GOVERNMENT OF RAJASTHAN
AGRICULTURE (GR. 2) DEPARTMENT

NO.F.477Agri./Gr.2/2003 Jaipur, Dated: 15.09.2009

NOTIFICATION

In exercise of the powers conferred under section 36 of the Rajasthan Agricultural Produce Markets Act, 1961 (Act No. 38 of 1961), the State Government hereby makes the following rules further to amend the Rajasthan Agricultural Produce Markets Rules, 1963 and orders, with reference to the proviso to sub-section (4) of the said section, that the previous publication of these rules is dispensed with as the State Government considers that they should be brought into force at once, namely:

1. Short title and commencement - (1) These rules may be called the Rajasthan Agricultural Produce Markets (Amendment) Rules, 2009.

(2) They shall come into force at once.

2. Amendment of rule 56A - In sub rule (2) of rule 56A of the Rajasthan Agricultural Produce Markets Rules, 1963,-
   (i) at the end, punctuation mark “:” shall be added.
   (ii) the following new proviso shall be added, namely:

"Provided that on the recommendation of the Director, the State Government may, if it is satisfied that the establishment of a private mandi yard in a particular location will promote the effective and better regulation of sale and purchase of agricultural produce, relax the requirement of minimum area of land."

By Order of the Governor

(Anil Gupta)
Dy. Secretary to the Government

सामाजिक सरकार
कृषि विभाग निदेशालय, जयपुर

1. निरीक्षण, अंश, निदेशक, कृषि विभाग निदेश, जयपुर।
2. मुख्य संस्थापक, कृषि विभाग निदेश, गुवाहाटी, जयपुर।
3. सामाजिक उप-विभाग, कृषि विभाग निदेश, जयपुर।
4. सामाजिक सरकार कृषि विभाग दर्शन, जयपुर।
5. कृषि उप-विभाग, कृषि विभाग निदेश, खास संस्थान को संचालन निरीक्षित किया जाता है कि वे अपने स्तर से कृषि धार्मिक की कृषि उपज में सहायता की उपलब्धि को उत्तर अधिकृतता की परत की प्रति निर्धारित।
GOVERNMENT OF RAJASTHAN
AGRICULTURE (GR. 2) DEPARTMENT

NO.F.4(77)Agri./Gr.2/2003
Jaipur, Dated:-15.09.2009

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By Order of the Governor

(Anil Gupta)
Dy. Secretary to the Government

Copy to the following for information & necessary action :-

1. Director, Printing & Stationary Department, Rajasthan Jaipur, With a request to get the Notification published in the extra ordinary gazette of the state.

2. P.S. to Hon’ble Minister of state, Agriculture Marketing.

3. P.S. to Principal Secretary Agriculture.

4. Director, Agriculture Marketing Department, Jaipur

5. Guard file

Dy. Secretary to the Government
G.S.R. 30:—In exercise of the powers conferred under section 36 of the Rajasthan Agricultural Produce Markets Act, 1961 (Act No. 38 of 1961), the State Government hereby makes the following rules further to amend the Rajasthan Agricultural Produce Markets Rules, 1963 and orders, with reference to the proviso to sub-section (4) of the said section, that the previous publication of these rules is dispensed with as the State Government considers that they should be brought into force at once, namely:—

1. Short title and commencement.—(1) These rules may be called the Rajasthan Agricultural Produce Market (Amendment) Rules, 2009.

(2) They shall come into force at once.

2. Amendment of rule 2.— After clause (xii) of rule 2 of Rajasthan Agricultural Produce Markets Rules, 1963, hereinafter referred to as the said rules, following new clause (xiii) shall be added, namely:—

"(xiii) "Private sub-market yard" means a private sub-market yard set-up under the Act for all or any agricultural produce specified in the notification issued under section 40 of the Act, including a private sub e-market managed by a person other than a Market Committee."
3. Insertion of new rule 56B.- After rule 56A and before rule 57 of the said rules, the following new rule 56B shall be inserted, namely:

"56B. Private sub e-market.—(1) Any person including a Cooperative Society or a Company may apply in form XVIII to the Director or the Authority empowered by the State Government in this behalf for establishment of private sub e-market. The applicant shall pay such application fees and in such manner as may be specified by the State Government from time to time. Application fees shall be non refundable.

