importing ginned cotton and not paid cess on it.	...	53(3)	52(1) and (3)
7	10-2-1954	... Do. ...	Information not supplied.	...	63(1)	...
8	24-3-1954	... Do. ...	Doing the trade of Cotton (ginned and unginned).	4(1)	65(1)	...
9	11-5-1955	... } Do. ...	Worked as weighmen without licence.	...	67	...
10	11-5-1954	... }				
	30-4-1954	... Do. ...	Purchased without a licence.	...	65(1)	...
11	30-3-1955	... Do. ...	Do. ...	...	65(1)	...
12	30-3-1955	... Do. ...	Do. ...	...	65(1)	...
13	April	... Do. ...	Taken illegal trade allowance.	17	...	...
14	11-6-1955	... Do. ...	Trade without licence.	...	65(1)	...
15	11-6-1955	... Do. ...	Do. ...	...	65(1)	...
16	19-9-1953	... Collector of Broach.	Appeal by Vakharia.	...	...	...

14—contd.

*Produce Market Committee, Broach.*

Punishable under			Date of disposal.	How disposed.	Remarks.
Act.	Rules.	Bye-laws.			
a	b	c	7	8	9
...	65(7)	...	24-8-1955	...	Complaint dismissed for out of jurisdiction.
...	65(7)	...	17-9-1954	...	Withdrawn after request.
...	73	...			They were tried but Magistrate is transferred so now again tried-hearing of Secretary's done.
...	65(7)	...			
...	65(7)	...			
...	...	68			As above.
...	68	...			Not heard as he has not applied in Government.
20	65(7)	...			Do.
...	73	...	3-3-1955	...	Acquitted as they were in service.
...	65(7)	...	29-5-1954	...	Withdrawn. ... On request.
...	65(7)	...	14-7-1955	...	Fine Rs. 10.
...	65(7)	...	Do.	...	Do.
21	...	...	.....	.....	Secretaries examined.
...	65(7)	...	.....	.....	Still not tried.
...	65(7)	...	.....	.....	
...	...	...	18-3-1954	...	Appeal rejected.

APPENDIX 14—contd.

Statement showing the Civil Suits filed against the complaints made by the Agricultural Produce Market Committee, Ahmedabad and expenses incurred thereunder.

Serial No.	Suit No.	Plaintiff.	Defendant.	Contention of the suit.	Legal charges incurred by the Market Committee.	Judgement.	Remarks.
					Rs. a. p.		
1	12/48 24-5-1948 1037/24-5-1948	Shri Bhailal Nathlal.	Agricultural Produce Market Committee, Ahmedabad.	..... constituted committee is illegally formed. Injunction was sought against the holding of the first meeting.	85 12 0	Dismissed <i>ex parte</i>	
2	1041/48 18-6-48	Shri Somabhai Shankarbhai.	Do.	.. The Act is applied in such a way that it is disadvantageous to growers and hence committee may be prevented from starting working.	79 13 0	Withdrawal.	
3	1206/48 21-7-1943	Bhoyani Sankheshwar Karkhana Tirth Vahivatdar Committee.	Do.	.. Trustees of Bhaubhai Vanda filed a suit for trespass and for a compensation of 2,010 as a damage to his property.	165 13 0	Withdrawal.	
4	1336/49 11-11-1948	Shri Jaykishan Dhanjibhai.	Do.	.. Retailers are not required to take a licence for trading.	80 0 0	Withdrawal	

5	<u>1337/48</u> 11-11-1948	Shri Jivanlal Gopaldas etc. (later on Jivanlal withdraw and Shri Ishakhan Nastor Joined).	Do.	.. The Act does not apply to vegetables coming from places outside market area.	1,016 2 0	Dismissed	... Against which an appeal was made in the District Court which was dismissed. A Second appeal in the High Court has been made which is pending.
6	<u>119/49</u> 24-1-1940	Shri Sayad Akbar Saiyad Yasin.	Do.	.. The Committee may be directed not to take possession of staff occupied by the plaintiff in Bhagubhai Vanda and Manekchowk Market.	66 8 0	Dismissed.	
7	<u>1031/49</u> 24-6-1949	Do.	Do.	.. It may be held that the licence may not be suspended of the plaintiff.	43 12 0	Dismissed.	
8	<u>248/49</u> 12-9-1949	Shri Vanarsi Ravichand and etc.	Do.	.. A representation suit by A Class Traders contending that agreement forms and security bonds need not to be filled in and licence may be granted.	166 10 0	Withdrawal.	
9	<u>406/51</u>	(1) Shri Mohanlal Bayamlji. (2) Shri Chimanlal Kamlihai.	Do.	.. The act does not apply to retailers.	340 15 0	Dismissed.	An appeal was filed which has also been dismissed.



APPENDIX 14—concl'd.

Serial No.	Suit No.	Plaintiff.	Defendant.	Contention of the suit.	Legal charges incurred by the Market Committee.	Judgement	Remarks.
10	130/51	Shri Paalal Umabhai.	Agricultural Produce Market Committee, Ahmedabad.	The Committee was joints as a party defendant with the Food Controller as certain premises were taken over by the Committee from the Food Controller without the consent of the trustees.	Rs. a. p. 221 4 0		
11	2108/54 27-12-1954	Shri Maneklal Chhaganlal etc.	Do.	Producers are not entitled to sell their produce in retail in Market yard without a licence. An injunction was sought for.	413 9 0	An injunction has been vacated against which an appeal has been made. Hearing of the suit has not been made.	Pending.
12	176/52 24-1-1952	Market Committee, Ahmedabad	Municipal Corporation, Ahmedabad.	Tax appeal. The Market Committee filed an appeal against the Municipal Corporation as the assessment of the yard was arbitrary.	128 10 0	Assessment reduced.	
<p>II. 40 Complaints :—</p> <p>Since the inception of the Committee 40 complaints were filed by the Market Committee against persons doing vegetable trade without a licence from the Market Committee and/or doing the trade outside market yard. Out of which 26 were withdrawn by the market committee to its lenient and practical policy, 11 were fined by the Court and 3 were dismissed by the Court. In case of withdrawal the expenses were recovered from the accused. The amount shown in the expenses column is not after deduction of recoveries</p>							
							Rs. a. p.
III. Miscellaneous legal expenses incurred by the market committee after notices etc. issued to persons							155 14 0
IV. Retainer fee (for last 7 years at Rs. 250 per annum)							1,750 0 0
Total							5,242 5 0

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APPENDIX 15.

*Statement showing the annual income, expenditure and permanent fund of  
the Market Committees as on 31st August 1954.*

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## APPENDIX

Statement showing the annual income, expenditure and

Serial No.	Names of the A. P. M. Cs.	Date of commencement.	Income		
			Market cess.	Licence fee	Miscellaneous.
1	2	3	4	5	6
<b>GUJARAT REGION.</b>					
<i>Banaskantha District.</i>					
			Rs.	Rs.	Rs.
1	Deesa ...	1st September 1953 ...	2,624	7,311	62
		Total ...	2,624	7,311	62
<i>Sabarkantha District</i>					
2	Talod ...	13th October 1948 ...	7,314	15,303	2,065
3	Dhansura ...	10th June 1949 ...	18,200	19,302	814
4	Himatnagar ...	21st May 1951 ...	11,923	11,110	410
		Total ...	37,437	45,715	3,289
<i>Mehsana District.</i>					
5	Patan ...	14th July 1952 ...	7,099	21,828	6,487
6	Unjha ...	.....	.....	.....	...
7	Vijapur ...	.....	.....	.....	...
		Total ...	7,099	21,828	6,487
<i>Amreli District.</i>					
8	Amreli ...	21st January 1953 ...	8,695	7,990	3,125
9	Dhamnagar ...	.....	.....	.....	...
		Total ...	8,695	7,990	3,125
<i>Baroda District.</i>					
10	Bodeli ...	22nd December 1939...	11,766	13,296	3,977
11	Dabhoi ...	1st September 1952 ...	4,752	6,247	6,189
		Total ...	16,518	19,543	10,166

15.

*permanent fund of the Market Committees as on 31st August 1954.*

Total income	Expenditure.			Surplus.	Deficit	Amount spent on const- ruction.	Perma- nent fund as on 31-8-54.
	Establi- shment.	Other expenses.	Total expendi- ture.				
7	8	9	10	11	12	13	14
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
9,997	7,197	3,302	10,499	...	502	...	3,646
9,997	7,197	3,302	10,499	...	502	...	3,646
24,682	12,484	7,537	20,021	4,661	...	280	37,062
38,316	17,622	4,908	22,530	15,786	...	13,695	43,267
23,443	9,782	3,295	11,077	12,366	...	...	28,570
86,441	37,888	15,740	53,628	32,813	...	13,975	1,08,899
35,414	12,789	13,245	26,034	9,380	...	4,363	32,381
...	...	...	...	...	...	...	...
...	...	...	...	...	...	...	...
35,414	12,789	13,245	26,034	9,380	...	4,363	32,381
19,810	9,050	5,506	14,556	5,254	...	3,425	1,828
...	...	...	...	...	...	...	...
19,810	9,050	5,506	14,556	5,254	...	3,425	1,828
29,039	7,658	6,202	13,860	15,171	...	...	32,652
17,188	8,141	1,588	9,729	7,459	...	...	13,718
46,227	15,799	7,790	23,589	22,630	...	...	46,370

## APPENDIX

Serial No.	Name of the A. P. M. Cn.	Date of commencement.	Income		
			Market cess.	Licence fee	Miscellaneous.
1	2	3	4	5	6
<b>GUJARAT REGION—contd.</b>					
<i>Ahmedabad District.</i>					
			Rs.	Rs.	Rs.
12	Bavla ...	22nd January 1944 ...	5,400	6,428	1,753
13	Sanand ...	19th February 1944 ...	2,337	4,200	304
14	Viramgaon ...	16th February 1944 ...	3,625	9,087	672
15	Dehgam ...	12th May 1951 ...	3,267	9,180	366
16	Ahmedabad ...	12th July 1948 ...	25,577	25,693	23,657
		Total ...	40,206	54,588	26,752
<i>Kaira District.</i>					
17	Kapadvanj ...	9th June 1947 ...	10,852	19,542	1,832
18	Thasra ...	24th April 1948 ...	5,131	14,603	1,423
19	Nadiad ...	25th November 1948.	2,168	10,850	386
20	Anand ...	19th November 1948.	1,503	7,676	347
21	Umreth ...	29th November 1948.	1,152	4,149	70
22	Mehmedabad ...	28th August 1950 ...	1,284	10,420	690
		Total ...	22,090	67,240	4,748
<i>Panchmahals.</i>					
23	Godhra ...	18th May 1949 ...	3,190	12,762	1,070
24	Jhalod ...	27th June 1949 ...	1,592	-6,805	755
25	Dohad ...	1st February 1949 ...	6,070	8,660	81
26	Derol ...	11th December 1949.	3,654	14,570	676
27	Santrampur ...	1st September 1952 ...	538	3,985	24
28	Lunawada ...	1st September 1952 ...	1,294	5,676	72
29	Deogadbaria ...	1st September 1952 ...	1,263	8,830	97
		Total ...	17,601	61,288	2,775

15—contd.

Total income.	Expenditure.			Surplus.	Deficit.	Amount spent on const- ruction.	Perma- nent. fund as on 31-8-54.
	Establi- shment.	Other expenses.	Total expenditure.				
7	8	9	10	11	12	13	14
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
13,581	7,378	6,084	13,462	119	...	3,746	37,935
6,841	3,946	1,186	5,132	1,709	...	...	13,086
13,384	5,420	3,149	8,569	4,815	...	11,629	76,385
12,813	6,785	1,304	8,089	4,724	...	.....	13,094
74,927	33,697	7,450	41,147	33,780	...	13,000	1,52,872
1,21,546	57,226	19,173	76,399	45,147	...	28,375	2,93,372
32,226	9,794	8,641	18,435	13,791	...	3,690	69,342
21,157	8,486	1,985	16,471	10,686	...	2,466	49,940
13,404	5,938	4,478	10,416	2,988	...	886	25,545
9,526	5,044	3,716	8,760	766	...	64	9,252
5,371	3,507	448	3,955	1,416	...	4,654	4,136
12,394	6,529	1,233	7,762	4,632	...	2,260	7,516
94,078	39,298	20,501	59,799	34,279	...	14,020...	1,56,731
17,022	5,071	989	6,060	10,962	...	...	53,162
9,152	3,190	768	3,958	5,194	...	...	20,014
14,811	8,265	953	9,218	5,593	...	...	4,772
18,900	9,178	2,523	11,701	7,199	...	...	19,078
4,547	2,420	965	3,385	1,162	...	...	2,516
7,042	1,923	1,149	3,072	3,970	...	...	7,742
10,190	3,853	...	3,853	6,337	...	...	7,149
81,664	33,900	7,347	47,247	40,417	...	...	1,14,333

Serial No.	Names of the A. P. M. Cs.	Date of commencement.	Income		
			Market cess.	Licence fee	Miscellaneous.
1	2	3	4	5	6
<b>GUJARAT REGION—contd.</b>					
<i>Broach District.</i>					
30	Broach ...	10th August 1948 ...	Rs. 12,051	Rs. 12,550	Rs. 152
31	Jambusar ...	1st September 1951 ...	5,542	8,865	...
32	Ankleshwar ...	25th February 1954 ...	1,025	4,390	12
33	Jhagadia ...	.....	.....	.....	...
Total ...			18,618	25,805	194
<i>Surat District.</i>					
34	Surat ...	1st March 1952 ...	14,332	9,836	530
Total ...			14,332	9,836	530
Total of Gujarat Region ...			1,85,220	3,21,144	58,128
<b>MAHARASHTRA REGION.</b>					
<i>Ahmednagar District.</i>					
35	Kopergaon ...	1st February 1950 ...	9,224	11,440	668
36	Shrirampur ...	19th January 1950 ...	12,508	20,249	2,192
37	Rahuri ...	1st September 1953 ...	5,167	12,440	44
38	Ahmednagar ...	.....	.....	.....	...
Total ...			26,899	44,129	2,904
<i>East Khandesh.</i>					
39	Chalisgaon ...	5th October 1946 ...	5,041	14,108	2,998
40	Pachora ...	28th October 1946 ...	6,931	12,338	3,396
41	Jalgaon ...	13th November 1938.	7,000	11,485	2,481
42	Amalner ...	22nd November 1934.	5,096	8,087	2,363
43	Chopada ...	24th July 1948 ...	3,314	9,601	1,398
44	Bodwad ...	12th September 1952.	2,653	6,061	881
Total ...			30,035	62,580	13,517

15—contd.

Total income.	Expenditure.			Surplus.	Deficit.	Amount spent on const. ruotion.	Perma- nent fund as on 31-8-54.
	Establi- shment.	Other expenses.	Total expendi- ture.				
7	8	9	10	11	12	13	14
Rs. 24,783	Rs. 6,817	Rs. 9,879	Rs. 16,696	Rs. 8,087	Rs. ...	Rs. ...	Rs. 12,790
14,407	3,717	1,860	5,577	8,830	...	...	15,103
5,427	3,895	1,326	5,221	206	...	...	206
.....	.....	...	.....	...	...	...	...
44,617	14,429	13,065	27,494	17,123	...	...	28,099
24,698	9,456	3,789	13,245	11,453	...	...	1,28,846
24,698	9,456	3,789	13,245	11,453	...	...	1,28,846
5,64,492	2,37,032	1,09,458	3,46,490	2,18,504	502	64,158	8,14,505
21,332	9,264	3,819	13,083	8,249	...	...	40,931
34,949	13,770	7,199	20,969	13,980	...	...	62,843
17,651	8,052	3,534	11,586	6,065	...	...	6,065
.....	.....	...	.....	...	...	...	...
73,932	31,086	14,552	44,638	28,294	...	...	1,09,893
22,147	9,975	7,482	17,457	4,600	...	...	31,582
22,665	6,945	4,833	11,778	10,887	...	...	35,315
20,966	7,350	5,009	12,359	8,607	...	...	51,863
16,446	9,893	7,979	17,872	...	1,426	...	16,062
14,313	7,827	3,290	11,117	3,196	...	...	13,936
9,595	2,317	2,130	4,447	5,148	...	...	6,657
1,06,132	44,307	30,723	75,030	32,528	1,426	...	1,55,415



## APPENDIX

Serial No.	Name of the A. P. M. Cs.	Date of commencement.	Income		
			Market cess.	Licence fee.	Miscellaneous.
1	2	3	4	5	6
<b>MAHARASHTRA REGION--contd.</b>					
<i>West Khandesh.</i>					
			Rs.	Rs.	Rs.
45	Dhulia ...	... 1st December 1930 ...	19,912	14,071	2,521
46	Dondaicha ...	... 20th November 1939.	11,707	20,284	2,310
47	Shirpur ...	... 6th December 1948 ...	7,575	9,793	5,042
48	Shahada ...	... 1st September 1950 ...	3,105	14,217	6,855
49	Nandurbar ...	... 18th October 1948 ...	14,195	22,997	2,061
50	Navapur ...	... 14th November 1950.	4,243	12,371	2,993
Total ...			51,737	93,733	21,782
<i>Nasik District.</i>					
51	Lasalgaon ...	... 30th May 1948 ...	16,124	18,627	3,224
52	Malegaon ...	... 12th September 1949.	6,258	12,706	3,222
53	Satana ...	... 14th September 1949.	7,658	11,973	1,515
54	Nandgaon ...	... 1st November 1949 ...	4,156	5,815	913
55	Ghoti ...	... 17th October 1953 ...	997	5,247	71
56	Nasik ...	... 20th November 1953.	2,209	29,050	782
Total ...			37,402	83,418	9,727
<i>Poona.</i>					
57	Baramati ...	... .....	8,492	18,773	2,142
58	Khed ...	... .....	247	5,700	101
59	Manchur ...	... .....	.....	.....	...
Total ...			8,739	24,473	2,243

15—contd.

Total income.	Expenditure.			Surplus.	Deficit.	Amount spent on const- ruction.	Perma- nent fund as on 31-8-54.
	Establi- shment.	Other expenses.	Total expenditure.				
7	8	9	10	11	12	13	14
Rs. 27,502	Rs. 13,365	Rs. 7,518	Rs. 20,883	Rs. 6,621	Rs. ...	Rs. ...	Rs. 46,846
34,301	17,215	8,007	25,222	9,079	...	...	78,891
22,410	8,544	4,875	13,419	8,991	...	...	19,583
24,177	10,628	3,296	13,924	10,253	...	...	28,356
39,253	16,386	5,902	22,288	16,965	...	...	71,930
19,607	9,555	3,365	12,920	6,687	...	...	8,314
1,67,252	75,693	32,963	1,08,656	58,596	...	...	2,53,920
37,975	17,031	10,614	27,673	10,302	...	...	49,450
22,186	9,408	5,754	15,162	7,024	...	...	33,136
21,146	9,502	6,882	16,384	4,762	...	...	25,159
10,884	5,779	2,105	7,884	3,000	...	...	6,804
6,315	2,245	2,045	4,209	2,025	...	...	2,025
32,041	15,181	9,067	24,248	7,793	...	...	7,793
1,30,547	59,146	36,495	95,641	34,906	...	...	1,24,367
29,407	12,387	4,584	16,962	12,445	...	...	51,247
6,048	1,763	824	2,587	3,461	...	...	7,009
.....	.....	...	.....	...	...	...	...
35,455	14,140	5,408	19,549	15,906	...	...	58,256

## APPENDIX

Serial No.	Names of the A. P. M. Cs.	Date of commencement.	Income		
			Market cess.	Licence fee	Miscellaneous.
1	2	3	4	5	6
<i>Satara North.</i>			Rs.	Rs.	Rs.
60	Karad ...	... 28th April 1944 ...	8,383	23,091	9,683
61	Koregaon ...	... 1st December 1949 ...	1,259	6,999	810
62	Lonand ...	... 11th March 1952 ...	2,252	9,430	72
63	Satara ...	... 2nd March 1953 ...	492	15,656	95
Total ...			12,386	55,176	10,669
<i>Sholapur District.</i>					
64	Pandharpur ...	... 1st January 1949 ...	3,052	13,805	1,189
65	Barsi ...	... 7th November 1949 ...	13,024	20,771	1,090
66	Karmala ...	... 2nd June 1948 ...	3,774	7,744	2,820
67	Kurduwadi ...	... 24th October 1950 ...	1,398	8,362	371
68	Akkalkot ...	... 10th January 1953 ...	5,860	17,981	228
69	Akluj ...	... 21st March 1951 ...	4,655	9,677	463
Total ...			31,763	78,340	6,161
<i>Satara South</i>					
70	Sangli ...	... 16th August 1951 ...	15,371	60,725	4,813
71	Takari ...	... 28th March 1948 ...	1,257	21,174	818
72	Tasgaon ...	... 23rd September 1948.	1,329	11,730	295
Total ...			17,957	93,629	5,926
<i>Kolhapur.</i>					
73	Kolhapur ...	... 15th October 1945 ...	12,123	60,481	4,475
74	Gadhinglanj ...	... 27th May 1948 ...	980	12,134	870
Total ...			13,103	72,615	5,345
Total of Maharashtra ...			2,30,021	6,08,093	78,265

15—contd.

Total income	Expenditure.			Surplus.	Deficit.	Amount spent on const- ruction.	Perma- nent fund as on 31-8-54.
	Establishment.	Other expenses.	Total Expendi- ture.				
7	8	9	10	11	12	13	14
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
41,157	14,586	15,842	30,428	10,729	.....	.....	1,00,901
9,068	4,964	2,148	7,112	1,956	.....	.....	5,635
11,754	4,749	2,732	7,481	4,273	.....	.....	8,446
16,243	3,916	2,418	6,334	9,909	.....	.....	10,278
78,222	28,215	23,140	51,355	26,867	.....	.....	1,25,260
18,046	8,504	5,419	13,959	4,087	.....	.....	35,719
34,885	13,154	5,823	18,977	1,590	.....	.....	69,705
14,338	6,141	2,244	8,385	5,953	.....	.....	22,219
10,131	4,483	2,783	7,266	2,865	.....	.....	11,105
24,069	7,263	2,179	9,442	14,627	.....	.....	27,211
14,705	5,753	4,303	10,056	4,739	.....	.....	18,083
1,16,264	45,334	22,751	68,085	48,179	.....	.....	1,84,042
80,909	24,502	15,902	40,404	40,505	.....	.....	3,13,150
23,249	11,973	4,968	16,941	6,308	.....	.....	30,539
13,354	6,467	4,195	10,662	2,692	.....	.....	15,654
1,17,512	42,942	25,065	68,007	49,505	.....	.....	3,59,343
77,079	20,312	18,573	38,885	38,195	.....	.....	2,11,795
13,984	6,860	3,874	10,734	3,250	.....	.....	25,915
91,063	27,172	22,447	49,619	41,444	.....	.....	2,37,710
9,16,379	3,68,036	2,13,544	5,81,580	3,36,225	1,426	.....	16,08,152

## APPENDIX

Serial No.	Name of the A. P. M. Cs.	Date of commencement.	Income		
			Market cess.	Licence fee.	Miscellaneous.
1	2	3	4	5	6
<b>KARNATAK REGION.</b>			Rs.	Rs.	Rs.
<i>Belgaum District.</i>					
75	Athni ...	25th June 1948 ...	1,942	12,039	1,111
76	Gokak ...	15th January 1949 ...	5,545	12,100	2,082
77	Bailhongal ...	1st January 1937 ...	4,968	18,399	5,765
78	Sankeshwar ...	10th November 1950.	1,456	13,298	1,106
Total ...			13,911	55,836	10,064
<i>Bijapur.</i>					
79	Bijapur ...	26th September 1938.	17,790	49,960	7,008
80	Bagalkot ...	1st January 1946 ...	11,948	17,118	9,076
81	Jankhandi ...	12th January 1953 ...	3,385	16,872	319
Total ...			33,123	83,950	16,403
<i>North Kanara.</i>					
82	Sirsi ...	.....	.....	.....	.....
Total ...			.....	.....	.....
<i>Dharwar District.</i>					
83	Gadag ...	28th July 1943 ...	26,775	57,172	21,131
84	Hubli ...	20th July 1943 ...	8,003	42,998	1,262
85	Annigeri ...	28th May 1948 ...	911	10,160	1,292
86	Nargund ...	1st February 1949 ...	1,578	8,209	342
87	Dharwar ...	12th August 1948 ...	1,440	6,188	133
88	Byadgi ...	15th February 1948 ...	1,196	13,996	5,422
89	Laxmeshwar ...	1st January 1953 ...	2,111	20,628	1,405
90	Ranebennur ...	28th December 1953.	1,243	14,707	1,010
91	Haveri ...	.....	.....	.....	.....
Total ...			43,357	1,74,058	31,997
Total for Karnatak Region ...			90,391	3,13,844	58,464
Grand Total for 1953-54 ...			5,05,632	13,43,081	1,94,857

15—concl'd.