(2) Every application shall be accompanied with a detailed project report. The project report shall contain details of,—

(a) financial status of the applicant supported by the Income Tax returns for previous three assessment years or permanent assets with valuation assessed by a Chartered Accountant.

(b) locations of trading terminals proposed to be established;

(c) amount proposed to be spent for setting up of facilities, for purchase/sale and storage of notified agricultural produce including establishment for processing, grading packing, storing and for sale/export of the agricultural produce by way of value addition;

(d) outlay earmarked for providing facilities, if any, like lodging, boarding for the producer who bring produce to the private sub e-market; and

(e) laboratory facilities to evaluate and determine the quality of the agricultural produce.

(3) Applications received for establishment of private sub e-market shall be entered in the register in Form XIX.

(4) Every applicant shall have,—

(i) online trading, efficient clearing facility;

(ii) settlement and guarantee system of national reach;

(iii) well organized and capitalized brokerage houses, where members/brokers with reasonable capital adequacy can participate;
(iv) a mechanism to ensure transparency in its operations and decision making; and
(v) working experience in Agricultural Produce markets.

The Director or the Authority empowered by the State Government shall, on receipt of application, evaluate the application within a period of thirty days and after satisfaction, the Director or the Authority empowered by the State Government shall inform the applicant to deposit the license fee, as may be specified by the Government from time to time, within the period of 30 days by way of demand draft payable at Jaipur in favour of Director, Agriculture Marketing. On receipt of license fee the Director or Authority empowered by the State Government may issue licence in Form XX, with such conditions as specified in it, for a period not exceeding 5 years, which may be renewed for further period of 5 years at a time, on an application and payment of renewal fees as may be specified by the State Government from time to time. The application for renewal shall be made on plain paper. The licence, issued under this rule, shall be entered in the register in form XXI.

(6) A bank guarantee of Rupees 25 Lakhs (Rs. Twenty Five Lakhs) shall be deposited by the licensee in favour of the Director, within one month from the date of grant of license or before commencement of business, whichever is earlier.

(7) The Licensee may commence operation in private sub e-market after furnishing bank guarantee.

(8) The Licensee of private sub e-market shall,—
(i) install trading terminals in the one or more market area for on-line trading at prominent locations, which are easily accessible to agriculturists;
(ii) provide real time price and trade related information relating to notified agricultural produces through its trading terminal and web site.
(iii) make arrangements for warehousing, weighing, grading and certification and for sanitary and phyto-sanitary provisions;
(iv) not sell or purchase notified agricultural produce for himself;
(v) facilitate collateral financing and borrowing against warehouse receipt;
(vi) ensure that the payment of notified agricultural produce to the produce seller on the same day as per provision of section 15D of Act. The deliveries of the sold agricultural produce shall be made only after the full payment of price to produce seller. The price quoted by the buyer shall be net payable to the producer seller, the market fees, brokerage charges etc. shall be borne by the purchaser, notwithstanding any default committed by the buyer, the Licensee of private sub e-market shall ensure the payment strictly as per provision of section 15 D of the Act;
(vii) collect the market fees and deposit the same with the Market Committee concerned, along with the details of the Agricultural Produce transacted;
(viii) maintain a settlement guarantee fund, as may be specified by the state Government from time to time, and adopt proper risk management system to ensure smooth settlement;
(ix) guarantee the performance of contracts executed on its platform.
(x) submit market area wise monthly return of deliveries of notified agricultural produce in his designated warehouses. He shall also give separate figures of delivery of market fees paid goods/ agricultural produce (where market fees was already paid before its delivery into designated warehouses) and such deliveries where it has been traded for the first time on private sub e-market platform;
(xii) collect market fees from buyer as per provisions of the Act, in respect of sale of agricultural produce, for which market fees is not paid earlier.
(xii) pay the market fees collected by him to the concerned market committee as per provision of Act, rules, by-laws.