Income	Expenditure,			Surplus. Deficit.		Amount spent on construction.	Permanent fund as on 31-8-54.
	Total income.	Establishment.	Other expenses.	Total expenditure.			
7	8	9	10	11	12	13	14
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
15,092	9,413	1,583	10,996	4,096	.....	.....	38,011
19,727	16,097	1,583	17,680	2,047	.....	.....	33,107
29,132	16,950	3,305	20,255	8,877	.....	.....	65,106
15,860	5,133	1,618	6,751	9,109	.....	.....	38,085
79,811	47,593	8,089	55,682	24,129	.....	.....	1,74,309
74,758	30,276	8,389	38,665	36,093	.....	.....	2,83,713
38,142	26,389	6,656	33,045	5,097	.....	.....	1,28,093
20,576	9,917	2,516	12,433	8,143	.....	.....	16,390
1,33,476	66,582	17,561	84,143	49,333	.....	.....	4,28,196
.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....
1,05,078	55,267	19,282	74,555	30,523	.....	.....	2,84,339
52,263	31,494	17,484	48,977	3,286	.....	.....	1,20,167
12,363	5,923	3,908	9,830	2,533	.....	.....	27,722
10,129	5,721	1,970	7,691	2,438	.....	.....	21,827
7,761	4,879	2,366	7,245	516	.....	.....	9,552
20,614	14,511	7,156	21,667	.....	1,053	.....	78,061
24,244	11,101	3,615	14,724	9,520	.....	.....	20,207
16,960	6,638	2,409	9,047	7,913	.....	.....	7,928
.....	.....	.....	.....	.....	.....	.....	.....
2,49,412	1,35,541	58,195	1,93,736	57,729	1,053	.....	5,69,803
4,62,699	2,49,716	83,845	3,33,561	1,30,191	1,053	.....	12,72,356
19,43,570	8,54,784	4,06,847	12,61,631	6,84,920	2,981	64,158	37,673

APPENDIX 16.

Statement showing the amounts received by Municipalities by way of Octroi and amount spent for providing amenities at the Market Yards.

Serial No.	District.	Name of Market Committee.	Approximate amount of Octroi duty recovered by the Local authority on produce sold by the regulated market.	Nature of amenities provided by the Local authority.	Amount spent by the Local authority for provision of amenities since the establishment of the Committee.	Remarks.
1	2	3	4	5	6	7
			Rs. a. p.			
1	Banaskantha	... 1. Deesa	... 12,000 0 0	.....	.....	
2	Sabarkantha	... 2. Talod	.....	.....	.....	
		... 3. Dhansura	.....	.....	.....	
		... 4. Himatnagar	... 129 3 6	.....	Rs. 1,500 have been contributed by the Municipality for construction of well in Market Yard.	
		... Khedabrahma	.....	.....	.....	The Market Committee has recently started working.
3	Mehsana	... 5. Patan	... 1,24,000 0 0	.....	.....	
		... 6. Unjha	... 9,523 0 0	.....	.....	
			(by Unjha Municipality).	Lighting arrangement provided by the Sidhpur Municipality.	Rs. 100 have been spent by the Sidhpur Municipality.	Commenced work from 6th April 1955.
		... 7. Vijapur	... 8,540 0 0	.....	.....	New.
			(Sidhpur Municipality).	.....	.....	

4	Amreli ...	...	8. Amreli	...	30,930	3	3	Electric lights	.....	
			9. Damnagar	...	.....			.....	.....	New.
5	Baroda ...	...	10. Bodeli	...	.....			.....	.....	
			11. Dabhoi	...	Cotton			.....	.....	Municipality has re-
					8,567	0	0			fused to provide
					Groundnut					amenities.
					540	0	0			
6	Ahmedabad	...	12. Bavla	...	68,747	1	3	.....	.....	
			13. Virangam	...	.....			.....	.....	
			14. Sanand	...	8,823	0	0	.....	.....	
			15. Ahmedabad	...	.....			.....	.....	
			16. Dehgam	...	7,500	0	0	Lighting, Water, Sweeping.	.....	
7	Kaira ...	...	17. Nad'ad	...	21,000	0	0	.....	.....	
			18. Anand	...	1,500	0	0	.....	.....	
			19. Umreth	...	.....			.....	.....	
			20. Thasra	...	2,758	10	0	.....	.....	
			21. Kapadvanj	...	81,634	2	3	.....	.....	
			22. Mehmedabad	...	15,890	7	0	.....	.....	
			Borsad	...	.....			.....	.....	
			Cambay	...	.....			.....	.....	
			Matar	...	.....			.....	.....	The Market Committee has recently started.



APPENDIX 16—*contd.*

Serial No.	District.	Name of Market Committee.	Approximate amount of Octroi duty recovered by the Local authority on produce sold by the regulated market.	Nature of amenities provided by the Local authority.	Amount spent by the Local authority for provision of amenities since the establishment of the Committee.	Remarks.
1	2	3	4	5	6	7
			Rs. a. p.		Rs. a. p.	
8	Panchmahals	23. Godhra	40,000 0 0	.....	.....	The Market Committee has recently started functioning.
		24. Jhalod	.....	.....	.....	
		25. Dohad	41,100 0 0	.....	.....	
		26. Derol	.....	.....	.....	
		27. Santrampur	.....	.....	.....	
		28. Lunawada	.....	.....	.....	
		29. Deogadbaria	.....	.....	.....	
9	Broach	30. Broach	.....	.....	.....	New.
		31. Jambusar	.....	.....	.....	
		32. Ankleshwar	.....	.....	.....	
		33. Jhagadia	.....	.....	.....	

10	Surat	...	34.	Surat	...	13,156	0	0	.....	.....		
				Vyara	...	.....			.....	.....	The Market Committee recently started functioning.	
11	Thana	...		.....		.....			.....	.....		
12	Ahmednagar	...	35.	Kopergaon	...	27,024	4	0	.....	.....		
						(As Bazar fee 4,000)			.....	.....		
			36.	Shrirampur	...	40,000	0	0	.....	.....		
						52,000	0	0	.....	.....		
			37.	Rahuri	...	.....			.....	.....		
			38.	Ahmednagar	...	.....			.....	.....	The Market Committee has not started functioning.	
				Shevgaon	...	.....			.....	.....	The Market Committee has not started functioning.	
13	East Khandesh	...	39.	Chalisgaon	...	41,146	0	0	Two crossings of H. P. Drains on Dhulia-Aurangabad Road.	250	0	0
			40.	Pachora	...	.....			.....	.....		
			41.	Jalgaon	...	39,965	1	0	.....	.....		
			42.	Amalner	...	2,00,000	0	0	.....	.....		
			43.	Chopda	...	.....			Provided approach roads to the Market Yard.	216	2	0
			44.	Bodwad	...	11,500	0	0	One petromax and kacha approach road.	57	6	9
												Out of this income the Market Committee should get 50 per cent. of it and it should be spent by Market Committee for amenities and not by Local body.

APPENDIX 16—*contd.*

Serial No.	District.	Name of Market Committee.	Approximate amount of Octroi duty recovered by the Local authority on produce sold by the regulated market.	Nature of amenities provided by the Local authority.	Amount spent by the Local authority for provision of amenities since the establishment of the Committee.	Remarks.
1	2	3	4	5	6	7
			Rs. a. p.		Rs. a. p.	
14	West Khandesh	45. Dhulia	35,139 0 0	Roads, Latrine, Drinking water etc.	6,053 *2 9	
		46. Dondaicha	23,072 0 0	No	No	
		47. Shirpur	16,000 0 0	.....	.....	Market Committee has requested the Municipality to provide amenities but Municipality refused.
		48. Shahada	.....	.....	.....	
		49. Nandurbar	1,69,893 0 0 (Nandurbar). 6,202 0 9 (Talod).	.....	.....	
		50. Nawapur	.....	.....	.....	
15	Nasik	51. Lasalgaon	.....	.....	.....	
		52. Malegaon	71,000 0 0	.....	.....	
		53. Satana	35,000 0 0	No	.....	
		54. Nasik	to 45,000 0 0	.....	.....	
		55. Nandgaon	57,004 12 0	.....	.....	
		56. Ghoti	.....	.....	.....	
		Yeola	.....	.....	.....	The Market Committee has not started functioning.

16	Poona	...	57.	Baramati	...	75,000	0	0	3 electric lamps of 20 c. p. have been provided.	400	0	0	No facilities provided by Municipal on the yard though Market Committee has requested.
			58.	Khed	...	.....			.....	.....			
			59.	Manchar	...	.....			.....	.....			
17	Satara North	...	60.	Karad	...	.....			.....	.....			
			61.	Koregaon	...	.....			.....	.....			
			62.	Lonand	...	14,665	6	0	Water, arrangement for Bullocks and agriculturists, Lighting and sweeping.	1,500	0	0	
			63.	Satara	...	53-54. 6,469	0	0	Water supply	.....			
					54-55. 9,258	0	0						
						15,727	0	0					
18	Sholapur	...	64.	Pandharpur	...	19,000	0	0	Lighting, water, Roads, Sanitation etc.	9,000	0	0	(Electric charges.)
			65.	Barsi	...				.....	.....			
			66.	Karmala	...	20,000	0	0	.....	.....			
			67.	Akluj	...	.....			.....	.....			
			68.	Kurduwadi	...	.....			.....	.....			
			69.	Akalkot	...	.....			.....	.....			
				Mohol	...	.....			.....	.....			New Market Committee. It has not started functioning.

APPENDIX 16—concl'd.

Serial No.	District.	Name of Market Committee.	Approximate amount of Octroi duty recovered by the Local authority on produce sold by the regulated market.	Nature of amenities provided by the Local authority.	Amount spent by the Local authority for provision of amenities since the establishment of the Committee.	Remarks.
1	2	3	4	5	6	7
			Rs. a. p.		Rs. a. p.	
19	Kolaba	... Karjat ...	.....	.....	.....	New Market Committee. It has not started functioning.
20	Ratnagiri	... ..	.....	.....	.....	
21	Satara South	... 70. Sangli ...	80,000 0 0	(1) Water supply ... (2) Electricity ...	(1) 34,000 0 0 (2) 10,000 0 0	
		71. Tasgaon ...	12,000 0 0	Constructed 2 main roads (not pucca) and provided 4 petromax.	800 0 0	
		72. Takari ...	9,222 0 0 (Islampur.) 3,274 0 0 (Minevite.)	It has proposed to provide additional portion of pipe line in sub yard and to lay electric lines in the yard.	.....	
22	Kolhapur	... 73. Kolhapur ...	8,76,228 0 0	.....	.....	
		74. Gadhinglaj ...	12,692 0 0	Lighting, 6 street lamps, two petromax, two wells, sanitation, Road, Gutters, cleaning and repairs.	2,000 0 0	
23	Dangs	... ..	.....	.....	.....	

24	Belgaum	...	75. Athani	...	54,432	6	0	.....	.....		
			76. Bailhongal	...	27,000	0	0	Drinking water, street lights, water Tank.	Rs.15,000 invested and Rs. 1,500 spent per yard.		
			77. Gokak	...	37,000	0	0	No	.....		
			78. Sankeshwar	...							
			Belgaum	...	.....			.....	.....	New Market Committee. It has not started functioning.	
25	Bijapur	...	79. Bijapur	...	5,00,000	0	0	.....	.....		
			80. Bagalkot	...	1,67,000	0	0	.....	.....		
			81. Jamkhandi	...	1,52,278	6	0	.....	.....		
26	Dharwar	...	82. Gadag	...	1,51,012	0	0	Lighting, construction of gutters, water facilities, roads, etc.	2,20,741	11	6
			83. Hubli	...	1,13,486	0	0	Water supply, lighting, Latrines, fire fighter, Roads, etc.	20,000	0	0
			84. Nargund	...	15,000	0	0	.....	.....		
			85. Annigeri	...	.....			.....	.....		
			86. Dharwar	...	.....			.....	.....		
			87. Byadgi	...	50,000	0	0	.....	.....		
			88. Laxmeshwar	...	25,000	0	0	Lighting, sanitation...	150	0	0
			89. Ranebennur	...	19,922	0	0	.....	.....		
			90. Haveri	...	.....			.....	.....		
27	North Kanara	...	91. Sirsi	...	.....			.....	.....		

APPENDIX 17.

*Statement showing the amendments proposed to the Bombay Agricultural Produce Markets Act, 1939.*

No. of Section	Wording of the existing Section.	Wording of the proposed amendment.	Wording of the Section as it would read after amendment.
1	2	3	4
CHAPTER I.			
PRELIMINARY			
2 (1) (i)	“ Agricultural Produce ” includes all produce of agriculture, horticulture and animal husbandry specified in the Schedule.	<i>Add</i> the words “ whether processed or not ” between the words “ produce ” and “ off”. <i>Delete</i> the word “ and ” after the word “ horticulture ”. <i>Add</i> the words “ and forest produce ” between the words “ animal husbandry ” and “ specified ”.	“ Agricultural Produce ” includes all produce whether processed or not of agriculture, animal husbandry and forest produce specified in the Schedule.
2(1) (iv)	“ Director ” means the Director of Agricultural Marketing and Rural Finance for the State of Bombay.	<i>Add</i> the words “ and includes Joint Director ” after the words “ the State of Bombay ”.	“ Director ” means the Director of Agricultural Marketing and Rural Finance for the State of Bombay and includes Joint Director.
2(1) (v)	“ Market ” means a market established for the purposes of this Act.	<i>Add</i> the word “ regulated ” between the words “ a ” and “ market ”. <i>Substitute</i> the words “ under this Act ” for the words “ the purposes of this Act ”. <i>Add</i> the following at the end: “ for the market area and includes a market proper, a principal market yard and sub-market yard or yards, if any ”.	“ Market ” means a regulated market established under this Act for the market area and includes a market proper, a principal market yard and sub-market yard or yards, if any.
2(1)(v-a)	New	... <i>Add</i> a new clause 2(1) (v-a) under 2(1)(v).	“ Market Area ” means any area declared to be a market area under section 4.

- 2(1)(vi) "Market Area" means any area declared to be a market area under section 4. *Delete the existing wording of section 2 (1) (vi). (Substitute the definition of "Market Proper" for the definition of "Market Area").* "Market Proper" means any area including all lands with the buildings thereon, within such distance of the principal or sub-market yard, as Government thinks fit, to be a market proper.
- 2(1) (vii) "Market Committee" means a Committee established under section 5. *Delete the existing wording of Section 2(1) (vii). (Substitute the definition of "Principal market yard" and "Sub-market yard" for definition of "Market Committee").* "Principal market yard" and "sub-market yard" mean an enclosure, building or locality declared to be a principal market yard and sub-market yard in the official gazette.
- 2(1) (vii-b) New. ... *Add a new clause 2(1) (vii-b) under 2(1) (vii).* "Municipality" includes a notified area committee.
- 2(1) (viii) "Municipality" includes a notified area committee. *Delete the existing wording of section 2(1) (viii). (Substitute the definition of "Market Committee" for the definition of "Municipality").* "Market Committee" means a committee established under section 5.
- 2(1)(viii-a) New. ... *Add a new clause 2(1) (viii-a) under 2(1) (viii).* "Market year" means the year commencing on the first day of October and end on 30th September.
- 2(1) (ixaa) "Principal market yard" means an enclosure, building or locality declared to be a principal market yard under section 4A. *Delete the existing clause 2(1) (ixaa)*
- 2(1) (xiii) New ... *Add a new clause 2(1) (xiii)* ... "Secretary" means the Chief Executive Officer of the committee and includes officiating Acting, Deputy and Assistant Secretary.



APPENDIX 17—*contd.*

No. of Section.	Wording of the existing Section.	Wording of the proposed amendment.	Wording of the Section as it would read after amendment.
1	2	3	4
CHAPTER II.			
CONSTITUTION OF MARKETS AND MARKET COMMITTEES.			
3(1)	The State Government may, by notification in the <i>Official Gazette</i> declare its intention of regulating the purchase and sale of such agricultural produce and in such area, as may be specified in the notification. Such notification may also be published in the regional languages of the area and in such other manners as the State Government may deem fit.	<del>Delete the sentence "Such notification may..... may deem fit"; and read in its place the following :—</del> A notification under this Section may also be published in the regional languages of the area in a newspaper circulated in the said area. Government may, however, proceed to regulate a market if it is otherwise satisfied even though the Municipality is opposed to such regulation, or it fails to convey its views within a stipulated time.	The State Government may, by notification in the <i>Official Gazette</i> , declare its intention of regulating the purchase and sale of such agricultural produce and in such area, as may be specified in the notification. A notification under this section may also be published in the regional languages of the area in a newspaper circulated in the said area. Government may, however, proceed to regulate a market if it is otherwise satisfied even though the Municipality is opposed to such regulation, or it fails to convey its views within a stipulated time.
4(1)	After the expiry of the period specified in the notification, issued under section 3 and, after considering such objections and suggestions as may be received before such expiry and after holding such inquiry as may be necessary, the State Government may, by notification in the <i>Official Gazette</i> , declare the area specified in the notification under section 3 or any portion thereof to be a market area for the purposes of this Act in respect of all or any of the kinds of agricultural produce specified in the said notification. A notification under this section may also be published in the regional languages of the area in a newspaper circulated in the said area and may also be published in such other manners as the State Government may deem fit.	<del>Delete the sentence "and may also be published in such other manner as the State Government may deem fit"</del>	After the expiry of the period specified in the notification, issued under section 3 and, after considering such objections and suggestions as may be received before such expiry and after holding such inquiry as may be necessary, the State Government may, by notification in the <i>Official Gazette</i> , declare the area specified in the notification under section 3 or any portion thereof to be a market area for the purposes of this Act in respect of all or any of the kinds of agricultural produce specified in the said notification. A notification under this section may also be published in the regional languages of the area in a newspaper circulated in the said area.

4(2). On and after the date on which any area is declared to be a market area under sub-section (1), no place in the said area shall, subject to the provisions of section 5-A, be used for the purchase or sale of any agricultural produce specified in the notification issued thereunder. *Delete the proviso to section 4(2)* ... On and after the date on which any area is declared to be a market area under sub-section (1) no place in the said area shall, subject to the provisions of section 5-A, be used for the purchase or sale of any agricultural produce specified in the notification issued thereunder.

Provided that pending the establishment of a market in such area under section 5, the State Government may grant a licence to any person to use any place in the said area for the purchase or sale of any such agricultural produce.

4(2A) Nothing in sub-section (2) shall apply to the purchase or sale of such agricultural produce, if the producer of such produce is himself its seller and the purchaser is a person who purchases such produce for his own private use or if such agricultural produce is sold to such person by way of a retail sale. *Substitute the word "consumption" for the word "use" after the word "private" and delete the sentence "or if such..... by way of a retail sale".* Nothing in sub-section (2) shall apply to the purchase or sale of such agricultural produce, if the producer of such produce is himself its seller and the purchaser is a person who purchases such produce for his own private consumption.

The State Government may, on the report of the Director or the Collector or of the market committee or an officer appointed by the State Government in this behalf and after such inquiry as it seems fit to make, suspend or cancel any licence granted under sub-section (2). *Delete section 4(3).*

4(4) Subject to the provisions of section 3, the State Government may at any time by notification in the *Official Gazette* exclude from a market area, any area, or any agricultural produce comprised therein or included in any market area, any area or any agricultural produce included in a notification issued under section 3. *Delete the words "subject to the provisions of section 3."* The State Government may at any time by notification in the *Official Gazette* exclude from a market area, any area, or any agricultural produce comprised therein or include in any market area, any area or any agricultural produce, included in a notification issued under section 3.

APPENDIX 17—*contd.*

No. of Section	Wording of the existing Section	Wording of the proposed amendment	Wording of the Section as it would read after amendment.
1	2	3	4

4(5)	New ... ..	After section 4( <del>4</del> ) add a new section 4(5).	Subject to the provisions of section 3 the State Government on the recommendation of the Director, may at any time by notification in the <i>Official Gazette</i> denote the market area and the agricultural produce notified and cancel a market committee and transfer all the assets of the market committee which remain after satisfaction of all its liabilities to the local authority which is situated within the jurisdiction of the market committee or if there are more than one such local authorities, to each of such authority any portion of the assets as the Government may determine. Such assets shall be utilised by the Local Authorities for such objects in the area in its jurisdiction as the State Government considers it to be for the benefit of the agriculturists in the area.
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The State Government shall establish a market committee for every market area in respect of agricultural produce for which said area is declared to be a market area under section 4. It shall be the duty of the market committee to enforce the provisions of this Act, the conditions of a licence granted under subsection (2) of section 4 and the rules and bye-laws made under this Act in such market area and when so required by the State Government to establish a market therein providing for such facilities as the State

Delete the existing wording of section 5 and read in its place as follows :—  
The State Government shall establish a Market Committee for every market area declared to be a market area under section 4(1). The State Government may establish a separate market committee within the same area or a part thereof provided it is satisfied that trading in a particular type of agricultural produce can be

The State Government shall establish a Market Committee for every market area declared to be a market area under section 4(1). The State Government may establish a separate market committee within the same area or a part thereof provided it is satisfied that trading in a particular type of agricultural produce can be regulated only if and when an independent market committee for the purpose is established and that the market already functioning is unable to undertake regulated trading in that commodity because

Government may from time to time direct in connection with the purchase and sale of the agricultural produce concerned.

regulated only if and when an independent market committee for the purpose is established and that the market already functioning is unable to undertake regulated trading in that commodity because of its peculiar nature. Provided that a separate market committee shall not be established within the same area or a part thereof for the commodities in respect of which a market committee has been already established.

of its peculiar nature. Provided that a separate market committee shall not be established within the same area or a part thereof for the commodities in respect of which a market committee has been already established.

5-A Where a market is established under Section 5, the market committees may issue licences in accordance with the rules to traders, commission agents, brokers, weighmen, measurers, surveyors, warehousemen and other persons to operate in the market: Provided that no such licence shall be necessary in the case of a person to whom a licence has been granted under sub-section (2) of Section 4.

*Delete section 5-A with the proviso thereunder.*

6(I) (i) Seven shall be persons elected by such organisations of agriculturists in the area for which it is established as the State Government may prescribe and where no such organisations exist, by the agriculturists residing in the said area in the manner prescribed.

*Delete the existing wording of the Section.*

Seven shall be persons representing the interests of agriculturists in the area for which it is established and elected in the manner prescribed.

6(I) (ii) Four shall be persons elected by the traders approved by the market committee in the prescribed manner. Provided that one seat out of the members to be elected under this clause shall be reserved for such class of co-operative societies as the State Government may prescribe.

*Delete the existing wording of the section, and the proviso thereunder.*

Three shall be persons elected by the traders holding valid licences in the manner prescribed. One shall be elected by the Co-operative Marketing Societies licensed by the Market Committee in the manner prescribed.

APPENDIX 17—*contd.*

No. of Section	Wording of the existing Section	Wording of the proposed amendment	Wording of the Section as it would read after amendment
1	2	3	4
6(I) (iii)	<p>Elected by local authorities as follows :—</p> <p>(a) if in a market area the principal market yard is wholly situated within the limits of a local authority, one person shall be elected by the councillors or members of such local authority ;</p> <p>(b) if in a market area the principal market yard and other sub-market yard or yards are situated within the limits of different local authorities, one person shall be elected by the councillors or members of the local authority within the limits of which the major portion of the principal market yard is situated and one person shall be elected in the prescribed manner by the other local authorities within the limits of which the remaining portion of the principal market yard and sub-market yards either wholly or partially are situated : Provided that a person to whom a licence has been granted under sub-section (2) of section 4 shall not be eligible for election under this clause.</p>	<p>Delete the existing wording of section 6 (I) (iii) (a) and (b) and proviso thereunder.</p>	<p>One shall be nominated by municipalities within whose jurisdiction the principal market yard is situated.</p>
6(I) (iv)	<p>Nominated as follows :—</p> <p>(a) wherein the circumstances mentioned in clause (iii) the number of persons to be so elected by a local authority is one, three persons shall be nominated by the State Government ;</p> <p>(b) where in the circumstances mentioned in clause (iii) the number of persons to be so elected is two, two persons shall be nominated by the State Government.</p>	<p>Delete the existing wording of Section 6 (I) (iv) (a) and (b).</p>	<p>Three persons shall be nominated by Government.</p>

- 6(2) (b) Subject to the provisions of Section 31, when a market is constituted for the first time all the members of the market committee shall be persons nominated by the State Government.
- Delete the existing wording of the section 6 (2) (b).* Notwithstanding anything contained in Section 6, when a market committee is constituted for the first time all the members of a market committee shall be nominated by the State Government and such members may hold office for 5 years.
- 6(3) Every member of a market committee elected or nominated when it is first constituted shall hold office for a term of two years (from the date of the first general meeting of the market committee) and every such member elected or nominated thereafter shall hold office for a term of three years.
- Delete the existing wording of the section 6(3).* Every market committee other than the first market committee constituted as per Section 6(2) (b), shall hold office for a period of three years from the date of the first general meeting of the market committee, extensible by an order of the State Government to a term not exceeding in aggregate four years.

### CHAPTER III.

#### INCORPORATION OF MARKET COMMITTEE : ITS OBJECTS, POWERS AND DUTIES.

- 7 Every market committee shall be a body corporate by such name as the Provincial Government may specify by notification in the Official Gazette. It shall have perpetual succession and a common seal, may sue and be sued in its corporate name and shall be competent to acquire and hold, lease, sell or otherwise transfer any property and to contract and to do all other things necessary for the purposes for which it is established.
- Add the words " as well as a local body " between the words " corporate " and " by ". Substitute the word " State " for the word " Provincial ".* Every market committee shall be a body corporate as well as a local body, by such name as the State Government may specify by notification in the Official Gazette. It shall have perpetual succession and a common seal, may sue and be sued in its corporate name and shall be competent to acquire and hold, lease, sell or otherwise transfer any property and to contract and to do all other things necessary for the purposes for which it is established.
- 7(A) New ... .. *Add after section 7 a new section 7-A.* Where a market is established, the market committee may issue licences in accordance with the rules and conditions prescribed, to traders, commission agents, processing or pressing factories, brokers, weighmen, measurers, surveyors, warehousemen and such other persons of other categories as may be determined by the Director in order to operate in the market area and lay down such conditions as it may deem proper for the purpose.

APPENDIX 17—*contd.*

No. of Section.	Wording of the existing Section.	Wording of the proposed amendment.	Wording of the Section as it would read after amendment.
1	2	3	4
7-B	New ... ..	... Add after section 7-A, a new section 7-B.	<p><i>Objects of the Market Committee.</i>—(1) To maintain and manage the market yards and to control, regulate and run the market in the interests of the agriculturists and traders holding licences from the committee.</p> <p>(2) To frame byelaws and rules and regulations thereunder and, in particular, for the regulation and control of transactions in the market and to provide for the consequences of a defaulting licence-holder, for opening, closing and suspending trading in any regulated commodity, for fixing the market charges, for settlement of disputes and for levy and recovery of fees on agricultural produce, licence and other fees, fines and penalties.</p> <p>(3) To act as mediator, arbitrator or surveyor in all matters of difference, disputes, claims, etc., between licence-holders inter se or between them and agriculturists making use of the market as sellers of agricultural produce.</p> <p>(4) To control and regulate the admission to the market, to determine the conditions for the use of the market and to prosecute and/or confiscate the goods belonging to persons trading without a valid licence.</p>

(5) To bring, prosecute or defend, or aid in bringing, prosecuting or defending any suit action, proceeding, application or arbitration, on behalf of the committee or otherwise when directed by the State Government, or the Director of Agricultural Marketing or otherwise.

(6) To construct, purchase, hire or otherwise acquire any moveable or immoveable property and other equipment for the purpose of its business, to raise money from the Government or otherwise with the approval of the Director for the purpose and to enter into arrangements with the Government, the local authority or otherwise and to comply with such arrangements.

(7) To do such other things as might be required for the purpose of achieving the objects and requirements of the Act, Rules and By-laws of the committee.

7-U New ... ..

... Add after section 7-B, a new section 7-C.

*Powers of the Market Committee.*—The market committee shall have the power (1) to regulate the entry of persons to the market, (2) to supervise the behaviour of those who enter the market for transacting business and (3) to punish those who do not conform to the discipline.

7-D New ... ..

... Add after section 7-C, a new section 7-D.

*Duties of the Market Committee.*—It shall be the duty of the market committee to enforce the provisions of this Act, the conditions of licence granted under Rules 65 and 67 and the rules and bye-laws made under this Act in the market area, and to provide such facilities as the State Government may from time to time direct in connection with the purchase and/or sale of agricultural produce concerned.



APPENDIX 17—contd.

No. of Section.	Working of the existing Section.	Wording of the proposed amendment.	Wording of the Section as it would read after amendment
1	2	3	4
8	The market committee may appoint one or more of its members to be a sub-committee or to be a joint committee for the conduct of any work or to report on any matter or matters and may delegate to such committee or any one or more of its members such of its powers or duties as it may think fit.	<i>Add</i> the words " or others " between the words " members " and " to be ". <i>Add</i> the words " or to be an <i>ad-hoc</i> committee for the administration of the sub-yard " between the words " committee " and " for ". <i>Delete</i> the words " to report " and <i>substitute</i> the words " for reporting or recommending or deciding " between the words " or " and " on ".	The market committee may appoint one or more of its members or others to be a sub-committee or to be a joint committee or to be an <i>ad-hoc</i> committee for the administration of the sub-yard for the conduct of any work, or for reporting or recommending or deciding on any matter or matters and may delegate to such committee or any one or more of its members such of its powers or duties as it may think fit.
8-A	New ... ..	<i>Add</i> after section 8, a new section 8-A.	Every market committee shall have a person as a Secretary appointed by the Director subject to such terms and conditions as he might prescribe.
9(1)	The market committee may employ such officers and servants as may be necessary for the management of the market and may pay such officers and servants such salaries as the market committee thinks fit. The market committee shall, in the case of any officer or servant of Government whom it employs, pay such pension contribution, gratuity or leave allowance as may be required by the conditions of his service under the Government for the time being in force.	<i>Add</i> the word " also " between the words " employ " and " such ". <i>Add</i> the word " other " between the words " such " and " officers ". <i>Substitute</i> the words " may think " for the word " thinks " between the words " committee " and " fit ". <i>Add</i> the words " and other " between the words " pension " and " contribution ". <i>Substitute</i> the words " and other allowances " for the words " or leave allowance ".	The market committee may employ also such other officers and servants as may be necessary for the management of the market and may pay such officers and servants salaries as the market committee may think fit. The market committee shall in the case of any other officer or servant of Government whom it employs, pay such pension and other contribution gratuity and other allowances as may be required by the conditions of his service under the State Government for the time being in force.

- 11 The market committee may subject to the provisions of rules and subject to such maxima as may be proscribed levy fees on the agricultural produce bought and sold by licensees in the market area. *Substitute the word "shall" for the word "may". Add the words "levy and collect market fees on the agricultural produce bought in the market area" between the words "may" and "subject". Add the words "or minima" between the words "maxima" and "as". Delete the sentence "levy fees.....market area" after the word "prescribed". Add the following at the end: "The fees so collected shall be recoverable by the buyer from the seller as a market charge".* The market committee shall levy and collect market fees on the agricultural produce bought in the market area, subject to the provisions of rules and subject to such maxima or minima as may be proscribed. The fees so collected shall be recoverable by the buyer from the seller as a market charge.
- 13(2) Every market committee shall pay to the State Government the cost of any additional or special staff employed by the State Government in consultation with such market committee for giving effect to the provisions of this Act in the market area for which such market committee is established. *Delete the existing wording of section 13(2).* The State Government shall appoint the staff such as Secretaries, Engineers and Auditors and provide other services necessary for the successful working of the regulated market and the market committee shall contribute a sum not exceeding 30 per cent. of its revenue as may be determined by the Director, to the State Government. The market committee shall contribute a sum equivalent to 30 per cent. of its gross revenue to the State Government.
- 13(3) The State Government shall determine the cost of such additional or special staff and shall, when the staff is employed for the purpose of more than one market committee apportion such cost among the committees concerned in such manner as it thinks fit. The decision of the State Government determining the amount payable by any market committee shall be final. *Delete the section 13(3).*
- 14(11) New ... .. *Add after clause (10), a new clause (11) and other functions prescribed in the Act and the Rules.*

APPENDIX 17—contd.

No. of Section	Wording of the existing Section	Wording of the proposed amendment	Wording of the Section as it would read after amendment.
1.	2	3	4
14(A)	New ... ..	Add after section 14, a new section 14(A).	“ Misapplication of a fund under section 18-A of the Act, shall also be deemed to have occurred, if a market committee incurs an expenditure for purposes which are not specified in section 14 of the Act, or in excess of the sums approved by the Director.”
16	(1) If, at any time after a notification is issued under sub-section (1) of section 4, the State Government is of opinion that any land is needed for the purposes of this Act, the State Government may proceed to acquire it under the provisions of the Land Acquisition Act, 1894, or any other law for the time being in force.	Delete the existing wording of section 16.	Government may on the request of the market committee proceed to acquire land required for the purposes of this Act, under the provisions of the Land Acquisition Act, 1894, or any other law for the time being in force ;
	(2) Even such land vests in the State Government it shall be transferred by the State Government to the market committee, on payment by the market committee of the compensation awarded under the Land Acquisition Act, 1894, or any other law for the time being in force and of all other charges incurred by the State Government on account of the acquisition, within such period and in such manner as the State Government may, by general or special order, determine and on such transfer the land shall vest in the market committee.		Provided that once the proposal is made by the market committee, it shall not be withdrawn by it except for such reasons as may be approved by Government.

CHAPTER V.

MISCELLANEOUS.

Ms. B. 1. 1. 1. 1. 1.

18(1) The State Government may, if it thinks fit, on the recommendation of the market committee supported by at least two-thirds of the whole number of members, remove any member of the market committee elected or nominated under this Act, if such member has, in the opinion of the State Government, been guilty of neglect or misconduct in the discharge of his duties or of any disgraceful conduct or has become incapable of performing his duties as a member.

Add the words " or on the recommendations of the Director " between the words " members " and " remove ".

The State Government may, if it thinks fit, on the recommendations of the market committee supported by at least 2/3rd of the whole number of members or on the recommendation of the Director remove any member of the market committee elected or nominated under the Act if such a member, has in the opinion of the State Government, been guilty of neglect or misconduct in the discharge of his duties or of any disgraceful conduct or has become incapable of performing his duties as a member.

18(1) Provided that no resolution recommending the removal of any member shall be passed by the market committee unless the member to whom it relates has been given a reasonable opportunity of showing cause why such recommendation should not be made.

Add the words " or no recommendation shall be made by the Director. " between the words " committee " and " unless ".  
Add at the end the following :-  
Provided no order for the removal of any member shall be passed by the State Government, unless the member to whom it relates has been given a reasonable opportunity of being heard.

Provided that no resolution recommending the removal of any member shall be passed by the market committee or no recommendation shall be made by the Director unless the member to whom it relates has been given a reasonable opportunity of showing cause why such recommendation should not be made: Provided no order for the removal of any member shall be passed by the State Government, unless the member to whom it relates has been given a reasonable opportunity of being heard.

18(B) When the affairs of a market committee are investigated or the proceedings of such committee are examined by the Director or any other officer to whom the powers of the State Government have been delegated under section 28, all officers and members of such committee shall furnish such information in regard to the affairs or proceedings of the committee as the Director or such officer may require.

Add the word " servants " between the words " officers " and " and ".

When the affairs of a market committee are investigated or the proceedings of such committee are examined by the Director or any other officer to whom the powers of the State Government have been delegated under section 28, all officers, servants, and members of such committee shall furnish such information in the r possession in regard to the affairs or proceedings of the committee as the Director or such officer may require.

APPENDIX 17—contd.

No. of Section	Wording of the existing Section		Wording of the proposed amendment	Wording of the Section as it would read after amendment	
1	2	3	3	4	
18 (B-1)	New	...	...	... <i>Add</i> after section 18 (B), a new section 18 (B-1).	The Director of Agricultural Marketing or any officer authorised by the State Government by general or special orders shall have power to inspect or cause to be inspected the accounts of the market committee or to institute an enquiry into the affairs of the market committee and to require the market committee to do a thing or to desist from doing a thing which he considers necessary in the interest of the market 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.
18 (B-2)	New	...	...	... <i>Add</i> after section 18 (B-1), a new section 18 (B-2).	(a) In case of an emergency, the Director shall suspend or cancel the licences of market functionaries and take such other steps, as may be deemed fit in the interest of the market. (b) Any loss that may occur to the market committee in not carrying out any instructions of the Director shall be recovered from the members of the market committee, after due enquiry and opportunity being given of being heard.
18 (C)	New	...	...	... <i>Add</i> after section 18 (B-2), a new section 18 (C).	Where the market committee is not competent to perform the duties imposed by or under this Act under orders or a decision of a Court, the Director of Agricultural Marketing shall make such arrangements as he deems fit for performing the duties and functions of such a market committee.

Whoever contravenes the provisions of section 4 shall, on conviction, be punishable with fine which may extend to five hundred rupees, and in the case of a continuing contravention with a further fine which may extend to one hundred rupees for every day during which the contravention is continued after first conviction.

Add the words " and in addition to whatever penalties he may be liable for under the terms and conditions of licence granted to him " between the words " rupees " and " and ".

Whoever contravenes the provisions of section 4 shall, on conviction, be punishable with fine which may extend to five hundred rupees, and in addition to whatever penalties he may be liable for under the terms and conditions of licence granted to him and in the case of a continuing contravention with a further fine which may extend to one hundred rupees per day during which the contravention is continued after first conviction,

21-A If any officer or member of a market committee, when required to furnish information in regard to the affairs or proceedings of a market committee under section 18-B:—  
(a) wilfully neglects or refuses to furnish any information, or  
(b) wilfully furnishes a false information, he shall, on conviction, be punished with fine which may extend to Rs. 50.

After the words " Rs. 50 " add the words "and imprisonment not exceeding 6 months or both "

If any officer or member of a market committee when required to furnish information in regard to the affairs or proceedings of a market committee under section 18-B—  
(a) wilfully neglects or refuses to furnish any information, or  
(b) wilfully furnishes a false information, he shall, on conviction, be punished with fine which may extend to Rs. 50 and imprisonment not exceeding 6 months, or both.

21-B New ... ..

Add after section 21-A, a new section 21-B.

If any officer, member or a servant of a market committee wilfully neglects or refuses to do any act or wilfully 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 which may extend to Rs. 500.

22(3) Nothing in this section shall be deemed to apply to any suit instituted under section 54 of the Specific Relief Act, 1877.

Delete the section 22(3).

23(2) Prosecutions under this Act may be instituted by any person duly authorised in writing by the market committee in this behalf.

Add the words " or rules framed thereunder " between the words " Act " and " may be ".

Prosecutions under this Act or Rules framed thereunder may be instituted by any person duly authorised in writing by the market committee in this behalf

APPENDIX 17—*contd.*

No. of Section	Wording of the existing Section			Wording of the proposed amendment.	Wording of the Section as it would read after amendment.	
1	2			3	4	
23(A)	New	...	...	...	... After section 23(2), <i>add</i> a new section 23(A).	<p>(1) A copy of any entry in any book, register or list regularly kept in course of business in the possession of a market committee shall, if duly certified, in such a manner as may be prescribed by the rules, be admissible in evidence of the existence of the entries and shall be admitted as evidence of the matters and the transactions therein recorded in every case, where, and to the same extent to which the original entry would, if produced, have been admissible to prove such matters.</p> <p>(2) In the case of such market committees as the State Government by general or special order may direct no officer of a market committee shall in any legal proceedings to which the market committee is not a party be compelled to produce any of the market committee's books, the contents of which can be proved under sub-section (1) or to appear as a witness to prove the matters, transactions and accounts therein recorded, unless otherwise ordered by a Court or a Judge in that behalf.</p>
24-A	Now	...	...	...	... <i>Add</i> after section 24, a new section 24(A).	Every sum due to a market committee shall be recoverable as an arrear of land revenue.

- 26(2)(a) The election and nomination of members of the market committee, the manner of election, the preparation and revision of lists of voters from time to time and the payment of all expenditure in connection with or incidental to such election; *Delete the existing wording of section 26(2)(a).* The qualifications of voters, the preparation and revision of the lists of voters, the division of market area into constituencies, the election and nomination of members of the market committee, the manner of holding election, the drawing up of the election programme, the fixing of polling stations and the appointment of Returning, Presiding and Polling Officers, the declaration of the results of election, and matters regarding the appeals in respect of disputes in connection with elections.
- 26(2)(b) The powers to be exercised and the duties to be performed by the market committee and its chairman. *The existing sub-section 2-b shall be renumbered as 2-d and the words "vice-chairman and secretary" be added at the end.* (2-d) The powers to be exercised and the duties to be performed by the market committee and its chairman, vice-chairman and secretary.
- 26(2)(c) The election of the chairman and the vice-chairman of the market committee and their term of office. *The existing sub-section 2-c may be renumbered as sub-section 2-b.* (2-b) The election of the chairman and the vice-chairman of the market committee and their term of office.
- 26(2)(d) The filling up of casual vacancies in the office of chairman, vice-chairman or member of the market committee. *The existing sub-section 2-d may be renumbered as sub-section 2-c.* (2-c) The filling up of casual vacancies in the office of Chairman, vice-chairman or member of the market committee.
- 26(2)(e) The management of the market, maximum fees which may be levied by the market committee in respect of agricultural produce bought and sold by persons holding a licence under the Act in the market area; *Delete the existing wording of section 26(2)(e).* (2-e) The management of the market, minimum and maximum fees may be levied and collected by the market committee, the method, manner and mode of collection of such fees in respect of agricultural produce regulated under the Act and sold and resold in the market area, which shall be included as part of the marketing charges.



APPENDIX 17—*contd.*

No. of Section	Wording of the existing Section	Wording of the proposed amendment	Wording of the Section as it would read after amendment
1	2	3	4
26(2)(f)	The issue of licences to traders, commission agents, brokers, weighmen, measurers, surveyors, warehousemen and other persons operating in the market the form in which, and the conditions subject to which such licences shall be issued or renewed and the fees to be charged therefor.	<i>Delete the existing wording of section 26(2)(f).</i>	<p>(2)(f) The issue of licences to trader, persons, firms engaged in processing of agricultural produce, commission agents, brokers, weighmen measurers, surveyors, warehousemen and the cancellation and suspension of such licences and the category of such other persons operating in the market area as may be determined by the Director and the form in which and the conditions subject to which such licences shall be issued or renewed and the fees to be charged therefor and the penalties to be imposed.</p> <p>(2)(f-1) Providing the method and manner of holding the meetings, the procedure to be followed at such meetings and the powers to be exercised at such meetings.</p> <p>(2)(f-2) Prescribing the form in which returns shall be submitted by a market committee to the Director and such other officers as may be authorised by the Director.</p> <p>(2)(f-3) Provision for the persons by whom and the form in which copies of documents, entries in the books of the market committee, may be certified and the charges to be levied for the supply of such copies.</p>

26(2) (j)	The time within which an appeal shall lie to the State Government or the Officer appointed by it in that behalf under sub-section (2) of section 12.	After the words "section 12 " add the words "and the procedure to be followed in presenting and disposing of the appeals".	(2-j) The time within which an appeal shall lie to the State Government or the officer appointed by it in that behalf under sub-section (2) of section 12 and the procedure to be followed in presenting and disposing of the appeals.
26(2)(j-1) New	... ..	After section 26(2)(j), add a new section 26(2)(j-1).	Prescribe the manner in which the enquiry and inspection of the market committee shall be held.
26(2)(j-2) New	... ..	After section 26(2)(j-1), add a new section 26(2)(j-2).	Prescribe the matters in respect of which the market committee shall or may make bye-laws and the procedure to be followed in making or abrogating bye-laws and the conditions to be fulfilled prior to making such abrogations or alterations.
26(2)(j-3) New	... ..	After section 26(2) (j-2), add a new section 26(2) (j-3).	The declaration of market proper and market yard.
26(2)(j-4) New	... ..	After section 26(2) (j-3), add a new section 26(2) (j-4).	Service rules, recruitment rules, provident fund rules, pension rules and such other rules as may be required for the employment of the staff.
26(2) (j-5) New	... ..	After section 26(2) (j-4), add a new section 26(2) (j-5).	To determine the market year for the purposes of the Act.
27	(1) Subject to any rules made by the State Government under section 26 and with the previous sanction of the Director or any other officer specially empowered in this behalf by the State Government, the market committee may in respect of the market area under its management make byelaws for the regulation of the business and the conditions of trading therein.	Delete the existing wording of Section 27(1).	Subject to any rules made by the State Government under section 26, the market committee may in respect of the agricultural produce and the market area under its management, make bye-laws and from time to time, alter or rescind the same but not so as to render them inconsistent with the Act and rules made for the regulation of business and the conditions of trading therein with the previous sanction of the Director or any other officer specially empowered in this behalf by the State Government.

APPENDIX 17—*concl'd.*

No. of Section	Wording of the existing Section					Wording of the proposed amendment	Wording of the Section as it would read after amendment
1	2					3	4
27(3)	New	...	...	...	...	After sub-section (2) of section 27, new sub-section (3) may be <i>added</i> .	No bye-law or rescission of the bye-law or its alteration shall have effect until the same has been sanctioned by the Director or any other officer empowered in this behalf by the State Government.
27(4)	New	...	...	...	...	After sub-section (3) of section 27, new sub-section (4) may be <i>added</i> .	All bye-laws when they are sanctioned by the Director or any other officer specially empowered in this behalf by the State Government shall have the force of Law.
27(5)	New	...	...	...	...	After sub-section (4) of section 27, new sub-section (5) may be <i>added</i> .	The Director or any other officer specially empowered in this behalf by the State Government shall have powers to impose bye-laws or suggest alterations or rescissions to an existing or a proposed bye-laws on the market committee in such manner as he may deem fit.
28	The State Government may at any time call for and examine the proceedings of any market committee for the purpose of satisfying itself as to the legality or propriety of any decision or passed by the market committees under the rules. If in any case, it appears to the State Government that any decision or order or proceedings so called for should be modified, annulled or reversed, the State Government may pass such order thereon as it thinks fit.					Add the words " or the Director " between the words " Government " and " may " and add at the end " The State Government.....by this section ."	The State Government or the Director may at any time call for and examine the proceedings of any market committee for the purpose of satisfying themselves as to the legality or propriety of any decision or order passed by the market committees under the rules. If in any case, it appears to the State Government that any decision or order or proceedings so called for should be modified, annulled or reversed, the State Government may pass such order thereon as it thinks fit. The State Government may by general or special order delegate to the Director all or any of the powers conferred upon it by this Section.

- 8(I) (2) If any question arises whether any person is or is not an agriculturist for the purposes of this rule, the Collector shall decide it and his decision shall be final.
- 8(II) *II. Traders' Constituency—*  
The following persons shall be qualified to vote in a traders' constituency :—  
(a) all persons licensed under sub-section (2) of section 4 in the market area before the date fixed in this behalf by the Collector ;  
(b) all persons approved by the market committee and registered as such under rule 65 before the date fixed in this behalf by the Collector ;  
(c) all Co-operative Multipurpose Societies and Co-operative Sale Societies operating in the market area, which have been approved by the market committee and registered as traders under rule 65.
- 8(III) *III. Local Authorities' Constituency—*  
The election of one person by other local authorities referred to in sub-clause (b) of clause (iii) of sub-section (1) of section 6 of the Act shall be made in the following manner, namely :—  
Each of such local authority shall, when called upon so to do by the Collector, elect one of its members or councillors as a voter for the purpose of voting at an election of one candidate referred to in the aforesaid provision of the Act. The local authority shall report the name and address of such elected voter the Collector of the district on or before the date specified by the Collector in its behalf.
- Substitute the words " Director of Agricultural Marketing " for the word " Collector ".*
- If any question arises whether any person is or is not an agriculturist for the purposes of this rule, the Director of Agricultural Marketing shall decide it and his decision shall be final.*
- Delete clause (a) of Rule 8 (II) and substitute a revised clause (b) for the existing clause (b) of rule 8 (II). Delete clause (c) of rule 8(II).*
- II. Traders' Constituency—*  
The following persons shall be qualified to vote in a traders' constituency :—  
(a) Deleted.  
(b) All persons holding valid licences as A, B and C class licence-holders from the market committee other than B class licence-holders and registered as such under rule 65 before the date fixed in this behalf by the Director of Agricultural Marketing.  
(c) Deleted.
- Delete the existing wording of rule 8 (III).*
- III. Local Authorities' Constituency—*  
Members of a municipality or a village panchayat as the case may be within whose jurisdiction the principal market yard is situated shall nominate one representative on the market committee.

APPENDIX 18—contd.

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4

8(IV) New ... .. Insert a new rule 8. (IV)

... IV. *Co-operative societies constituency.*—  
 (a) all cooperative societies operating in the market area which have been approved by the market committee and registered as traders under rule 65.

Provided that in the case of the co-operative societies constituency one person from each cooperative society holding a valid licence elected by the managing committee of that society shall vote for that society.

9 *Names of persons qualified to vote to be reported to Collector or market committee, as the case may be.*—(1) Every organisation of agriculturists shall report the names of the persons qualified to vote to the Collector on or before the date fixed in this behalf by the Collector ;  
 (2) Every firm, corporation or cooperative society qualified to vote in a traders' constituency under these rules shall nominate a person to vote on its behalf and intimate in writing the name of the person, so nominated to the market committee or its authorised agent, not later than the date fixed in this behalf by the Collector.

In clauses (1) and (2) of rule 9 for the words "Collector" the words "Director of Agricultural Marketing and any person authorised by him" shall be substituted.

*Names of persons qualified to vote to be reported to the Director of Agricultural Marketing or any person authorised by him.*—(1) every organisation of agriculturists shall report the names of the persons qualified to vote to the Director of Agricultural Marketing on or before the date fixed in this behalf by the Director  
 (2) every firm, corporation or cooperative society qualified to vote in a traders' constituency under these rules shall nominate a person to vote on its behalf and intimate in writing the name of the person, so nominated to the market committee or its authorised agent, not later than the date fixed in this behalf by the Director.

*Voters list.*—(1) The Collector or any other person authorised by him in this behalf hereinafter in this rule referred to as such person shall cause to be prepared separate lists of voters qualified to vote for the Agriculturists' Constituency Traders' Constituency and the Local Authorities' Constituency referred to in sub-clause (b) of clause (ii) of sub-section (1) of section 6 of the Act. Every such list shall be revised for each triennial election, at least four months before the date on which the term of the market committee is due to expire provided that in the case of the list of voters qualified to vote for the traders' constituency and the local authorities' constituency Government may direct the revision of such list also at any other time before the next triennial election is due. The Collector or such person shall for this purpose call upon the market committee to prepare from market registers and to furnish to him the names of all persons qualified to vote in the traders' constituency representing the traders' electorate. He shall also call upon the organisations of agriculturists within the market area to intimate to him the names of persons qualified to vote under the agriculturists' constituency and where no organisation of agriculturists exist, he shall cause to be prepared a list of persons qualified to vote under rule I(b).

10(5)

Every such list shall be published provisionally in such manner as the Collector or such person may deem fit.

*Substitute the words "Director of Agricultural Marketing" for the words "Collector" wherever they occur in the rule. Add the words "Cooperative Societies" Constituency" after the words "Local Authorities" Constituency wherever they occur.*

*For the word "Collector" the words "Director of Agricultural Marketing" shall be substituted.*

*Voters list.*—(1) Director of Agricultural Marketing or any other person authorised by him in this behalf hereinafter in this rule referred to as such person shall cause to be prepared separate lists of voters qualified to vote for the agriculturists' constituency, traders' constituency, local authorities' constituency and cooperative societies' constituency referred to in sub-clause ( ) of clause ( ) of sub-section (1) of section (6) of the Act. Every such list shall be revised for each triennial election, at least four months before the date on which the term of the market committee is due to expire, provided that in the case of list of voters qualified to vote for the traders' constituency and the local Authorities' constituency and the cooperative societies' constituency, Government may direct the revision of such list also at any other time before the next triennial election is due. The Director or such person shall for this purpose call upon the market committee to prepare from market registers and to furnish to him the names of all persons qualified to vote in the traders' electorate. He shall also call upon the organisations of agriculturists within the market area to intimate to him the names of persons qualified to vote under the agriculturists' constituency, and where no organisation of agriculturists exist, he shall cause to be prepared list of persons qualified to vote under rule I(b).

Every such list shall be published provisionally in such manner as the Director of Agricultural Marketing or such person may deem fit.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
10(4)	<p>When publishing the list provisionally the Collector or such person shall fix a date, not later than one month from the date of publication of the list before which any application for the inclusion, exclusion or correction of any entry shall reach him. The Collector or such person or any other officer appointed by the Collector for the purpose shall hear and decide any applications and objections received before the date so fixed and the decision of the Collector, such person or the other officer relating to such application or objection shall be final.</p>	<p>For the words "Collector" wherever they occur, the words "Director of Agricultural Marketing" shall be <i>substituted</i>.</p>	<p>When publishing the list provisionally the Director of Agricultural Marketing or such person shall fix a date, not later than one month from the date of publication of the list before which any application for inclusion, exclusion or correction of any entry shall reach him. The Director of Agricultural Marketing or such person or any other officer appointed by the Director for the purpose shall hear and decide any applications and objections received before the date so fixed and the decision of the Director, such person or the other officer relating to such application or objection shall be final.</p>
10(5)	<p>The Collector or such person shall cause the lists to be amended in accordance with the orders passed under sub-rule(4) and shall cause them to be republished finally in the regional language of the market area in such manner as he may deem fit.</p>	<p>For the word "Collector" the words "Director of Agricultural Marketing" shall be <i>substituted</i>.</p>	<p>The Director of Agricultural Marketing or such person shall cause the list to be amended in accordance with the orders passed under sub-rule (4) and shall cause them to be republished finally in the regional language of the market area in such manner as he may deem fit.</p>
10(5-A)	<p>If, after the final publication of the list of voters under sub-rule (5), the Collector on application or otherwise, is satisfied after such inquiry as he deems fit that any entry or entries in the list is or are erroneous or defective in any particular, the Collector may cause a list of amendments to be prepared and thereupon the provisions of sub-rules (2) to (5) shall apply in the case of such list in like manner as they apply in the case of the list of voters.</p>	<p>For the words "Collector" the words "Director of Agricultural Marketing" shall be <i>substituted</i>.</p>	<p>If, after the final publication of the list of voters under sub-rule (5), the Director of Agricultural Marketing on application or otherwise, is satisfied after such inquiry as he deems fit that any entry or entries in the list is or are erroneous or defective in any particular, the Director may cause a list of amendments to be prepared and thereupon the provisions of sub-rules (2) to (5) shall apply in the case of such list in like manner as they apply in the case of the list of voters.</p>

- 10(6) Copies of such final lists including the final lists of amendments shall be made available for inspection and sale in whole or in part in the office of the Collector or such person. For the word "Collector" the words "Director of Agricultural Marketing" shall be *substituted*. Copies of such final lists including the final lists of amendments shall be made available for inspection and sale in whole or in part in the office of the Director of Agricultural Marketing or such person.
- 11 Calling upon the constituencies to elect as soon as may be after the final publication of lists of voters under sub-rule (5) of rule 10, the Collector shall call upon the constituencies to elect their representatives to the market committee on a date fixed by him in this behalf. For the word "Collector," the words "Director of Agricultural Marketing" shall be *substituted*. Calling upon the constituencies to elect as soon as may be after the final publication of lists of voters under sub-rule (5) of rule 10, the Director of Agricultural Marketing shall call upon the constituencies to elect their representatives to the market committee on a date fixed by him in this behalf.
- 12 *Notice to elect.*—Not less than 42 days before the date fixed for the election, the Collector shall publish in the regional language of the area and in such other languages as he may deem necessary, a notice in a newspaper circulating in the market area and post copies of such notice in village chavadies and other conspicuous places in the villages included in that area stating— For the word "Collector" the words "Director of Agricultural Marketing" shall be *substituted*. *Notice to elect.*—Not less than 42 days before the date fixed for the election, the Director of Agricultural Marketing shall publish in the regional language of the market area and in such other languages as he may deem necessary, a notice in a newspaper circulating in the market area and post copies of such notice in village chavadies and other conspicuous places in the villages included in that area stating—
- 13(1) *Nominations.*—(1) Each candidate shall, on the date fixed under clause (b) of rule 12 deliver to the Collector or to any other person authorised by him in this behalf, a nomination paper in form (I). *Delete the existing wording of rule 13(1) and substitute a revised rule in its place.* *Nominations.*—(1) Each candidate shall, on the date fixed under clause (b) of rule 12 deliver to any person authorised by the Director in this behalf who shall be called a Returning Officer, a nomination paper in Form I.
- 13(2) Every nomination paper shall be signed by two persons qualified to vote as proposer and seconder and the candidate shall sign a declaration on it expressing his willingness to stand for election. *Delete the word "two" and "seconder".* Every nomination paper shall be signed by a person qualified to vote as a proposer and the candidate shall sign his declaration on it expressing his willingness to stand for election.



- 10(6) Copies of such final lists including the final lists of amendments shall be made available for inspection and sale in whole or in part in the office of the Collector or such person. For the word "Collector" the words "Director of Agricultural Marketing" shall be *substituted*. Copies of such final lists including the final lists of amendments shall be made available for inspection and sale in whole or in part in the office of the Director of Agricultural Marketing or such person.
- 11 Calling upon the constituencies to elect as soon as may be after the final publication of lists of voters under sub-rule (5) of rule 10, the Collector shall call upon the constituencies to elect their representatives to the market committee on a date fixed by him in this behalf. For the word "Collector," the words "Director of Agricultural Marketing" shall be *substituted*. Calling upon the constituencies to elect as soon as may be after the final publication of lists of voters under sub-rule (5) of rule 10, the Director of Agricultural Marketing shall call upon the constituencies to elect their representatives to the market committee on a date fixed by him in this behalf.
- 12 *Notice to elect.*—Not less than 42 days before the date fixed for the election, the Collector shall publish in the regional language of the area and in such other languages as he may deem necessary, a notice in a newspaper circulating in the market area and post copies of such notice in village chavadies and other conspicuous places in the villages included in that area stating— For the word "Collector" the words "Director of Agricultural Marketing" shall be *substituted*. *Notice to elect.*—Not less than 42 days before the date fixed for the election, the Director of Agricultural Marketing shall publish in the regional language of the market area and in such other languages as he may deem necessary, a notice in a newspaper circulating in the market area and post copies of such notice in village chavadies and other conspicuous places in the villages included in that area stating—
- 13(1) *Nominations.*—(1) Each candidate shall, on the date fixed under clause (b) of rule 12 deliver to the Collector or to any other person authorised by him in this behalf, a nomination papers in form (I). *Delete the existing wording of rule 13(1) and substitute a revised rule in its place.* *Nominations.*—(1) Each candidate shall, on the date fixed under clause (b) of rule 12 deliver to any person authorised by the Director in this behalf who shall be called a Returning Officer, a nomination paper in Form I.
- 13(2) Every nomination paper shall be signed by two persons qualified to vote as proposer and seconder and the candidate shall sign a declaration on it expressing his willingness to stand for election. *Delete the word "two" and "seconder"* Every nomination paper shall be signed by a person qualified to vote as a proposer and the candidate shall sign his declaration on it expressing his willingness to stand for election.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
13(3)	The same person may sign, as proposer or secon- der, as many nomination papers as there are vacancies to be filled. Each candidate shall be nominated by a separate nomination paper.	<i>Delete the words " or seconder "</i> ...	The same person may sign, as proposer as many nomination papers as there are vacancies to be filled. Each candidate shall be nominated by a separate nomination paper.
13(4)	The Collector or the person authorised by him in this behalf shall, on receiving a nomination paper enter in the nomination paper its serial number and shall endorse thereon the date on which and the hour at which the nomina- tion paper was delivered to him.	<i>For the word " Collector " the words " Director of Agricultural Market- ing " shall be substituted.</i>	The Director of Agricultural Marketing or the person authorised by him in this behalf shall, on receiving a nomination paper enter in the nomination paper its serial number and shall endorse thereon the date on which and the hour at which the nomination paper was delivered to him.
13(5)	Where any person has signed whether as propo- ser or seconder a large number of nomi- nation papers than there are vacancies to be filled, those of the papers so signed which have been first received upto the number of vacancies to be filled shall be deemed to be valid.	<i>Delete the words " or seconder "</i> ...	Where any person has signed as proposer a large number of nomination papers than there are vacancies to be filled, those of the papers so signed which have been first received upto the number of vacancies to be filled shall be deemed to be valid.

- (A) *Deposit on nomination.*—(1) At or before the time of the delivery of a nomination paper, each candidate shall deposit with the Collector or any other person authorised under sub-rule (1) of Rule 13, a sum of Rs. 50. No candidate shall be deemed to be duly nominated unless the deposit referred to in this rule has been made.
- For the word "Collector" the words "Director of Agricultural Marketing" shall be substituted.*
- Deposit on nomination.*—(1) At or before the time of the delivery of a nomination paper, each candidate shall deposit with the Director of Agricultural Marketing or any other person authorised under sub-rule (1) of rule 13, a sum of fifty rupees. No candidate shall be deemed to be duly nominated unless the deposit referred to in this rule has been made.
- 14 *Verification of nominations.*—On the presentation of a nomination paper, the Collector or the person authorised by him under rule 13 shall verify the names of the proposer, seconder and the candidate with the list of voters.
- For the word "Collector" the words "Director of Agricultural Marketing" shall be substituted. Delete the word "seconder".*
- Verification of nominations.*—On the presentation of a nomination paper the Director of Agricultural Marketing or the person authorised by him under rule 13 shall verify the names of the proposer, and the candidate with the list of voters.
- 15 *Publication of list of nominations.*—As soon as may be after the date fixed for the presentation of nomination papers, the Collector or the person authorised by him under rule 13 shall publish a list in form II of all nominations received with a notice that the nomination papers shall be scrutinised on the date appointed under clause (c) of rule 12 at the place and hour specified in the notice. The list of nominations and the notice shall be published in such manner as the Collector or the person authorised as aforesaid may deem fit.
- For the word "Collector" the words "Director of Agricultural Marketing" shall be substituted.*
- Publication of list of nominations.*—As soon as may be after the date fixed for the presentation of nomination papers, the Director of Agricultural Marketing or the person authorised by him under rule 13 shall publish a list in form II of all nominations received with a notice that the nomination papers shall be scrutinised on the date appointed under clause (c) of rule 12 at the place and hour specified in the notice. The list of nominations and the notice shall be published in such manner as the Director or the person authorised as aforesaid may deem fit.
- 16 *Scrutiny of nominations.*—On the date fixed for the scrutiny of nominations under clause (c) of rule 12, the candidates, one proposer and one seconder of each candidate and one other person duly authorised in writing by each candidate may attend at such time and place as the Collector or the person authorised by him under rule 13 may appoint, and the Collector or the person so authorised shall give them all reasonable facilities for examining the nomination papers of all candidates.
- Delete the word "Collector" and the word "seconder". In place of the word "Collector" the words "Director of Agricultural Marketing" shall be substituted. Delete the word "proposer".*
- Scrutiny of nominations.*—On the date fixed for the scrutiny of nominations under clause (c) of rule 12, the candidate, and one of their agents duly authorised in writing by each candidate may attend at such time and place as the Director of Agricultural Marketing or the person authorised by him under rule 13 may appoint, and the director or the person so authorised shall give them all reasonable facilities for examining the nomination papers of all candidates.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
17	<p><i>Disposal of objections and rejection of nomination.</i>—(1) The Collector or the person authorised by him under rule 13 shall then examine the nomination papers and shall decide all objections which may be made at the time to any nomination and may, either on such objection or on his own motion after such summary enquiry, if any, as he thinks necessary, reject any nomination on any of the following grounds :—</p> <p>(i) that the candidate, the proposer or the seconder is a person whose name is not registered on the list of voters, or</p> <p>(ii) that the nomination has not been made in the manner prescribed under these rules.</p> <p>(2) The Collector or the person authorised as aforesaid shall endorse on each nomination paper his decision 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 scrutiny shall be completed on the day fixed in this behalf under clause (c) of rule 12 and shall not be adjourned on any ground.</p>	<p>In sub-rule (1) substitute the words "Director of Agricultural Marketing" for the word "Collector". Delete the words "the person" and substitute the words "the returning officer" in its place. In sub-clause (i) of sub-rule (1) of rule 17, the words "the candidate" and "or the seconder" shall be deleted. Substitute a new proviso after clause (ii) of sub-rule (1) of rule 17. In sub-rule (2) of rule 17 for the word "Collector" the words, "Director" shall be substituted.</p>	<p><i>Disposal of objections and rejection of nomination.</i>—</p> <p>(1) The Director of Agricultural Marketing or the returning officer authorised by him under rule 13 shall then examine the nomination papers and shall decide all objections which may be made at the time to any nomination and may, either on such objection or on his own motion after such summary enquiry, if any, as he thinks necessary, reject any nomination on any of the following grounds :—</p> <p>(i) that the proposer is a person whose name is not registered on the list of voters, or</p> <p>(ii) that the nomination has not been made in the manner prescribed under these rules: Provided that in case of a candidate for a traders' constituency the name of such candidate does not appear in the list of voters of that constituency</p> <p>(2) The Director or the person authorised as aforesaid shall endorse on each nomination paper his decision 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 scrutiny shall be completed on the day fixed in this behalf under clause (c) of rule 12 and shall not be adjourned on any ground.</p>

17(3)

New ... ..

After sub-rule (2) of rule 17, a new sub-rule (3) shall be inserted.

(3) An appeal shall lie against the decision of the returning officer for the rejection of a nomination paper to the Director of Agricultural Marketing within 7 days of such decision and the decision given by the Director shall be final and binding and shall not be questioned in a Court of Law.

18

*Withdrawal of candidature.*—(1) Any candidate may withdraw his candidature by notice in writing subscribed by him and delivered either in person by the candidate himself or by any of his proposers or seconders to the Collector or to the person authorised by him under rule 13, within 8 days of the date succeeding that fixed for the scrutiny of nominations under clause (c) of rule 12.

For the word "Collector" the word "Director" shall be substituted. The words "or seconders" shall be deleted.

*Withdrawal of candidature.*—(1) Any candidate may withdraw his candidature by notice in writing subscribed by him and delivered either in person by the candidate himself or by any of his proposers to the Director or to the person authorised by him under rule 13, within 3 days of the date succeeding that fixed for the scrutiny of nominations under clause (c) of rule 12.

(2) On completion of the scrutiny of nominations and after the expiry of the period within which candidature may be withdrawn under sub-rule (1), the Collector or the person authorised by him as aforesaid shall prepare a list of persons, whose nominations are in order and who have not withdrawn their candidature, in Form III, and cause it to be affixed in some conspicuous place in his office, in the taluka office concerned and in the office of the market committee, not less than seven days before the date fixed for the election.

Substitute the word "Director" for the word "Collector".

(2) On Completion of the scrutiny of nominations and after the expiry of the period within which candidature may be withdrawn under sub-rule (1), the Director or the person authorised by him as aforesaid shall prepare a list of persons, whose nominations are in order and who have not withdrawn their candidature, in Form III, and cause it to be affixed in some conspicuous place in his office, in the taluka office concerned and in the office of the market committee, not less than seven days before the date fixed for the election.

19(1)

*Procedure and election.*—(1) If the number of candidates who are duly nominated and who have not withdrawn their candidature in the manner and within the time specified in sub-rule (1) of rule 18 exceeds that of the vacancies to be filled, a poll shall be taken.

The words "a poll shall be taken" shall be deleted and the words "there shall be election by ballot" shall be substituted.

*Procedure and election.*—(1) If the number of candidates who are duly nominated and who have not withdrawn their candidature in the manner and within the time specified in sub-rule(1) of rule 18 exceeds that of the vacancies to be filled, there shall be election by ballot.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
19(3)	If the number of such candidates is less than the number of vacancies, all such candidates shall be declared to be duly elected, and the Collector or the person authorised by him under rule 13 shall call upon the constituency to fill the remaining vacancy or vacancies, as the case may be, within such time as may be specified.	For the word "Collector" the word "Director" shall be <i>substituted</i> .	If the number of such candidates is less than the number of vacancies, all such candidates shall be declared to be duly elected, and the Director or the person authorised by him under rule 13 shall call upon the constituency to fill the remaining vacancy or vacancies, as the case may be, within such time as may be specified.
19-A	<i>Assignment of symbols.</i> —In the case of every contested election, the Collector or the person authorised by him in this behalf shall assign to each candidate a distinguishing symbol.	For the word "Collector" the word "Director" shall be <i>substituted</i> .	<i>Assignment of symbols.</i> —In the case of every contested election, the Director or the person authorised by him in this behalf shall assign to each candidate a distinguishing symbol.
20	<i>Arrangements for the holding of election, etc.</i> —The Collector or the person authorised by him in this behalf shall make such arrangements as may be necessary for the holding and supervision of the election, for the scrutiny of the ballot papers and for declaration of the results of the election.	For the word "Collector" the word "Director" shall be <i>substituted</i> .	<i>Arrangements for the holding of election, etc.</i> —The Director or the person authorised by him in this behalf shall make such arrangements as may be necessary for the holding and supervision of the election, for the scrutiny of the ballot papers and for declaration of the results of the election.
21	<i>Voting.</i> —Every voters shall have as many votes as there are members to be elected on behalf of the constituency and may give all his votes to one candidate or may distribute them among the candidates as he chooses : Provided that the total number of votes given by him shall not exceed the total number of members to be elected for the constituency.	<i>Delete</i> the words "and may give all his votes to one candidate or may distribute them among the candidates as he chooses" and substitute the words "but he shall not give more than one vote to one candidate".	<i>Voting.</i> —Every voter shall have as many votes as there are members to be elected on behalf of the constituency but he shall not give more than one vote to one candidate.
		<i>Delete</i> the proviso under rule 21.	

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- 21-A *Procedure at election when equality of votes exists.*—If, when a poll has been taken at an election, an equality of votes is found to exist between any candidates, and the addition of one vote will entitle any of the candidates to be declared, elected, one additional vote shall be given by the Collector or the person authorised by him in this behalf to the candidate or, as the case may be, the candidates, selected by lot drawn in the presence of the Collector or the person authorised by him in such manner as the Collector or such person may determine.
- 22 *Death of candidate before poll.*—If after the taking of a poll has become necessary and before the poll is taken a candidate who has been duly nominated dies, the Collector shall, upon being satisfied of the fact of the death of the candidate, countermand the poll and the election proceedings shall be commenced anew in all respects as if for a new election.
- 23 *Intimation to the Collector of the name of the representative of a local authority.*—In a case in which the market area is wholly within the limits of a local authority, the local authority shall intimate in writing to the Collector the name of the person elected as its representative under clause (iii) of sub-section (1) of section 6 before a date fixed by the Collector in this behalf.
- 24 *Filling in casual vacancies in the market committee.*—The procedure for holding a bye-election for purposes of sub-section (4) of section 6 shall be the same as that for a general election.
- For the word "Collector" wherever it occurs, the word "Director" shall be substituted.
- For the word "Collector" the word "Director" shall be substituted.
- For the word "Collector" wherever it occurs, the words "Director of Agricultural Marketing" shall be substituted.
- Delete the existing wording of rule 24 and substitute a revised one.
- Procedure at election when equality of votes exists.*—If, when a poll has been taken at an election an equality of votes is found to exist between any candidates, and the addition of one vote will entitle any of the candidates to be declared elected, one additional vote shall be given by the Director or the person authorised by him, in this behalf to the candidate or as the case may be, the candidates, selected by lot drawn in the presence of the Director or the person authorised by him in such manner as the Director or such person may determine.
- Death of candidate before poll.*—If after the taking of a poll has become necessary and before the poll is taken a candidate who has been duly nominated dies, the Director shall, upon being satisfied of the fact of the death of the candidate, countermand the poll and the election proceedings shall be commenced anew in all respects as if for a new election.
- Intimation to the Director of Agricultural Marketing of name of the representative of a local authority.*—In a case in which the market area is wholly within the limits of a local authority, the local authority shall intimate in writing to the Director the name of the person elected as its representative under clause (iii) of sub-section (1) of section 6 before a date fixed by the Director in this behalf.
- Filling in casual vacancies in the market committee.*—Any vacancy caused by the death or disqualification or resignation shall be filled in by co-option.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
27	<i>Expenditure in connection with or incidental to such elections.</i> —All expenditure incurred by the Collector or the person authorised by him under rule 13 in connection with or incidental to the election of members of the market committee shall be recoverable under section 24 from the market committee by the Collector as an arrear of land revenue.	<i>For the word "Collector" occurring in the rule for the first time, the word "Director" shall be substituted.</i>	<i>Expenditure in connection with or incidental to such elections.</i> —All expenditure incurred by the Director or the person authorised by him under rule 13 in connection with or incidental to the election of members of the market committee shall be recoverable under section 24 from the market committee by the Collector as an arrear of land revenue.

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PART III.

MARKET COMMITTEE, ITS CHAIRMAN, VICE-CHAIRMAN, OFFICERS AND SERVANTS AND DISPUTES SUB-COMMITTEE.

28(1)	<i>Election of Chairman and Vice-Chairman of the Committee.</i> —The Collector or any person authorised by him in this behalf shall call the first meeting of a newly constituted market committee to elect its chairman and vice-chairman from amongst its members. For the purposes of the election of both the chairman and vice-chairman, the Collector or the person authorised by him shall preside over the meeting but shall not vote.	<i>For the words "Collector" wherever they occur, the word "Director" shall be substituted.</i>	<i>Election of Chairman and Vice-Chairman of the Committee.</i> —The Director or any person authorised by him in this behalf shall call the first meeting of the newly constituted market committee to elect its chairman and vice-chairman from amongst its members. For the purposes of the election of both the chairman and vice-chairman, the Director or the person authorised by him shall preside over the meeting but shall not vote.
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- 28(10) The voting papers shall be sealed by the President and retained in safe custody in the office of the market committee, and the packet containing the voting papers shall not be opened or destroyed except under the orders of the Collector.
- For the word "Collector" the word "Director" shall be substituted.*
- The voting papers shall be sealed by the President and retained in safe custody in the office of the market committee, and the packet containing the voting papers shall not be opened or destroyed except under the orders of the Director.
- 28(11) If during the course of election of a Chairman or Vice-Chairman any dispute arises as to the correctness or otherwise of the decision given or procedure followed by the Collector or the person authorised by him, it shall be referred to the State Government and the decision of the State Government in respect of such dispute shall be final.
- For the word "Collector" the word "Director" shall be substituted.*
- If during the course of election of a Chairman or Vice-Chairman any dispute arises as to the correctness or otherwise of the decision given or procedure followed by the Director or the person authorised by him, it shall be referred to the State Government and the decision of the State Government in respect of such dispute shall be final.
- 29 *Functions and powers of the Chairman and Vice-Chairman.*—The Chairman or in his absence on account of illness or any other reason the Vice-Chairman shall be the Chief Executive Officer of the Committee and all officers and servants of the committee shall, subject to these rules and to the directions, if any, given by the committee, be subject to his control. He shall conduct all correspondence and shall be responsible for the keeping of accounts, for the punctual rendering of all reports and returns and for the custody of all amounts not deposited in the treasury or with a bank approved by the Director.
- For the existing rule, a revised rule shall be substituted.*
- Functions and powers of the Chairman and Vice-Chairman.*—The Chairman or in his absence the Vice-Chairman shall be the Chief Controlling and Supervising Officer of the Committee shall, subject to these rules and to the directions, if any, given by the committee, be subject to his control. The Chairman or in his absence the Vice-Chairman shall (i) preside over the meetings of the market committee and conduct business at such meetings, (ii) watch over the financial and executive administration, (iii) exercise supervision and Control over the acts and proceedings of all employees of the market committee, in matters of executive administration and in matters concerning accounts and records of the market committee and to dispose of all questions relating to the service of the employees, (iv) direct in cases of emergency the execution or stoppage or any work or the doing of any act which requires the sanction of the market committee, (v) he shall suspend the licences of market functionaries for a period not exceeding one month as has been provided in rules 65 and 67.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
30(1)	<i>Term of office and casual vacancy in the office of the Chairman and Vice-Chairman.</i> —(1) Any person elected as Chairman or Vice-Chairman shall hold office for one year from the date of his election as Chairman or Vice-Chairman, as the case may be.	Delete the words "one year" and substitute the words "three years" and at the end add "or for the duration of the market committee."	<i>Term of office and casual vacancy in the office of the Chairman and Vice-Chairman.</i> —(1) Any person elected as Chairman or Vice-Chairman shall hold office for three years from the date of his election as Chairman or Vice-Chairman, as the case may be or for the duration of the market committee.
30(2)	In the event of the expiry of the term of office of the Chairman or the Chairman dying, resigning or ceasing to hold the office for any reason before the expiry of his term of office, the Collector or any person authorised by him in this behalf shall call a meeting of the market committee to elect another person as Chairman. The Collector or the person authorised by him shall preside over such meeting but shall not vote. Every Chairman elected under this sub-rule to fill a casual vacancy shall hold office so long as the Chairman in whose place he is elected would have held it if the vacancy had not occurred.	For the words "Collector" wherever they occur, the words "Director" shall be substituted.	In the event of the expiry of the term of office of the Chairman or the Chairman dying, resigning or ceasing to hold office for any reason before the expiry of his term of office, the Director or any person authorised by him in this behalf shall call a meeting of the market committee to elect another person as Chairman. The Director or the person authorised by him shall preside over such meeting but shall not vote. Every Chairman elected under this sub-rule to fill a casual vacancy shall hold office so long as the Chairman in whose place he is elected would have held it if the vacancy had not occurred.
31	<i>Resignation by Chairman, Vice-Chairman or Member.</i> —The Chairman, Vice-Chairman or any member of the market committee shall resign his office by a written application to the Collector. No such resignation shall take effect until it is accepted by the Collector.	For the words "Collector" wherever they occur, the words "Director" shall be substituted.	<i>Resignation by Chairman, Vice-Chairman or Member.</i> —The Chairman, Vice-Chairman or any member of the market committee shall resign his office by a written application to the Director. No such resignation shall take effect until it is accepted by the Director.

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*Minute book to be kept.*—A minute book shall be kept by every market committee and a record of the proceedings of every meeting shall be entered therein by, or under the supervision of, member presiding over the meeting and shall be signed by him. The minute book shall be permanently preserved. It shall be open to the inspection at all reasonable hours to members of the market committee, and also to the Collector, the Director or any other person authorised by the Collector or the Director in this behalf.

After the words ending with "in this behalf" an additional wording shall be added.

*Minute book to be kept.*—A minute book shall be kept by every market committee and a record of the proceedings of every meeting shall be entered therein by, or under the supervision of, member presiding over the meeting and shall be signed by him. The minute book shall be permanently preserved. It shall be open to the inspection at all reasonable hours to members of the market committee, and also to the Collector, the Director or any other person authorised by the Collector or the Director in this behalf. The proceedings of the market committees shall not be treated as public documents and copies thereof shall not be supplied except when so required by orders of a court. The Secretary of the market committee shall be responsible for the writing of the minute book and he shall also sign the minute book.

33(A) New ... ..

After rule 33 a new rule 33(A) shall be added.

*By whom copies of documents or entries in the books of the market committee may be certified.*—For the purposes of section 23-A, copies of documents or entries in the books of the market committee shall be certified by the secretary of the market committee.

33(B) New ... ..

After rule 33(A) a new rule 33(B) shall be added.

*Inspection of documents.*—Members of the market committees or the public may inspect the following documents in the office of the Director of Agricultural Marketing or the Joint Director and may obtain certified copies thereof on payment of the following fees:—

Bye-laws of market committees. Annas 2 per folio.

Amendment to bye-laws of a market committee. Annas 2 per folio.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
37	<p><i>Appointment of Disputes Sub-Committee.</i>—(1) The market committee may appoint a sub-committee called the dispute sub-committee consisting of—</p> <ul style="list-style-type: none"> <li>(i) one of the nominated members of the committee, who shall be the chairman of the sub-committee;</li> <li>(ii) one of the representatives of the agriculturists on the market committee;</li> <li>(iii) one of the representatives of the traders on the market committee; and</li> <li>(iv) the representative of local authorities on the market committee or, if there is no representative of local authorities on the committee, any other member of the committee to arrange for the settlement of dispute between buyers and sellers or their agents including disputes regarding the quality or weight of the article, the allowances for wrappings, containers, dirt or impurities or deductions from any cause: Provided that the chairman of the market committee shall not be a member of the disputes sub-committee.</li> </ul> <p>(2) The Collector or any person authorised by him in this behalf may require a dispute sub-committee to appoint in respect of each market yard specified by him a panel of not less than 12 persons but not more than 24 persons to act as arbitrators in the settlement of the disputes aforesaid. Every person included in the panel shall be either an agriculturist living in or near the market area or a trader doing business in such area.</p>	<p>Delete the existing wording of rule 37 and substitute a new one in its place.</p>	<p><i>Settlement of Disputes.</i>—(1) The market committee may appoint a sub-committee called the disputes sub-committee consisting of—</p> <ul style="list-style-type: none"> <li>(i) one representative of agriculturists on the market committee,</li> <li>(ii) one representative of traders on the market committee,</li> <li>(iii) one representative of each of the parties who are in dispute, and</li> <li>(iv) the secretary of the market committee who shall be its chairman.</li> </ul> <p>(2) The dispute shall, as far as possible, be decided on the spot and on the same day.</p> <p>(3) An appeal shall lie to the decision given by the secretary to the Director of Agricultural Marketing or any person authorised by him in this behalf and the decision given by the Director of Agricultural Marketing or the person authorised by him in this behalf shall be final and binding on the parties to the dispute: Provided that such an appeal is made to the Director of Agricultural Marketing within 15 days from the date of decision given by the secretary.</p>

(3) Where any such dispute arises, the parties thereto may agree to the settlement thereof in accordance with the following provisions :—

(a) The dispute shall be reported to the secretary of the market committee who shall try to settle the dispute. If he fails, the dispute shall be settled in the following manner on payment of fees fixed by the market committee.

(b) Each party to the dispute shall select one arbitrator from the panel appointed for the purpose by the disputes sub-committee.

(c) If the arbitrators fail to agree, they may appoint an umpire who shall also be chosen from the panel aforesaid, to settle the dispute.

(d) An appeal shall lie against the decision of the arbitrators or umpire to the disputes sub-committee.

(e) The decision of the arbitrators or umpire or, where an appeal has been made to the disputes sub-committee, the decision of such sub-committee shall be final. The dispute shall, as far as possible, be decided on the spot and on the same day.

(4) No business shall be transacted at a meeting of such sub-committee unless there be present at least two members.

(5) Every meeting of the sub-committee shall be presided over by the Chairman of the sub-committee and in his absence by a member elected by the meeting to preside on the occasion.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
	<p>(6) All question which may come before the sub-committee at any meetings shall be decided by the vote of majority of the members present at the meeting and in every case of equality of votes, the chairman or the presiding member shall have an exercise a second or casting vote.</p>		
	<p>(7) The decision of the sub-committee shall be final.</p>		
	<p>(8) The market committee shall maintain a full record of all the disputes which come before the disputes sub-committee.</p>		
37(A)	New ... ..	After rule 37 a new rule 37-A shall be added.	<p>The market committee may form a sub-committee or sub-committees of not more than three of its members for each or any of the market yards as the case may be for the day to day working of the committee and may, delegate any of its powers to such sub-committee or sub-committees.</p> <p>The powers to be exercised and the functions to be performed by these sub-committees shall be such as may be prescribed in the bye-laws. The sub-committee shall maintain a minute book of its proceedings and the chairman of the committee shall be responsible for writing of the proceedings of the meetings held by the sub-committee and for accounts, etc., if any.</p>

38(2)

Such officers and servants shall be divided into two classes—(i) superior officers and servants, and (ii) inferior servants. Superior officers and servants shall be the Secretary, clerks and such officers and servants as the Director may determine. Inferior servants shall be peons, watchmen and other menial servants.

For the existing sub-clauses (i) and (ii) of clause (2) of rule 38, the revised clauses shall be substituted.

Such officers and servants shall be divided into two classes—

- (i) superior officers and others,
- (ii) inferior servants.

Superior officers and servants shall be the secretary, assistant secretary, accountants, treasurers, clerks and such other officers and servants as the Director may determine. Inferior servants shall be peons, watchmen and other menial servants.

38(3)

The terms and conditions of service of the superior officers and servants shall be such as are approved by the Director and those of the inferior servants shall be such as the market committee itself may decide.

Delete the word "inferior servants" and substitute in its place the word "other".

The terms and conditions of service of the superior officers and servants shall be such as are approved by the Director and those of other servants shall be such as the market committee itself may decide.

38(4)

The appointments of superior officers and servants shall be made by the market committee subject to the approval of the Director. Any punishment, revision in pay or terms of service or dismissal of the superior officers and servants shall also be subject to the approval of the Director. All inferior servants shall be under the full control of the market committee, but the committee shall make an immediate report to the Director in regard to their appointments, pay, punishment, dismissal and other matters relating to such servants.

For the existing sub-rule (4) of rule 38, a revised rule shall be substituted.

The appointment of the secretary shall be made by the Director, Agricultural Marketing and that of other superior officers and servants shall be made by the market committee subject to the approval of the Director. Any punishment, revision in pay or terms of service or dismissal of the superior officers and servants shall also be subject to the approval of the Director. All inferior servants shall be under the full control of the market committee, but the committee shall make an immediate report to the Director in regard to their appointments, pay, punishments, dismissal and other matters relating to such servants.

38(5)

The Director may by order in writing delegate any of his powers and duties under this rule to the Chief Marketing Officer subject to such conditions as he thinks fit.

For the words "Chief Marketing Officer" the word "Joint Director" shall be substituted.

The Director may by order in writing delegate any of his powers and duties under this rule to the Joint Director subject to such conditions as he thinks fit.

38(6)

New .. .. .

After clause (5) of rule 38 a new clause (6) shall be added.

(6) Security.—The market committee shall take sufficient security from such of its officers and servants as are entrusted with the handling of money.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
38-A	New	... After rule 38 a new rule shall be added.	<i>Powers and functions of the secretary.</i> —The secretary shall be the chief executive authority of the market committee and carry into effect the resolutions of the market committee. The secretary shall be under the disciplinary control of the cochairman. He shall conduct all correspondence and shall be responsible for keeping of accounts and for the punctual rednering of all returns. He shall call meetings of the market committee and shall exercise control over the sub-ordinate staff appointed by the market committee. He shall exercise such control as may be necessary in case of emergencies. He shall attend meetings of market committee and maintain the proceedings of the meetings and sign the same. He shall express or submit his views on the subjects.
39(4)	New	... After sub-rule (3) of rule 39 a new sub-rule (4) shall be added.	To do such other things as may from time to time be necessary for the efficient working of the market committee.

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PART IV.

MARKET FUND, EXPENDITURE AND ACCOUNTS.

44(1)	<i>Submission of budget.</i> —(1) For the purposes of rules 44 to 50, the market year shall be held to commence on the 1st September and end on 31st August.	Delete the wording of the existing rule and substitute a new rule in its place.	<i>Submission of budget.</i> —The market year shall be held to commence on the 1st October and end on 30th September.
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*Evidence of sanction.*—Plans and estimates for works estimated the cost less than Rs. 500 shall be signed by the chairman of the market committee. In case of original works estimated to cost more than Rs. 500 the professional approval of the municipal engineer, when the market is situated within a municipal district or a municipal borough and in other cases, of the district local board engineer, and, cases in which there is no such municipal engineer or the District local board engineer, of the Executive Engineer of the Public Works Department Division shall be obtained and evidenced by his countersignature.

For the existing rule 46, a revised rule shall be substituted.

*Evidence of sanction.*—Plans and estimates for works estimated to cost less than Rs. 500 shall be signed by the chairman of the market committee. In case of works estimated to cost more than Rs. 500 the professional approval of an engineer, approved by the Director of Agricultural Marketing, shall be obtained and evidence by his countersignature.

50(1)

*Accounts, audit and inspection.*—(1) The accounts and records of a market committee shall be kept in such manner as the Chief Marketing Officer may, subject to any general or special order of the Director, direct.

For the words "Chief Marketing Officer" appearing in the rule the words "Joint Director" shall be substituted.

*Accounts, audit and inspection.*—(1) The accounts and records of a market committee shall be kept in such manner as the Joint Director may subject to any general or special order of the Director, direct.

50(4)

The audit memoranda of the market committee may be inspected by the members of the market committee, traders, licence holders, or the public free of charge in the office of the Chief Marketing Officer, and certified copies thereof may be obtained by any person from the said office on payment of a fee of two annas per folio.

For the words "Chief Marketing Officer" appearing in the sub-rule (4) the words "Joint Director" shall be substituted.

The audit memoranda of the market committee may be inspected by the members of the market committee, traders, licence-holders or the public free of charge in the office of the Joint Director and certified copy thereof may be obtained by any person from the said office on payment of a fee of two annas per folio.

PART V.

MARKET YARD AND MARKET PROPER.

51

*Declaration of market yard and market proper.*—Government may by notification in the *Official Gazette*, declare—  
(a) any enclosure, building or locality in any market area to be a market yard,

In the heading of the rule the words "market yard and" shall be deleted. Delete clause (a) of rule 51. Delete proviso under clause (b) of rule 51.

*Declaration of market proper.*—Government may by notification in the *Official Gazette* declare—  
(a) Deleted.  
Proviso under clause (b)—Deleted.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
	<p>Proviso under clause (b) of rule 51— Provided that a market proper so declared shall include industrial concerns in the said area with their compounds, godowns and warehouses, where the agricultural produce is stored.</p>		
52(1)	<p><i>Control and conservancy of the market yard.</i>— (1) The market committee shall maintain one or more market yards as may be declared under the preceding rule. Subject to these rules and to the general or special orders of Government and to such control as is by these rules or by any other law vested in the Collector or Director or in the municipality, or the district local board, or the village panchayat the market committee shall manage market yards having regard always to the convenience to the trade in agricultural produce and the purposes for which the control is vested in the market committee. The market yard shall be open for trading at such hours as the market committee may from time to time fix. Carts or consignments of agricultural produce intended for sale shall be assembled in the market yard in such manner and at such times as may be permitted, and ingress and egress may be permitted to such persons and at such times as the market committee may consider proper.</p>	<p>For the existing rule 52, a revised rule shall be substituted.</p>	<p><i>Control and conservancy of the market yard.</i>— (1) The market committee shall maintain one or more market yards as may be declared under the Act and shall have the absolute control over the market yard or yards. Subject to these rules and to the general or special orders of Government and to such control, as is by these rules or by any other law vested in the Collector or Director or in the municipality, or the district local board, or the village panchayat the market committee shall manage market yards in the best interest of the trade having regard always to the convenience of the trade in agricultural produce and the purposes for which the control is vested in the market committee. It shall be open to any market committee to place the principal market yard or sub-yard in charge of an officer appointed by it. The market yard shall be open for trading at such hours as the market committee may from time to time fix. Carts or consignments or trucks of agricultural produce intended for sale shall be assembled in the market yard in such manner and at such times as may be permitted, and ingress and egress may be permitted to such persons and at such times as the market committee may consider proper.</p>

- 32(3-b) Any owner or manager so required to furnish information shall be entitled to appeal against such requisition within one fortnight from the date of the requisition to the Collector whose decision in the matter shall be final.
- For the word " Collector " the words " Director " or any person authorised by him " in this behalf " shall be substituted.*
- Any owner or manager so required to furnish information shall be entitled to appeal against such requisition within one fortnight from the date of the requisition to the Director or any person authorised by him in this behalf and the decision given by the Director or the person authorised by him in the matter shall be final.

## PART VI.

### FEES—LEVY AND COLLECTION

- 53(1) *Market fees.*—(1) The market committee shall levy and collect fees on agricultural produce brought and sold in the market area at such rates as may be specified in the bye-laws.
- For the words " brought and sold " the words " bought and resold " shall be substituted.*
- Market fees.*—(1) The market committee shall levy and collect fees on agricultural produce bought or resold in the market area at such rates as may be specified in the bye-laws.
- 54(1) *Recovery of fees.*—(1) The fees on agricultural produce shall be payable as soon as it is brought into the Principal market yard or sub-market yard or market proper or market area as may be specified in the bye-laws.
- Delete the words " brought " and " principal" market yard or sub-market yard or market proper " and substitute the words " bought anywhere " in their place.*
- Recovery of fees.*—(1) The fees on agricultural produce shall be payable as soon as it is bought anywhere in the market area as may be specified in the bye-laws.
- 54(4) The seller who is himself the producer of the agricultural produce offered for sale and the buyer who buys such produce for his own private and/or household use shall be exempt from payment of any fees under this rule.
- Delete the words " private and or "...*
- (4) The Seller who is himself the producer of the agricultural produce offered for sale and the buyer who buys such produce for his own household use shall be exempt from payment of any fees under this rule.

## PART VII.

### SALES AND TRADING IN MARKETS.

- 60(1) *Sale of Agricultural produce.*—(1) All agricultural produce brought into the market shall pass through the principal market yard or sub-market yards and shall not, subject to the provisions of sub-rule (2) be sold at any place outside such yards.
- Add the words " proper " except produce intended for consumption " between the words " market " and " shall pass " in the rule ; and delete the words " subject to the provisions ..... such yards ".*
- Sale of agricultural produce.*—(1) All agricultural produce brought into the market proper except produce intended for consumption shall pass through the principal market yard or sub-market yard or yards and shall be sold only at the principal market yard or sub-market yard as the case may be.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
60(2)	<p>Processed agricultural produce may be sold either in the principal market yard or sub-market yard or in the market or in the market area, in accordance with the provisions of the bye-laws. Full details of such sales shall be reported to the market committee by the general commission agent, or if no general commission agent is employed in transaction by the trader as well as the buyer.</p>	<p>Delete sub-rule (2) of rule 60 and the explanation thereunder.</p>	
	<p><i>Explanation.</i>—For the purpose of this sub-rule “ processed agricultural produce ” shall include ginned cotton, cottonseed, husked paddy, groundnut seeds, but not manufactured produce.</p>		
60(4)	<p>The price of agricultural produce brought into the market for sale shall be settled by open auction or by open agreement and not by secret signs and no deductions shall be made from the agreed price of the consignment except for any authorised trade allowance.</p>	<p>For the existing sub-rule (4) a revised rule shall be substituted.</p>	<p>The price of agricultural produce intended for sale in the principal market yard or sub-market yard shall be settled by open auction or by closed bid system or by sample in the case of tobacco and not by secret signs and no deductions shall be made from the agreed price of the consignment except for any authorised trade allowance.</p>
		<p>*Add a new proviso under sub-rule (4) of rule 60.</p>	<p>*Provided that the Director of Agricultural Marketing may, if he deems fit, permit system of sale by open agreement in the market yard.</p>

30

Nothing contained in the Markets and Fairs Act, 1862, or in any law for the time being in force relating to the establishment, maintenance or regulation of a market shall apply to any market area or affect in any way the powers of a market committee or the rights of a holder of a licence granted under sub-section (2) of section 4 to set up, establish or continue to allow to be set up, established or continued, any place for the purchase or sale of any agricultural produce notified under sub-section (1) of section 4 in such area of the rights of a holder of a licence granted under Section 5-A.

*Delete* the sentence beginning from " or the rights of a holder of a licence.....in such area ".

Nothing contained in the Markets and Fairs Act, 1862, or in any law for the time being in force relating to the establishment, maintenance or regulation of a market shall apply to any market area or affect in any way the powers of a market committee or the rights of a holder of a licence granted under section 7-A.

APPENDIX 18.

Statement showing the amendments proposed to the Bombay Agricultural Produce Market Rules, 1941.

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4

PART I.

PRELIMINARY.

2(viii)	"Market" includes a market proper, a principal market yard and a sub-market yard, if any.	Delete the definition.	
2(ix)	"Market proper" means the area declared to be a market proper under clause (b) of rule 51.	Delete the definition.	
2(xiii)	"Secretary" means the person appointed as the Secretary of the market committee under these rules or any officer or servant appointed for the time being to perform the duties of the Secretary.	Delete the definition.	
2(xvi)	"Trader" means a person buying or selling agricultural produce as a principal or as duly authorised agent of one or more firms.	After the end of the rule the following shall be added: "and includes a person or a firm engaged in processing of agricultural produce".	"Trader" means a person buying or selling agricultural produce as a principal or as duly authorised agent of one or more firms and includes a person or a firm engaged in processing of agricultural produce.
2(xvi-a)	New ... ..	After the existing rule 2(xvi), add a new rule 2(xvi-a).	"Co-operative Marketing Society" means a society registered or deemed to be registered under the Bombay Co-operative Societies Act, 1925 and holding a Traders' licence issued by a market committee, and includes a multi-purpose society, a purchase and sale society, a sale society and a purchase and sale union.

3 *Organisations of agriculturists.*—(i) all rural co-operative credit societies, co-operative crop protection societies, better farming and joint farming co-operative societies.

(ii) all co-operative multi-purpose societies and milk producers' co-operative societies except those which are licensed as traders by the market committee under rule 65, and

(iii) all taluka development associations, registered or deemed to be registered under the Bombay Co-operative Societies Act, 1925, and operating in a market area shall, for the purpose of section 6, be deemed to be organisations of agriculturists for the said area.

*Exception.*—Co-operative multi-purpose societies and co-operative sale societies doing business of buying or selling agricultural produce, with or without commission, shall not be deemed to be organisations of agriculturists for the purposes of the said section.

For the existing rule 3 substitute a new rule.

*Organisations of agriculturists.*—(i) all co-operative credit societies, co-operative crop protection societies, better farming, joint farming and collective farming societies, co-operative multi-purpose societies and all other types of agricultural produce societies and taluka development associations registered or deemed to be registered under the Bombay Co-operative Societies Act, 1925, operating in the market area, and

(ii) village panchayats in the market area shall be deemed to be organisations of agriculturists for the said area.

*Exception.*—Co-operative Societies which are licensed as traders by a market committee under rule 65, shall not be deemed to be organisations of agriculturists for the purpose of section 6.

## PART II.

### CONSTITUTION OF MARKET COMMITTEES AND ELECTION.

4 *Number of members of a market committee.*— Delete rule 4.

Except in the case of market committees deemed to have been constituted under section 31, every market committee shall, subject to the provisions of sub-section (1) of section 6, consist of such number of members as may from time to time be determined by the Collector.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
6(5)	<p>If he has been convicted and sentenced by a court, within or without British-India, to imprisonment for an offence punishable with imprisonment for a term exceeding six months unless such disqualification has been removed by an order passed by Government ;</p>	<p>Delete the words " British-India " and substitute the words " Indian Union ".</p>	<p>If he has been convicted and sentenced by a court, within or without the Indian Union, to imprisonment for an offence punishable with imprisonment for a term exceeding six months unless such disqualification has been removed by an order passed by Government ;</p>
<p>Proviso under Clause 7 of Rule 6.</p>	<p>Provided that—(i) a person shall not be chosen as a member representing the local authorities' constituency, if he holds a traders' licence issued by the market committee ;</p> <p>(ii) a person shall not be chosen as a member representing the traders' constituency if he does not ordinarily reside in the market area and has not been registered under rule 65 or if the licence issued to him by the market committee is cancelled or is not renewed ;</p> <p>(iii) a person shall not be chosen as a member representing the class of co-operative societies for which a seat is reserved in the traders constituency unless he is nominated to votes on behalf of any co-operative society belonging to such class.</p>	<p>In the proviso to clause 7 of rule 6, after the words ending with " market committee ", add the following :—</p> <p>" if he is an employee of the licence-holder or a partner of a firm or is a member of a joint family of a licence-holder.</p> <p>For the existing sub-clause (ii), under the proviso to clause 7 of rule 6, a revised clause shall be substituted.</p> <p>Substitute a revised clause for the existing clause (iii).</p>	<p>Provided that—(i) a person shall not be chosen as a member representing the local authorities' constituency, if he holds a trader's licence issued by the market committee ; and if he is an employee of the licence-holder or a partner of a firm or is a member of a joint family of a licence holder.</p> <p>(ii) a person shall not be chosen as a member representing the traders constituency if he does not reside in the market area, has not been a licence-holder for the previous two years and does not hold a valid licence granted by the market committee, or has not traded for more than six months without satisfactory explanation and has made breach of the terms and conditions upon which the licence was granted to him.</p> <p>(iii) a person shall not be chosen as a member representing a co-operative society which is elected to represent co-operative societies constituency unless he is a member of that society.</p>



(iv) New ... ..

Insert a new clause (iv) after clause (iii) of the proviso to clause 7 of rule 6.

(iv) a person shall not be chosen as a member, representing the agriculturists' constituency if his main income is not from agriculture and is a defaulter of a co-operative society or a village panchayat and possesses a trader's licence or has interest in a joint family or a firm which has a trader's or a commission agent's licence.

7

*Constituencies.*—For the purpose of electing members to a market committee in every market area, the following shall be the constituencies :—

After clause (3) of rule 7, add a new clause (4) viz., " co-operative societies' constituency ".

*Constituencies.*—For the purpose of electing members to a market committee in every market area, the following shall be the constituencies ;

- (1) Agriculturists' Constituency.
- (2) Traders' Constituency.
- (3) Local Authorities' Constituency.

- (1) Agriculturists' constituency.
- (2) Traders' Constituency.
- (3) Local Authorities' Constituency.
- (4) Co-operative Societies' Constituency.

Provided that—(i) in the case of the agriculturists constituency, it shall be divided into single member constituencies as may be prescribed in the bye-laws.

(ii) the traders' constituency shall be divided into A and B class licence-holder's constituency having two seats and C class licence-holders, constituency having one seat.

8

*Persons qualified to vote—*  
I. *Agriculturists' Constituency.*—The following persons shall be qualified to vote in an agriculturists' constituency :—  
(a) all members of the organisations of agriculturists operating in the market area ;

Delete the existing wording of clauses (a) and (b) of rule 8 and substitute new clauses and a proviso thereunder.

*Persons qualified to vote—*  
I. *Agriculturists' Constituency.*—The following persons shall be qualified to vote in an agriculturists' constituency :—  
(a) members of the managing committee of co-operative societies mentioned in rule 3 and within the market area ;

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APPENDIX 18—contd.

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
<p>(b) where no such organisations exist, the following agriculturists ordinarily residing within the market area, namely:—</p> <p>(i) holders of land whether unalienated or alienated, assessed or assessable jointly or severally at not less than Rs. 8, at the end of the revenue year immediately preceding the financial year in which the election is held, or</p> <p>(ii) tenants of unalienated lands assessed at not less than Rs. 8 at the end of the revenue year immediately preceding the financial year in which the election is held, or</p> <p>(iii) tenants of alienated lands assessed or assessable at not less than Rs. 8 at the end of the revenue year immediately preceding the financial year in which the election is held.</p>	<p>(b) members of village panchayats and members of district local boards residing in the constituency.</p> <p>Proviso—No member of a managing committee of a co-operative society, a village panchayat and a district local board who holds a licence from the market committee shall be eligible to vote in the agriculturist constituency;</p> <p>(c) where no such organisations exist, the following agriculturists ordinarily residing within the market area, namely:—</p> <p>(i) holders of land whether unalienated or alienated, assessed or assessable jointly or severally at not less than Rs. 8, at the end of the revenue year immediately preceding the financial year in which the election is held, or</p> <p>(ii) tenants of unalienated lands assessed at not less than Rs. 8 at the end of the revenue year immediately preceding the financial year in which the election is held, or</p> <p>(iii) tenants of alienated lands assessed or assessable at not less than Rs. 8 at the end of the revenue year immediately preceding the financial year in which the election is held.</p>		

(4) Notwithstanding anything contained in sub-rule (3), the market committee may refuse to grant a licence to any person, who in its opinion, is not solvent or whose operations in the market area are not likely to further efficient working of the market committee.

(5) The licence shall be granted for a period of one year, after which it may be renewed on a written application, and after such enquiries as are referred to in sub-rule (3) as may be considered necessary, and on payment of such fees as may be specified in the bye-laws.

(6) The names of all such traders and general commission agents shall be entered in a register to be maintained for the purpose.

(4) The maximum and minimum licence fees that can be fixed by the market committee under section 7-A shall be as follows :—

'A' class trader	... {	Maximum Rs. 100.
'B' class trader	... }	Minimum Rs. 75.
'C' class trader	... {	Maximum Rs. 40.
	... }	Minimum Rs. 30.
'D' class trader	... {	Maximum Rs. 5.
	... }	Minimum Re. 1.

(5) On receipt of such application together with the amount of fee prescribed under sub-rule (4) of rule 65, the market committee may, after making the following enquiries, grant him the licence applied for :—

(i) on obtaining solvency certificate ; (ii) on obtaining cash security or bank's or third person's guarantee ; (iii) on considering the conduct of the person ; (iv) on considering the trading done in the market area in case of the person whose licence is to be renewed ; (v) on ascertaining whether the person has over-traded in the case of the person whose licence is to be renewed.

On the grant of such licence the applicant shall execute an agreement in such form as the market committee may determine, agreeing to conform with these rules and the bye-laws and such other conditions as may be laid down by the market committee under its bye-laws for holding the licence.

(6) Notwithstanding anything contained in sub-rule (5), the market committee may refuse to grant a licence to any person, who in its opinion, is not solvent or in the case of renewal of licence if the person has not traded in the market area for more than a week, without a valid reason or whose conduct in its opinion is not in the interest of the smooth working of the market committee or who had overtraded or who had directly or indirectly participated in strikes or boycotts.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4

(7) Whoever does business as a trader or a general commission agent in agricultural produce in any market area without a licence granted under this rule or otherwise contravenes any of the provisions of this rule shall, on conviction, be punishable with fine, which may extend to Rs. 200 and in the case of a continued contravention with a further fine which may extend to Rs. 50 for every day during which the contravention continues after the date of the first conviction, subject to the maximum of Rs. 200.

(7) The licence shall be granted for a period of one year after which it may be renewed on a written application and after making such enquiries as are referred to in sub-rule (5), as may be considered necessary and on payment of such fees as may be specified in the rules.

(8) The names of all such commission agents, wholesale traders, retail trader and general commission agents shall be entered in a register to be maintained for the purpose.

CS  
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(9) Whoever does business as a commission agent, wholesale trader, retail trader or general commission agent in agricultural produce in any market area without a licence granted under this rule or otherwise contravenes any of the provisions of this rule or the bye-laws or agreement, shall be punished by the market committee with fine, which may extend to Rs. 200 and in the case of a continued contravention with a further fine which may extend to Rs. 50 for every day during which the contravention continues after the date of levy of the first fine.

*Powers of the market committee to suspend or cancel the licence granted to traders and any general commission agents.*—The market committee may, by a resolution passed by a majority consisting of not less than two-thirds of its members, cancel or suspend, for a fixed period the licence granted to any trader or general commission agent if he contravenes any of the conditions of his agreement or licence or of the rules or bye-laws or who, in the opinion of the market committee, is not solvent :

Provided that no order cancelling a licence or suspending it for a period more than six months shall be passed without the previous approval of the Collector.

*Business in market area prohibited except under licence.*—(1) No person shall do business as a trader, commission agent, broker, weighman, measurer, surveyor or warehouseman or operate in any other manner in any market area except under a licence granted by the market committee.

(2) Any person desiring to hold such licence shall make a written application for a licence to the market committee and shall pay such fees as may be specified in the bye-laws.

Delete the existing rule 66 and substitute a new one in its place.

Delete the existing rule 67 and substitute a new one in its place.

*Power of the market committee to suspend or cancel the licence granted to commission agents, wholesale traders and retail traders.*—The market committee may, by a resolution passed by a majority consisting of not less than 2/3rds of its members present, cancel or suspend, up to six months, the licence granted to any commission agent, wholesale trader or retail trader if he contravenes any of the conditions of his agreement or licence or the rules or bye-laws or who becomes insolvent or who does not trade in the market area without any excusable reasons or who in the opinion of the market committee works or has worked against the interest of the market committee or who has directly or indirectly participated in strikes or boycotts or whose continuance in the market is likely to further the efficient working of the market under the control of the market committee :

Provided that no order cancelling the licence or suspending it for a period more than six months shall be passed without the previous approval of the Director of Agricultural Marketing. Provided further that the decision of the market committee will remain in force even during the period during which an appeal might be pending.

*Licensed weighmen, measurers, surveyors and warehousemen and such other operators as may be determined by the Director of Agricultural Marketing.*—(1) No person shall do business as a weighman, measurer, surveyor or warehouseman, or operate in any other manner in any market area except under a licence granted by the market committee.

(2) Any person desiring to hold such licence shall make a written application for licence to the market committee and shall pay such fees as may be specified in the bye-laws.

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
<p>(3) On receipt of such application together with the proper amount of the prescribed fee, the market committee may, after making such enquiries as may be considered necessary for the efficient running of the market, grant him the licence applied for. On the grant of such licence the applicant shall sign an agreement in such form as the market committee may determine agreeing to conform with the bye-laws and such other conditions may be laid down by the market committee for holding the licence.</p>	<p>(3) On receipt of such application together with the proper amount of the prescribed fee, the market committee may, after making the following enquiries grant him the licence applied for: (i) on obtaining a solvency certificate; (ii) on obtaining cash security or bank's or third person's guarantee; (iii) on considering the conduct of the person; (iv) on considering the work done by the person concerned in market area in case of the person whose licence is to be renewed.</p>	<p>On the grant of such licence, the applicant shall execute an agreement in such form as the market committee may determine, agreeing to conform with the bye-laws and such other conditions as may be laid down by the market committee for holding a licence.</p>	<p>(4) Notwithstanding anything contained in sub-rule (3), the market committee may refuse to grant a licence to any person, who, in its opinion, is not solvent or whose operations in the market area are not likely to further the efficient working of the market under the control of the market committee.</p> <p>(5) The licence shall remain in force from the date on which it is granted till 31st August following and may be renewed thereafter on a written application, and after such enquiries as are referred to in sub-rule (3) as may be considered necessary, and on payment of such fees as may be specified in the bye-laws.</p>
<p>(4) Notwithstanding anything contained in sub-rule (3), the market committee may refuse to grant a licence to any person, who, in its opinion, is not solvent or whose operations in the market area are not likely to further the efficient working of the market under the control of the market committee.</p>	<p>(4) Notwithstanding anything contained in sub-rule (3), the market committee may refuse to grant a licence to any person who in its opinion, is not solvent or in case of renewal of a licence, if the conduct of the person is found to be detrimental to the efficient functioning of the market, or if the person has not worked in the market area for more than a week without a valid reason or who had directly or indirectly participated in strikes or boycotts.</p>		

(6) The market committee may, by a resolution, cancel or suspend for a fixed period the licence granted to any broker, weighman, measurer, or surveyor if he contravenes any of the conditions of his agreement of licence or of the rules or bye-laws or if in the opinion of the market committee his continuance as a licence holder is likely to be detrimental to the working of the market.

(7) The chairman may suspend the licence of any broker, weighman, measurer or surveyor for any default for a period which may extend to one month.

(8) No person shall be entitled to do business other than that for which he holds a licence or licences.

(9) No person who is in the service of another person shall be eligible to hold a licence as a broker, weighman, measurer or surveyor. If any licensed broker, weighman, measurer or surveyor enters service or does business other than that for which he holds a licence or licences, his licence or licences shall be deemed to have been cancelled.

(5) The licence shall be granted for a period of one year after which it may be renewed on a written application and after making such enquiries as are referred to in sub-rule (3), as may be considered necessary and on payment of such fees as may be prescribed in the bye-laws.

(6) The market committee may, by a resolution, cancel or suspend for a fixed period the licence granted to any broker, weighman, measurer, surveyor or warehouseman if he contravenes any of the provisions of his agreement or licence or the rules or bye-laws or who becomes insolvent or who has not functioned in the market area for more than a week without any excusable reason or who, in the opinion of the market committee, works or has worked against the interest of the market committee or who has directly or indirectly participated in strikes or boycotts or whose continuance in the market is not likely to further efficient working of the market under the control of the market committee; Provided that no order cancelling the licence or suspending it for a period exceeding six months shall be passed without the previous approval of the Director of Agricultural Marketing.

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*Appeal against refusal, cancellation or suspension of licence.—*(1) Any person aggrieved:—

(a) by the decision of the market committee refusing to grant a licence under sub-rule (4) of rule 65 or of rule 67; or

(b) by the order of market committee cancelling or suspending a licence under rule 66 or sub-rule (6) of rule 67, may appeal to the Collector or any officer authorised by him in this behalf:

For the word "Collector" the word "Director" shall be substituted.

*Appeal against refusal, cancellation or suspension of licence.—*(1) Any person aggrieved:—

(a) by the decision of a market committee refusing to grant a licence under sub-rule (6) of rule 65 or sub-rule (4) of rule 67, or;

(b) by the order of market committee cancelling or suspending a licence under rule 66 or sub-rule (4) of rule 67, may appeal to the Director or any officer authorised by him in this behalf:

APPENDIX 18—*contd.*

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
	<p>Provided that any such appeal shall be made within 30 days from the date on which such decision or order, as the case may be, was communicated to him.</p> <p>(2) The order passed by the Collector or the authorised officer, as the case may be, in appeal shall be final.</p>		<p>Provided that any such appeal shall be made within 30 days from the date on which such decision or order, as the case may be, was communicated to him.</p> <p>(2) The order passed by the Director or the authorised officer, as the case may be, in appeal shall be final.</p>
67-C	New ... ..	After rule 67-B a new rule 67-C shall be added.	<p>Procedure to be adopted by a market committee before taking a decision to cancel or suspend a licence :—</p> <p>(i) The secretary of the market committee shall first enquire into the matter and submit his report to the market committee ;</p> <p>(ii) The market committee shall, on the basis of the secretary's report, frame a charge-sheet.</p> <p>(iii) The chairman shall then call upon the person concerned to submit his explanation within a week.</p> <p>(iv) If the person concerned fails to submit his explanation within the prescribed time giving reasons for his misconduct or producing evidence in support of the denial of an alleged offence, the view that a <i>prima facie</i> case has been established should be accepted.</p>



(v) The market committee should take the decision regarding cancellation or suspension of a licence on the basis of the secretary's report, the charge-sheet and the explanation of the person who is alleged to have committed the offence.

67-D

New

...

...

...

After rule 67-C, a new rule 67-D shall be added.

Before taking any action in respect of cancellation or suspension of a licence under rules 65 and 67, the chairman should report the same to the market committee at its next meeting together with the reasons which had prompted him to take that action. If the market committee does not endorse this action he shall appeal to the Director of Agricultural Marketing against the rulings of his colleagues and if the decision is adverse to him, he should vacate his office.

69

*Keeping of books by trader, general commission agent, broker, weighman, measurer and surveyor.*—Every trader, general commission agent, broker, weighman, measurer and surveyor licensed under these rules shall keep such books in such form and render such periodical returns and at such time and in such form as the market committee may from time to time direct and shall render such assistance in the collection and prevention of the evasion of fees due under these rules and bye-laws and in the prevention of the breach of the rules and bye-laws as may be required by the market committee.

For the existing rule 69 a revised rule shall be substituted.

*Keeping of books by trader, general commission agent, broker, weighman, measurer and surveyor.*—Every trader, general commission agent, broker, weighman, measurer and surveyor and such other operators as may be determined by the Director of Agricultural Marketing, licensed under these rules, shall keep such books in such form and render such periodical returns and at such time and in such form as the market committee may from time to time direct and shall render such assistance in the collection and prevention of the evasion of fees due under these rules and bye-laws and in the prevention of the breach of the rules and bye laws as may be required by the market committee.

APPENDIX 18—concl'd.

Rule No.	Wording of the existing rule.	Proposed amendment.	Wording of the rule as it would read after amendment.
1	2	3	4
93	<p><i>Authority empowered to call meeting of market committee.</i>—On requisition from at least half of the number of members of the market committee or of his own motion the Collector or the Director or the Chief Marketing Officer may, if he is satisfied about the urgency of the matter, call a special meeting of the market committee to consider matters of immediate importance for the working of the market.</p>	<p>In the existing rule for the words "Chief Marketing Officer" the words "Joint Director" shall be substituted. And add the words "or any person authorised by the Director of Agricultural Marketing or the Joint Director".</p>	<p><i>Authority empowered to call meeting of market committee.</i>—On requisition from at least of the number of members of the market committee or of his own motion the Collector or the Director of Agricultural Marketing or the Joint Director or any person authorised by the Director of Agricultural Marketing or the Joint Director may, if he is satisfied about the urgency of the matter, call a special meeting of the market committee to consider matters of immediate importance for the working of the market.</p>

## APPENDIX 19.

## SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS.

(1) The Administration of the Act is made more difficult by inclusion of commodities which do not materially affect the economy of an area. Regulation of such commodities, although desirable in the larger context, may not be undertaken until the more important task of establishing a net-work of regulated markets for the main produce is accomplished. (Chapter II, Para. 27).

(2) From the point of bringing the markets within the purview of the Act, the progress achieved during the first 16 years, therefore, appears to be gratifying. The agricultural produce sold in the regulated markets during 1953-54, was valued at Rs. 50 crores. It would appear from this that whereas nearly 3/5ths of the markets have been regulated, the agricultural produce marketed in these markets is only a third of the marketable surplus. (Chapter II, Para 28).

(3) The State can take legitimate pride in being pioneer in regulating the trade in cattle, vegetables and fruits in the country. (Chapter II, Para. 29).

(4) We are of the view that whereas the Hatta system is dangerous to the smooth and efficient working of the market, the system of open agreement is not immune from the disadvantages which are associated with the former system. (Chapter II, Para 31).

(5) In major markets such as Kolhapur, Sangli and Gadag where the arrivals are very heavy, it is impossible to finish the sales on a particular day of auction. The remedy lies not in circumventing the sound rule of effecting sales by open auction, but in adjusting the technique which ensures speedier sales. (Chapter II, Para. 31).

(6) The quality and usefulness of the record maintained in respect of account of consignment of agricultural produce brought for sale in the market leave much to be desired.

In most of the markets payments are not made in cash but are adjusted against the accounts of the sellers. The Act and the Rules do not provide for the regulation of payment either to the producer or against transactions between traders themselves. The absence of a precise measure has contributed to overtrading and imparted instability to the market. (Chapter II, Para. 34).

(7) It is estimated that the burden of market charges has been reduced by anything between 20 to 50 per cent. as a result of the legislation. It cannot, however, be said that its benefit has been offset by lowering the price in order to make good the loss by way of unauthorised charges in respect of those who were affected by the regulation of the market. (Chapter II, Para. 35).

(8) Though there has been a considerable improvement in the field of agricultural marketing, from the intolerable and chaotic conditions obtaining in the State prior to the regulation of markets, there remains a big gap between what has been achieved so far and what the Act seeks to achieve. This gap is the sum total of the shortcomings in the various provisions of the Act and the Rules. (Chapter II, Para. 48).

(9) We are of the view that the optimum results can be produced by this legislation, only when all the markets in the State including the terminal markets, (but not the retail markets) are brought within the scope of the

Act followed by standardization and grading of agricultural produce marketed in different markets, and the adequate facilities for storage of goods, transport, communications and by strict measures to impose discipline on all those making use of the market. (Chapter II, Para. 51).

(10) We are convinced that the strong link of traders cannot be smashed even by strengthening the Market Committees or by legislative measures, so long as, trading is a monopoly of a handful of persons, as is the case with the Cotton Market in Broach. (Chapter II, Para. 52).

(11) The question is to how this can be done and how the different units within the co-operative marketing sector, can be best linked, in order to have much desired, powerful and strong machinery as a counterforce to the established trade channels, is outside our terms of reference, except to the extent they operate as licence-holders in regulated markets. We urge that the examination of this question should not be postponed any more. (Chapter II, Para 52).

(12) We recommended that the necessary precaution should be taken while amending the legislation and the Rules and these should be strictly enforced. (Chapter III, Para. 58).

(13) We recommend that ordinarily there should be one market in any given market area for the purpose of trading in agricultural commodities regulated under the Act; but there should be no legal bar to the establishment of a separate market within the same area or a part thereof provided the Government is satisfied that trading in a particular type of agricultural produce can be regulated only if and when an independent market for the purpose is established and that the market already functioning is unable to provide facilities for regulated trading in that commodity and provide representative to the interest because of its peculiar nature. (Chapter III, Para. 61).

(14) Retail markets should be excluded from the purview of the Bombay Agricultural Produce Markets Act. (Chapter III, Para. 62).

(15) We recommend that no sale of any produce in the market proper should be allowed at any place other than the market yard. This is the present intention of the Government; but to support it, Rule 60(1) should be suitably amended. (Chapter III, Para. 68).

(16) It may be mentioned that unless and until Government takes an initiative in the matter of construction of market yards of standard types, of course, at the cost, and on behalf of, the Market Committees, the State cannot have a net work of such yards nor the Market Committees will be able to enforce the provisions of the Law and the Rules effectively even within the market yards. (Chapter III, Para. 70).

(17) We recommend that the procedure of granting loans should be revised in order that the Government should not make available the loan until the cost is payable and the cost should not be payable even as deposit until the possession of land is given. Similarly, we recommend that measures to expedite the proceedings in connection with the acquisition of lands for the purpose, should be taken, and normally urgency clause under Section 17, of the Land Acquisition Act, should be applied. (Chapter III, Para. 72).

(18) We recommend that N. A. permission should be granted expeditiously by the Collector. (Chapter III, Para. 73).

(19) As regards the implications of the suggestion for the exclusion of the market yard from the Town Planning Scheme, we recommend that the suggestion might be examined by Government in consultation with the Local Self Government. (Chapter III, Para. 73).

(20) We have no idea whether the level of the lending rate has been linked with the Bank rate and, therefore, recommend that it should be done. (Chapter III, Para. 74).

(21) We recommend that the period of loan should be extended in respect of those markets which offer potentialities of development as a result of the construction of modern yard. (Chapter III, Para. 74).

(22) We consider that the procedure prescribed in Section 16 of the Bombay Agricultural Produce Markets Act for acquisition of land for market yard even before the Market Committee is established will not be feasible as it would not be fair to impose such a land on the Market Committee. (Chapter III, Para. 76).

(23) We recommend that once the proposal is made by a Market Committee for acquisition of a land, it should not be open to that Committee to withdraw it and that the Government should have the freedom to decide. (Chapter III, Para. 76).

(24) When the producer takes his produce to the processing factory for disposal, the buyer is in a strong bargaining position and can dictate his own prices and other terms both before fixing the price and taking the delivery. Unless these sales are regulated, an important purpose of the Act will be defeated. (Chapter III, Para. 77).

(25) We recommend that all ginning, pressing and processing factories which are required to be registered under the Factories Act should be compelled to take out a traders' licence in order to enable them to carry on the activity of buying agricultural produce in their premises. (Chapter III Para. 79).

(26) We share the view of the Dantawala Report that such a blanket provision will cause considerable hardship to many small producers who would have to carry their produce to the market yards far away from the place of their residence. Apart from this, village sales have still one important advantage over market yards. In his village, the grower can refuse to sell if the price is unattractive; but if he takes it to the market yard, he cannot afford to wait for a better buyer and has to sell it at once, or leave it at his risk to the care of his Adatya. The reform will have to wait until the farmer is convinced of the benefits of the market yard by their produce is pooled by their society for sale in the yard. (Chapter III, Para. 81).

(27) Markets in villages where sales take place should not be closed down. Instead, an attempt should be made to regulate them so that the grower can have the best from the nearest market. (Chapter III, Para. 81).

(28) It is no use clubbing together several minor commodities for the purpose of regulation by a Market Committee since the efforts will not be commensurate with the benefits that it is expected to produce. The mere fact that these minor commodities will remain unregulated should not, however, mean that such commodities should not be allowed to sell in the market yards. (Chapter III, Para. 82).

(29) We recommend that "agricultural produce" should be so defined in the Act as to include forest produce. (Chapter III, Para. 84).

(30) We are inclined to think that the conflict between the provisions of Section 11, 26(2-e) and Rules 53(1) and 54(1), is due to inadvertance while framing the relevant rules. (Chapter III, Para. 85).

(31) We recommend that once a commodity is regulated in a market, it should be subjected to regulation irrespective of its source or final destination. (Chapter III, Para. 86).

(32) We think that in the absence of regulation of oilcake, the malpractices associated with its marketing especially in the irrigated tracts of the State are of a nature which has deprived the agriculturist of the full benefits from the use of oilcake as a manure. We urge the Government to examine this question especially in view of the fact that it is proposed to enforce standards in respect of manures. We further recommend that the definition of agricultural produce for the purpose of this Act should cover those in processed form as well. (Chapter III, Para. 87).

(33) We think that it would be enough if the notification under Section 3 of the Act is published in the newspaper printed in the regional languages of the area and circulated in that area with the publication in the Official Gazette. (Chapter III, Para. 88).

(34) We are of the view that the Municipality is not competent to give a verdict on the merits of the proposal from the view point of orderly marketing. (Chapter III, Para. 88).

(35) We recommend that Section 3 be suitably amended with a view to making it clear that the consultation with the Municipality simply means elucidating its views, which shall not be binding on the Government and that Government should proceed with the regulation of markets if it is otherwise satisfied even though the Municipality is opposed to such regulation or does not submit its views within the stipulated period, say, one month. (Chapter III, Para. 92).

(36) We think that the difficulty can be circumvented and at the same time the public in the area informed of the notification if the decision is also published in a newspaper published in the regional languages of the area and circulated in that area. (Chapter III, Para. 93).

(37) We are inclined to think that the proviso under section 4(2) strikes at the very root of the declaration of the market itself. In our opinion, since the market area is declared the market is *ipso facto* established and there can be no question of any licence being granted by any authority excepting the Market Committee including the Government. We recommend that this proviso should be deleted. (Chapter III, Para. 94).

(38) We are of the view that there can be no regulated market unless there is an authority to regulate its day to day operations, and recommend that no area should be declared as a regulated market unless a declaration is accompanied by a notification regarding the appointment of the Market Committee. (Chapter III, Para. 94).

(39) We recommend that all transactions including resales between the traders and traders in respect of the agricultural commodities, which are regulated, should be covered by the Act and the Rules. Thus, in a regulated market, trading in agricultural commodities irrespective of the fact as to whether they are produced in the market area or sold by the agriculturist or not will be brought within the scope of the Legislation. (Chapter III, Para. 95).

(40) We are of the view that the control of the Government over Market Committees should not be meticulous, but only to the extent of ensuring that the powers vested in them are used judiciously. (Chapter III, Para. 98).

(41) We recommend that the system of sales under cover in any form should not be encouraged. (Chapter IV, Para. 102).

(42) We recommend that no such sales should be permitted within the market yard but such sales outside the market yard should be recognised where it is possible to regulate them. We also recommend as a part of the regulation that transactions on this basis should be compulsorily in the form

of agreement between the buyer and the seller and should be considered valid only when the agreement is registered with the Market Committee. We think it is necessary to provide for adequate arrangements as a deterrent to the evasion of this safeguard. (Chapter IV, Para. 104).

(43) We feel that open auction is the best system and every effort should be made to encourage it in the regulated markets. In markets where the arrivals of agricultural produce are heavy; we think, that certain minor changes in the system might be suitable. (Chapter IV, Para. 107).

(44) We recommend that the law should only provide for the recognition of the open auction system and the tender system within the market yard. We, however, recommend further that outside the market yard but within the market area the system of open agreement may be allowed mainly because the grower deals directly with the buyer in most cases and it is not possible to conduct open auctions. (Chapter IV, Para. 112).

(45) We suggest that the printed forms to be supplied by the Market Committee should be numbered and bear the rubber stamp of the Market Committee and also that of the Secretary's signature before they are issued to the licence-holders. We further recommend that since the agreement form is the crux of evidence in regard to the completion of a bargain and also for the purpose of collecting the cess, the Act should provide that no person shall buy any agricultural commodity in the market including the village unless he holds a licence and executes an agreement in respect of every purchase in forms supplied by the Market Committee. There should also be sufficient deterrent for the licence-holders against the contravention of this provision. (Chapter IV, Para. 114).

(46) We urge that the Market Committee should send its Inspectors periodically to supervise weighing operations in these factories and to insist that the produce is weighed by licensed weighmen or, where this is not possible, by weighmen approved and registered by the Market Committee. (Chapter IV, Para. 117).

(47) We would prefer the Madras system which insists that each market yard should be equipped with a set of master weights which are checked and stamped every year and the Market Committee checks the weights used in the market with these master weights. (Chapter IV, Para. 118).

(48) We think that the question of payment on account of containers can be settled if the seller has the option to refuse to deliver the container except at a price which is acceptable to him. (Chapter IV, Para. 120).

(49) In New York where inspection is allowed before the auction, samples are not treated as legal samples. We recommend that the feasibility of introducing this system in the regulated markets in this State should be examined by the Director of Agricultural Marketing. (Chapter IV, Para. 122).

(50) We recommend that an authenticated list of allowances prepared in consultation with, and the approval of, the Director of Agricultural Marketing, should be prominently exhibited for the information of the producers. (Chapter IV, Para. 123).

(51) Once market charges are fixed, there should be no addition by way of dearness or any other allowance during the season. (Chapter IV, Para. 125).

(52) We opine that a slightly lower price will ultimately prove a more reasonable and realistic basis from the view-point of the market as well as the agriculturist himself provided the payment is prompt, than the higher price pregnant with the danger of a total loss. (Chapter IV, Para. 127).

(53) We recommend that the byelaw should also regulate the system of payments between the traders themselves. In making these recommendations, we realise the desirability of not disturbing unduly the existing trade practice. It would be necessary while devising the basis to take note of the fact that credit is essential. We do not wish to make a specific recommendation regarding the period of credit in respect of transactions between traders and traders but suggest that in no case it should exceed a fortnight. (Chapter IV, Para. 128).

(54) We recommend that the responsibility of grading should not be imposed on Market Committee until the system of grading is adequately supervised and the Market Committees are in a position to perform their more important functions effectively. We, however, recognise the importance of grading from the point of enabling the farmer to get a premium for quality production and suggest that Marketing Co-operatives should be encouraged to do it. (Chapter IV, Para. 130).

(55) We are of the view that the agriculturist is sufficiently penalised in the form of a lower price for adulterated produce. Nevertheless, the magnitude of the malpractices prompts us to recommend that whosoever brings adulterated produce to the market yard should be warned thrice and then fined for the offence. (Chapter IV, Para. 131).

(56) We commend to regulated markets in this State the example of Hyderabad where it is obligatory on these types of traders to construct shops and godowns of approved specifications in market yards. (Chapter IV, Para. 123).

(57) Warehousing is a specialised business calling for a special agency and we think that extreme care will have to be taken by the authorities before granting a warehouseman's licence to any party. (Chapter IV, Para. 134)

(58) We recommend that the Rule should provide that every dispute in the market yard and sub-market yard shall be reported to the Market Committee and shall be settled through the machinery provided by the Market Committee. (Chapter IV, Para. 139).

(59) We recommend that market information should be made available to the agriculturists through the Village Panchayats and Agricultural Societies free of cost. (Chapter IV, Para. 142).

(60) We recommend that the daily report should cover daily arrivals in the market, a trend of prices, the number of bargains done in the market yard and the trend of demand and supply. This information should not only be displayed on the notice board, but also be circulated in the villages by post. In addition to this, each Market Committee should prepare and supply a weekly market review covering not only the factors governing the trend in the market it regulates but also in associated markets. The weekly report should also mention the basis on which the price parity is worked out so that the agriculturist can know the price relationship between the two markets. (Chapter IV, Para. 146).

(61) We recommend that the Marketing Research Section should be responsible for the building up of the whole organisation from the bottom to the top with the regulated markets as the base, the neighbouring markets as the intermediate link and the terminal market in Bombay as the peak so that the market intelligence service can be supplied to as well as received from different sources, directed properly from the expert level and also pooled at the top for the purpose of interpreting it and this, in turn, can again be made available to the markets in the assembling centres. (Chapter IV, Para. 146).



(62) We recommend that the legal aspect of the question of regulating the entry to the market should be examined by the Government. (Chapter IV, Para. 149).

(63) While approaching the problem regarding the cancellation or suspension of a licence, we submit that the measures considered necessary by Exchanges organised by the trade itself might be considered as suitable. (Chapter IV, Para. 150).

(64) We have come to the conclusion that the existing provisions in respect of penalties including the cancellation or suspension of licences must be strengthened. (Chapter IV, Para. 151).

(65) We recommend that there should be a greater reliance on the use of the powers to punish vested in the Market Committee than on recourse to courts. Such a method should also meet the ends of justice quickly. (Chapter IV, Para. 152).

(66) We recommend that in the case of fines the decision of the Market Committee should be final; but the Director of Agricultural Marketing should have powers to review such a decision by calling the papers on a representation from the aggrieved party. (Chapter IV, Para. 152).

(67) We recommend that the two-thirds majority should be only in respect of the members present at the time of consideration of the issue. (Chapter IV, Para. 153).

(68) We recommend that the provision made in Rule 67(7) should be suitably amended and recommend further that all the categories of market functionaries including traders should be covered. (Chapter IV, Para. 153).

(69) We recommend that the employees, licence holders and their assistants should be given badges. (Chapter IV, Para. 154).

(70) We recommend that the powers of the Chairman of the Market Committee should be the same as those mentioned in respect of the Municipal President. (Chapter IV, Para. 159). We recommend that he should have the power to suspend the licences for a period not exceeding one month as has been provided in Rule 67, sub-clause 7. We recommend that upon taking any action, the Chairman, should report the same to the Market Committee as its next meeting together with the reasons which had prompted him to take that action. If the Market Committee does not endorse this action he should have an opportunity to appeal to the Director of Agricultural Marketing against the rulings of his colleagues and if the decision is adverse to him, he should vacate his office.

(71) It is desirable to have a qualified and experienced Secretary for each market, vested with powers which are necessary to enable him to carry his duties effectively. (Chapter IV, Para. 161).

(72) We recommend that the Government should appoint a person as Secretary for every Market Committee. (Chapter IV, Para. 162).

(73) We recommend that ordinarily, the constitution of the Market Committee should provide for the representation of co-operative societies in the area served by the market. (Chapter IV, Para. 167).

(74) We recommend that traders should have three seats on the Market Committee. This is also the provision under section 6. (Chapter IV, Para. 169).

(75) We recommend that the co-operative marketing organisations in the market holding valid licences as traders should have one seat. (Chapter IV, Para. 169).

(76) We have come to the conclusion that a local authority in whose jurisdiction the principal market yard is situated should have the right to nominate one representative on the Market Committee. In order to ensure that the traders' nominee does not take his seat on the Market Committee as a representative of the local authority, the present provision, which disqualifies only the licence-holders should be extended to cover the employees as well as relations of the licence-holders. We further recommend that there is no need to give representation to any other local authority which is entitled at present to send a representative if a sub-yard is opened in the area under its jurisdiction. (Chapter IV, Para. 170).

(77) We have come to the conclusion that the Mamlatdar should be one of their nominated members of the Committee and should be instructed to vote propositions and that his work as a member of the Market Committee should be considered as a part of his duty in the field of rural development. (Chapter IV, Para. 172).

(78) We recommend that the members of the managing committee of agricultural co-operative societies and the members of village panchayat in the market area and members of the District Local Board residing within the market area, other than those who hold a licence from the Market Committee or have interest in such a licensee, should be considered as voters for the agriculturists' constituency. (Chapter IV, Para. 175).

(79) We recommend that the agricultural constituency which would cover the whole market area should be divided into single member constituencies with a view to ensuring representation for every sub-area in the market and the different sections of the agricultural population. (Chapter IV, Para. 175).

(80) We recommend that the "D" class traders should be excluded from the Traders' Constituency and should have no representation on the Market Committees.

(81) We have come to the conclusion that the Traders' Constituency should be divided into two groups. As regards the division of representation, we are of the view that from the point of the working of the Market, the volume of business transacted by each group is a better criterion than the number of licence-holders. We recommend that two seats should be reserved in the Constituency of Traders holding "A" and "B" class licences and one seat for "C" class licence-holders. (Chapter IV, Para. 177).

(82) We recommend that a person should be deemed to be an agriculturist and qualified to stand as a candidate from the agriculturists' constituency only if his main source of income is agriculture. (Chapter IV, Para. 179).

(83) We consider it undesirable that a defaulter of a co-operative society or a village panchayat should not be eligible to contest the election. (Chapter IV, Para. 179).

(84) We recommend that the practice of submitting supplementary budget or amending the original budget might be suitably introduced with the safeguard that the new items extended should be subject to the approval of the Director of Agricultural Marketing. (Chapter IV, Para. 181).

(85) The Madras State has prepared a manual of accounts procedure for the guidance of the Market Committees. We recommend that similar manual should be prepared for the guidance of the Market Committees in this State. (Chapter IV, Para. 182).

(86) We recommend that not only the Secretary of the Market Committee should be appointed by the Government but his emoluments should be paid by the Government itself. (Chapter IV, Para. 183).

(87) We recommend that each Market Committee should be required to contribute 30 per cent. of its annual income to the Government in order to enable it to provide the services free of cost and that Government should provide these services irrespective of the fact as to whether the contribution so received is sufficient to render these services or not. (Chapter IV, Para. 184).

(88) We urge that every effort should be made to discourage the use of the word "cess" which is liable to create misunderstanding and result in legal difficulties. (Chapter IV, Para. 191).

(89) We recommend that the basis of levying the fee on agricultural produce bought in the market should be *Ad-Valorum*. (Chapter IV, Para. 191).

(90) We recommend that the basis for levy of fees on agricultural produce should be uniform i.e. As. 4 per Rs. 100 worth of agricultural produce sold in the market area. (Chapter IV, Para. 192).

(91) We recommend that the fee should be payable by the buyer who should be free to recover the same from the seller as a part of the market charges. (Chapter IV, Para. 195).

(92) As a precaution it might be provided in the Act that where the agricultural produce is sold by a trader to another trader or by a commission agent on behalf of the agriculturists, it shall be his duty to report to the Market Committee about the fee paid by him to the buyer as a part of the market charges. Furthermore, it should be provided that no agricultural produce shall leave the market unless the fee due to the Market Committee is paid for. (Chapter IV, Para. 195).

(93) In order to ensure the collection of this fee, we recommend that this should be recovered in the same manner in which the arrear of land revenue is recovered. The exemption from the payment of fee under Rule 53(3) and (4) should, however, be continued after excluding from Rule 53(4) the words "private use" which are likely to facilitate the non-payment by processors. (Chapter IV, Para. 195).

(94) We recommend that the position should be clarified in the Act itself in order to avoid legal difficulties and inconvenience to the Market Committees. (Chapter IV, Para. 197).

(95) The badges and gate passes should be issued to desirable persons on payment of a fixed fee. Whereas badges will be valid for the market year, the gate passes will be valid only for the day. We recommend the fees should be charged at the reasonable rate which should cover the cost of the issue of the gate pass and badges and of ensuring that the entrants behave in conformity with the directions of the Market Committee. (Chapter IV, Para. 199).

(96) Since the functions of the commission agent are mainly confined to the market yard, sub-yard and factories, it is necessary to stipulate this in the definition itself. Similarly, in the case of broker it is necessary to clarify that he cannot employ a servant of his principle in initiating or making contracts. (Chapter V, Para. 205).

(97) The weighman has not been defined in the Rules though there is a reference to him in Rule 67. We think it is necessary to define his functions. (Chapter V, Para. 207).

(98) In some of the markets, independent surveyors having no interest in the trade are appointed. The choice might be left to the individual Market Committees. (Chapter V, Para. 207).

(99) We recommend that it would serve the purpose of the Bombay Agricultural Produce Markets Act, 1939, if "warehouseman" is defined as a person or a firm holding a licence for issuing, under section 27 of the Bombay Warehouses Act, 1947, receipts for goods stored in his warehouse. (Chapter V, Para. 207).

(100) Our recommendations are confined mainly to the conditions on which licences should be issued and to the consequences of not conforming to these conditions. (Chapter V, Para. 218).

(101) We recommend that the middle course between making a particular provision a closed shop and throwing the doors wide open to all, should be adopted by stipulating the qualifications for each type of profession. (Chapter V, Para. 221).

(102) We recommend that the basis qualification for allowing a person to function as "A" and/or "B" class trader should be an assurance to the Market Committee of his financial solvency and the guarantee that it would be maintained during the period he is allowed to function in the market, and his ability to maintain proper equipment, viz., a shop, a godown, a stamped weights, and a personal to help him. We further recommend that the condition of solvency should be applicable to other classes of traders as well. These qualifications are in addition to the normal expectations about a person wishing to carry on the trade. (Chapter V, Para. 224.)

(103) We recommend that no commission agent ("B" class trader) should be allowed to act as an agent for two parties in the same transaction nor should he be allowed to buy goods as a principal when he is himself the agent of the seller. (Chapter V, Para. 225).

(104) We recommend that the form in which they seek this information should be adopted in the prescribed form in which these applications should be submitted. (Chapter V, Para. 226).

(105) We recommend that the licence fee in the case of "D" class traders should not exceed Rs. 5 and should not be less than one rupee. (Chapter V, Para. 227).

(106) We recommend that the licence fee to be charged by Market Committees in the case of "C" class traders should be subject to a maximum of Rs. 40 and a minimum of Rs. 30. (Chapter V, Para. 228).

(107) We recommend that the licence fee in the case of "A" and "B" class traders should not be more than Rs. 100 and less than Rs. 75. (Chapter V, Para. 228).

(108) We recommend that the system of issuing a combined licence should be discontinued. As regards the licence fee to be charged in respect of weighmen, surveyors and warehousemen, we recommend that the *status* co i.e., the maximum of Rs. 15 and minimum of Rs. 10 should be maintained. (Chapter V, Para. 229).

(109) We recommend that every licence-holder must undertake to abide by the Act, Rules and Byelaws, and rules, orders, directions and decisions of the Market Committee or its Chairman or Secretary. (Chapter V, Para. 231).

(110) We recommend that the licensee-holder should be held responsible for all acts of his employees. (Chapter V, Para. 231).

(111) We recommend that the byelaws (model byelaw No. 42) should be suitably revised so as to provide that licence-holders shall be responsible for the actions of their employees in the market yard, and every licence-holder shall furnish a list of employees who are authorised to transact business on their behalf only when they are approved by the Market Committee. (Chapter V, Para. 231).

(112) We recommend that the byelaws of the Market Committee should provide for specific penalties by way of fines to be imposed by the Committee for the refusal to abide by the awards or to refer the disputes to arbitration for acting in any manner detrimental to the interest of the Market Committee. (Chapter V, Para. 235).

(113) As a further precaution, we recommend that the present practice of issuing a licence for a period of one year should be continued so that an opportunity will be provided by the Market Committee to review the behaviour of the licence-holder. In regard to the renewal of licence, we recommend that the procedure adopted in respect of issue of a new licence should be followed, though the enquiry may not be meticulous since the licence-holder is already sufficiently known to the Market Committee. We, however, urge that no licence should be renewed particularly if the applicant has not traded in the area for which the previous licence was issued to him, for more than a week without a valid reason or his conduct is not, in its opinion, in the interest of the smooth working of the Market Committee, or he has over-traded or has directly or indirectly participated in strikes or boycotts. (Chapter V, Para. 237).

(114) We recommend that the conditions on which licences are issued to private traders should be applicable also marketing co-operatives. (Chapter V, Para. 243).

(115) We recommend that no concession should be given to co-operatives in respect of the licence fee. (Chapter V, Para. 243).

(116) The proposal for concessional rent does not seem to be reasonable for the reasons which have prompted us to reject the request for exemption from the licence fee. (Chapter V, Para. 243).

(117) We have come to the conclusion that no regulated market can be developed without the support of a marketing co-operative. In turn no society can develop within the market unless it is supported by the market itself. (Chapter V, Para. 245).

(118) We recommend that the highest priority should be given to these marketing organisations in the matter of selection and allocation of stalls and plots. We further recommend that wherever no such society exists, the Market Committee should reserve a plot or a stall and even keep it vacant so that the society, when it is registered, can step in. (Chapter V, Para. 245).

(119) We recommend that Market Committees should adopt the system of rationing the turn of open auction in relation to the turnover of the licensee. (Chapter V, Para. 246).

(120) We urge the Government to take up this question of priority for railway transport to co-operative organisations with the Government of India in the interest of the successful conduct of regulated markets. (Chapter V, Para. 247).

(121) We consider that the problems of these markets as well as of the market in forestry produce to which we have sought to extend the definition of agricultural produce require a special treatment. (Chapter VI, Para 248).

(122) We have come to the conclusion that no useful purpose will be served by bringing these (milk products) commodities within the scope of regulated markets at least for a fairly long period. (Chapter VI, Para. 250).

(123) We have come to the conclusion that efforts will have to be made to extend the policy of bringing the cattle trade within the orbit of the Bombay Agricultural Produce Markets Act in centres where it can be conveniently done as one of the commodities to be regulated. (Chapter VI, Para. 257).

(124) We recommend that in a market where the volume of cattle trade is substantial, one seat from amongst the traders should be given to the cattle traders and the Government should nominate one of its three representatives on such a Market Committee from amongst those including the officials, who are acquainted with the problems concerning the primary sellers, i.e. the breeders. (Chapter VI, Para. 258).

(125) We recommend that the Market Committee concerned with the regulation of cattle trade should appoint an *Ad hoc* Committee, in consultation with, and on the approval and suggestion of, the Director of Agricultural Marketing. (Chapter VI, Para. 259).

(126) The possibilities of extending the benefits of the Act to the growers of grass and fodder in the other two tracts might be examined. (Chapter VI, Para. 260).

(127) The agriculturists' constituency should be a single member constituency which we hope, will enable the growers of grass and fodder to send their representative on the Market Committee. (Chapter VI, Para. 260).

(128) We recommend that in tracts where vegetables and fruits are grown, efforts should be made to establish a regulated market in fruits and vegetables. (Chapter VI, Para. 261).

(129) We recommend that the question of establishing regulated markets in fruits and vegetables wherever there is sufficient volume of wholesale trade should be pursued. We are also of the view that such a type of market to which supplies for sale are almost wholly received from the grower demands a special treatment and should not be regulated unless and until the Market Committee to be entrusted with its regulation is assured of sufficient resources. In the event of regulation, a separate Market Committee should be established with an area which may or may not be the same for which a regulated market has already been established provided the sphere of operation is clearly defined so far as commodities are concerned. (Chapter VI, Para. 262).

(130) We recommend that the regulation of tobacco which is one of the major cash crops under the Act should not be delayed any more. (Chapter VI, Para. 267).

(131) In respect of dealings between the growers and Dalal, we recommend that the payment to the cultivator should be made in cash immediately after the produce is delivered against the sale. Since the Dalal has already enjoyed credit from the grower on account of the previous transactions which are not covered by the regulation, we opine that this recommendation in respect of future transactions will not have a restrictive influence on his activity provided he wants to play fair to the agriculturists. (Chapter VI, Para. 269-A).

(132) We recommend that the method of payment for transactions between traders and traders should be regulated on the basis of the practices evolved by trade associations and recognised by the Director of Agricultural

Marketing and the position should be reviewed after the three years. Where such a trade association does not exist; the payment should be made on cash and carry basis. (Chapter VI, Para. 269-A).

(133) We are of the view that the system of trading on the basis of samples is sound provided it does not give opportunities to the buyer to repudiate the transactions on the flimsy ground that the produce delivered is not up to the standard of the sample. To avoid this danger which is associated with the sample system at present and yet to encourage the method of sale by sample, the transaction will be complete and no dispute will take place, if the buyer does not reject the quantity within three days from the conclusion of the bargain made on the basis of the sample. (Chapter VI, Para. 270).

(134) We recommend that separate Market Committee should be established for exclusively regulating the tobacco trade. At the same time, we are of the view, that these Market Committees must have sufficient resources to discharge their duties and responsibilities under the Act. (Chapter VI, Para. 271).

(135) We recommend that two Market Committees one each for each area, should be established. (Chapter VI, Para. 271).

(136) We recommend that the market area for the tobacco market in the Kaira district should be whole of the Charotar area covering Anand, Borsad, Nadiad, Petlad and Bhadrans talukas. Similarly, the market in South Deccan should cover the whole of the Nipani area including Nipani, Gadhinglaj, Jaisingpur and Miraj talukas. We further recommend that the towns where the trade is concentrated should be declared as the principal market yards and others should be declared as sub-yards. (Chapter VI, Para. 272).

(137) We recommend that forest produce such as Myrabollens should be regulated by the market established or to be established for regulating the agricultural produce. As regards other types of produce i.e. timber, we recommend that no useful purpose will be served by regulating it at present. (Chapter VI, Para. 273).

(138) We recommend that the question of bringing more agricultural commodities within the scope of regulated markets in Ahmedabad and Poona should be pursued by the Director of Agricultural Marketing. (Chapter VI, Para. 276).

(139) Mere regulation of markets in the districts cannot achieve the objects of the Bombay Agricultural Produce Markets Act unless and until fair practices are in operation in the terminal market of Bombay. (Chapter VII, Para. 277).

(140) We recommend that the Government should appoint a Committee to undertake elaborate enquiry into the working of any of the terminal markets, with a view to deciding the type of regulation in the case of these terminal markets in Bombay in the light of the special conditions operating therein. (Chapter VII, Paragraph 280)

(141) We recommend that the Director of Agricultural Marketing, who is presently held responsible for the administration of the Act, should be vested with all the powers presently exercised by the Collector and that, in exercising them, he might consult the Collectors whenever he thinks it is necessary. (Chapter VIII, Para. 296).

(142) The powers exercised by the State Government should, in our opinion, be such which, under the law only it can exercise and cannot delegate them to its officers. (Chapter VIII, Para. 297).

(143) We recommend that the power under Section 28 should also be vested in the Director of Agricultural Marketing as well as the State Government. (Chapter VIII, Para. 297).

(144) We think that the Director should have the powers to impose new bye-laws or amending the existing ones if he considers it desirable. In making this recommendation, we do not think that we are suggesting anything radical. (Chapter VIII, Para. 298).

(145) We think that unless the Director of Agricultural Marketing is armed with powers in addition to those for imposing or amending the bye-laws, or directing the Market Committees to take the particular action or not to take it and to cancel or suspend licences of market functionaries, the desired results will not be achieved. (Chapter VIII, Para. 298).

(146) We are fully convinced that the lack of discipline among market functionaries and their efforts to perpetuate it by means of strikes and boycotts, accompanied by the weakness of the Market Committees in the matter of not taking effective action, has been the root cause of the shortcomings of regulated markets. (Chapter VIII, Para. 299).

(147) We regret to note that on the one hand the Government has launched an ambitious programme of having a net-work of regulated markets and marketing co-operatives throughout the districts and, on the other, economy has been affected in the staff attached to the office of the Chief Marketing Officer. The result of this policy has been reflected in the administration as well as in the working regulated markets. (Chapter VIII, Para. 306).

(148) We recommend that whereas the administration of the Bombay Agricultural Produce Markets Act should be continued to be entrusted to the Registrar in his capacity as Director of Agricultural Marketing, the Chief Marketing Officer should be designated as Joint Director of Agricultural Marketing of higher cadre, and that the functions of Director of Agricultural Marketing should mainly be confined to the overall supervision and policy issues, and the Joint Director should be left with the initiative of formulating the programmes and executing them in relation to the regulation of markets. (Chapter VIII, Para. 309).

(149) We recommend that the Joint Director of Agricultural Marketing should be exclusively concerned with the work under the Bombay Agricultural Produce Markets Act. (Chapter VIII, Para. 310).

(150) We are of the view that the Joint Director of Agricultural Marketing should be a person who has at least technical knowledge regarding agricultural marketing in the districts and terminal centres and should be competent to give expert advice on all aspects of agricultural marketing of which market regulation is but one part. To ensure the recruitment of a qualified and experienced person, we think, it should not be necessary to confine the choice to one department or to one office only. (Chapter VIII, Para. 310).

(151) We are of the opinion that marketing is a technical business, far more intricate than even the conduct of co-operatives. (Chapter VIII, Para. 311).

(152) We have come to the conclusion that persons recruited for the office of the Joint Director should not be interchangeable with any other office including that of the Registrar, though the administrative head of the



Department might be the one. We also hope that the terms for employment will be commensurate with the responsibility they are to be called upon to shoulder and the charge will be of a size which will enable them to do full justice to it. (Chapter VIII, Para. 311).

(153) We have come to the conclusion that no Marketing Inspector can do full justice to his duties if he is placed in charge of more than 6 Market Committees even when he is relieved of his co-operative work. (Chapter VIII, Para. 312).

(154) We are confident that both the Market Committees and the Marketing Inspectors should be able to function efficiently if charge of the latter is confined to 6 Market Committees especially when the co-operative work will be taken away from them. This would mean normally one Marketing Inspector for one district but where the assembling centres are more, it may be necessary to have more than one Inspector. We would suggest that the possibility of dividing the charge per Inspector on the basis of Market Committees, instead of on the basis of administrative unit, might be examined by the Director of Agricultural Marketing. (Chapter VIII, Para. 312).

(155) We are of the view that the maximum number of districts on which the Assistant Marketing Officer can be in charge should be 4. (Chapter VIII, Para. 313).

(156) We recommend that the Assistant Marketing Officer should not be in charge of less than 2 districts and not more than 4 districts. (Chapter VIII, Para. 313).

(157) We recommend that the Marketing Research Section should be strengthened so that it should be possible for this section to provide day to day and week to week information about marketing at its different stages. (Chapter VIII, Para. 316).

(158) We do not wish to go into the detailed structure of this organisation but we wish to state that the Marketing Research Section should be headed by a person who should be qualified and experienced. (Chapter VIII, Para. 317).

(159) We wish to mention that the office of the Joint Director of Agricultural Marketing is the generator of the energy which is to set the whole machinery of regulated markets into action and consequently the equipment must be such that it does not take any heavy load so as to throw itself out of the gear. (Chapter VIII, Para. 318).

(160) We recommend that a separate cadre be created so that the Government can have a pool of officers and other supervisory staff which might be interchangeable between the Marketing Department, Market Committees and Marketing Co-operatives. (Chapter VIII, Para. 320).

(161) What we recommend is the cadre of persons who will be in the employment of the Government and will be subjected to the Bombay Civil Services Rules and the Government Servants Conduct Rules. (Chapter VIII, Para. 321).

(162) We suggest that the course of curriculum for training the personnel should be the one recommended by the Marketing Sub-Committee of the Policy Committee on Agriculture, Forestry and Fisheries of the Reconstruction Committee of Council is ideal. (Chapter VIII, Para. 322).

(163) We recommend that an audit section be created in the office of the Joint Director of Agricultural Marketing. (Chapter VIII, Para. 323).

(164) We recommend that it should be obligatory for every Market Committee to get itself affiliated to the advisory committee of its region and the constitution of these advisory committees should provide for powers to supervise their respective affiliated Market Committees. (Chapter VIII, Para. 330).

(165) We recommend that a separate section, may be a small one, should be created in the office of the Director of Agricultural Marketing, to deal with the work of the State Central Advisory Committee of Regulated Markets.

(166) We are all unanimous in regard to the minimum requirements in connection with the construction of yards by the Market Committees themselves, and recommend that the least that should be done is to have a separate engineering section in the office of the Joint Director of Agricultural Marketing for the preparation of plans of these yards and supervision of their construction. (Chapter VIII, Para. 332).

(167) We recommend that the administration of the Bombay Weights and Measures Act should be entrusted to the Director of Agricultural Marketing. (Chapter VIII, Para. 334).

(168) We suggest that after satisfying the demands of these co-operatives, the rest of transport available should be equitably distributed among the market functionaries in each market. (Chapter VIII, Para. 336).

(169) We recommend that the Government of Bombay should take up the question of the system of allocation of wagons with the Transport Ministry, so that wagons can be allotted by the Station Master on the basis of the recommendations of the Market Committees. (Chapter VIII, Para. 336).

(170) We recommend that the Government should either direct the Municipalities to earmark 25 per cent. of their revenue from octroi and taxes recovered on account of buildings, water tax, sanitation and conservancy tax and such other taxes for providing amenities in these yards, or alternatively, for handing over that share to the Market Committees in order to enable them to provide the amenities, which it is the legitimate duty of the Municipality to levy. (Chapter VIII, Para. 340).

(171) We think that the problem of regulated markets in undeveloped tracts requires a detailed examination, not because the regulated markets are not necessary for these tracts but, from the point of the financial commitments which the Government will have to make in the event of their regulation. (Chapter VIII, Para. 341).

(172) We recommend that the Bombay Agricultural Produce Markets Act should be the only Act on the basis of which the marketing of agricultural produce should be regulated. (Chapter IX, Para. 346).

(173) We have come to the conclusion that there is no need for enacting a separate law for any particular agricultural commodity but appropriate adjustments to meet the requirements can be made within the framework of the Act while evolving the structure of the market and the constitution of the Market Committees supervising over them. We recommend that there is no need for a separate Act for Commercial and non-Commercial crops. (Chapter X, Para. 349).

**List of Persons Interviewed.****BROACH.***20th September 1955.*

1. Chairman, Agricultural Produce Market Committee, Broach.
2. Secretary, Agricultural Produce Market Committee, Broach.
3. Shri Lallubhai Patel of Surat.
4. Chairman, Agricultural Produce Market Committee, Bodeli.
5. Shri Vakharia.
6. President of Merchants' Association.
7. Collector, Broach.

**AHMEDABAD.***21st September 1955.*

8. Shri Fakirbhai Sarabhai—Agriculturist.
9. Shri Jayantibhai Mehta—A Class Trader.
10. Shri Indubhai Bhatt—Member Market Committee.
11. Chairman, Agricultural Produce Market Committee, Derol.
12. Chairman, Agricultural Produce Market Committee, Unjha.
13. Chairman, Agricultural Produce Market Committee, Patan.
14. Chairman, Agricultural Produce Market Committee, Amreli.
15. Chairman, Agricultural Produce Market Committee, Talod.
16. Chairman, Agricultural Produce Market Committee, Kapadwanj.
17. Chairman, Agricultural Produce Market Committee, Ahmedabad.
18. Secretary, Agricultural Produce Market Committee, Ahmedabad.
19. Secretary, Agricultural Produce Market Committee, Bavla.
20. Secretary, Agricultural Produce Market Committee, Unjha.
21. Secretary, Agricultural Produce Market Committee, Thasra.
22. Secretary, Agricultural Produce Market Committee, Derol.
23. Secretary, Agricultural Produce Market Committee, Amreli.
24. Secretary, Agricultural Produce Market Committee, Talod.
25. Secretary, Agricultural Produce Market Committee, Dehgam.
26. Secretary, Agricultural Produce Market Committee, Patan.
27. Shri M. A. Parikh, Secretary, Gujerat Vyapari Mandal.
28. Shri Vadilal P. Mehta.

## HUBLI.

*2nd October 1955.*

29. Shri Shivalli, Chairman, Dharwar District Co-operative Purchase and Sale Union.
30. Shri M. R. Patil.
31. Shri Hidkal, Manager, Gokak Purchase and Sale Union.
32. Shri Ronimath, Secretary, Agricultural Produce Market Committee, Bailhongal.
33. Shri Hiremath, Secretary, Agricultural Produce Market Committee, Hubli.

## GADAG.

*3rd October 1955.*

34. Shri Inamati, Chairman, Agricultural Produce Market Committee, Gadag.
35. Chairman, Sale Society, Gadag.
36. Chairman, Cotton Sale Society.
37. Member, Agricultural Produce Market Committee, Bagalkot.
38. Chairman, Agricultural Produce Market Committee, Bagalkot. (Shri Desai.)
39. Chairman, Agricultural Produce Market Committee, Gokak.
40. Secretary, Agricultural Produce Market Committee, Gadag.
41. Chairman, Agricultural Produce Market Committee, Nargund.
42. Manager, Sale Society, Gadag.
43. Shri Gadag, M.L.A.
44. Shri Edke M.L.C., Bagalkot.
45. Shri Velgi Mulgi.
46. Secretary, Agricultural Produce Market Committee, Bagalkot.
47. Secretary, Agricultural Produce Market Committee, Bijapur.

## SANGLI.

*4th October 1955.*

48. Shri Vora, Chamber of Commerce.
49. Shri Aravade, Vice-Chairman, South Satara District Central Co-operative Bank Ltd., Sangli.
50. Shri Vasantryao Patil, Chairman, South Satara District Central Co-operative Bank Ltd., Sangli.
51. Shri Kisan Vir, Chairman, Agricultural Produce Market Committee, Satara.

### List of Persons Interviewed.

(for eliciting views on the regulation of Tobacco Trade.)

#### BOMBAY.

15th October 1955.

1. Shri J. B. Patel, Hon. Joint Secretary, Nadiad Tobacco Merchants' Association, Nadiad, district Kaira.
2. Shri S. J. Patel, Vice-President, Nadiad Tobacco Merchants' Association, Nadiad, district Kaira.
3. Shri D. H. Patel, Secretary, the Gujerat Tobacco Merchants' Association, Anand, District Kaira.
4. Shri M. P. Patel, Secretary, Nadiad Tobacco Merchants' Association, Nadiad, district Kaira.
5. Shri Ratanbhai R. Patel, Representative of the Nadiad Tobacco Merchants' Association, Nadiad, district Kaira.
6. Shri Shanubhai M. Patel, M.L.A., Sarsa, Taluka Anand, district Kaira.
7. Shri Shivalbhai R. Patel, M.L.A., Borsad, district Kaira.
8. Shri Chandubhai N. Patel, Chairman, Agricultural Produce Market Committee, Nadiad, district Kaira.
9. Shri Ashabhai Ishwarbhai Patel, Taluka Borsad, district Kaira.
10. Shri Chunibhai Muljibhai Patel, M.L.C., Sevamandir, Nadiad, district Kaira.
11. Shri Vithalbhai C. Patel, Mehelav, district Kaira. (Agriculturist).
12. Shri Natubhai R. Patel, Karamsad, district Kaira. (Agriculturist).
13. Shri Jasvantlal S. Shah, M.L.A., Sardar Bhavan, Baroda.
14. Shri Madhavlal B. Shah, M.L.A., Matar, district Kaira, and Chairman, Agricultural Produce Market Committee, Matar, district Kaira.