(9) All terms relating to quality parameters, grading, packing standards and deliveries, including discount and premium applicable for various grades, of agricultural produce is to be traded on its platform shall be clearly specified by the private sub e-market before trading in any produce. The size and grade of notified agricultural produce to be traded in the private sub e-market shall be decided by the Director or the Authority empowered by the Director.

(10) Agriculturist may not be a member of the private sub e-market to sell his produce in private sub e-market.

(11) The Licensee of private sub e-market shall ensure that membership is available to all, including agriculturists or their groups, cooperatives societies or companies. He shall be free to fix and charge membership fee, security deposit, annual subscription, margin money and other charges from their market functionaries other than the agriculturists:

Provided that the membership fee or any other fees or charges for the agriculturists shall be fixed with approval of the Director.

(12) All members of private sub e-market may appoint their sub-broker or franchise, with the permission of Licensee of private sub e-market, to provide service to their clients. These members, their sub-brokers and clients shall not require any license from concerned market committee.

(13) The Duties and rights of the members of the private sub e-market shall be decided by the Licensee.
(14) Agriculturists shall give physical delivery at the warehouse designated by private sub e-market, where grading and quality certification shall be done and warehouse receipt shall be issued to the agriculturist. The charges of grading, quality certification, unloading, filling of bags and loading in scale of weighment shall be borne by the seller of agricultural produce.

(15) Procurement and disposal of agricultural produce shall be through online trading and the clients and producers across the country can participate in electronic trading through the members of the private sub e-market. Agricultural produce sold in private sub e-market shall be regulated by the Act.

(16) The Licensee shall issue a certificate as per Annexure XXII regarding payment of market fees on agricultural produce at the time of delivery from its warehouse. Such certificate shall be kept with the vehicle carrying the produce. Private sub e-market shall maintain complete record relating to issue of such certificate and the supporting evidence, which can be verified by the Director, at any point of time. Such certificate shall be sufficient proof of payment of market fees.

(17) No market fees shall be payable on sale / resale on market fees paid agricultural produce lying in the warehouse of private sub e-market.

(18) The Director or an officer duly authorised by him for this purpose or concerned Regional Deputy Director / Assistant Director or Secretary of concerned market committee shall have right to inspect the warehouses and delivery centers of the private sub e-market and to call for such information as he considers necessary.

(19) The disputes between the agriculturists and management of the private sub e-Market or market functionaries shall be referred to concerned Regional Deputy Director / Assistant Director.
Agriculture Marketing, within a period of 30 days of its occurrence by the party raising such dispute. The dispute shall be resolved in a summary manner within 30 days, after giving reasonable opportunity to the parties of being heard by the Deputy Director/Assistant Director concerned and any party aggrieved by the decision, may prefer an appeal to the Director.

(20) Any person who contravenes the provisions of this rule shall on conviction be punishable with a fine which may extend to two hundred rupees.

(21) Other provisions of these rules except rule 56A save as otherwise provided in this rule shall *mutatis mutandis* apply to operations in private sub e-market.

4. **Insertion of new forms.**—After the existing form XVII appended to the said rules, following new form XVIII, XIX, XX, XXI and XXII shall be added, namely:

"FORM XVIII
[Rule 56 B (1)]
APPLICATION FOR GRANT OF LICENCE FOR ESTABLISHMENT OF PRIVATE SUB E-MARKET

Date:

To,

The Director,
Department of Agriculture Marketing,
Jaipur.

I/We......................................having our Registered/Head office at .............................................. and local office at .............................................., am/are making an application for the grant of license for establishing a Private sub e-market to conduct electronic trading in the State of Rajasthan.

We undertake that we shall comply with all the requisites set out in rule 56 B of the Rajasthan Agricultural Produce Markets Rules, 1963.
The necessary documents and application fees as required are enclosed. I am to deposit the license fee in compliance of sub-rule (5) of rule 56 B of the Rajasthan Agricultural Produce Markets Rules, 1963, within time. We request you to grant the license for Establishment of Private sub-e-market.

The following Documents along with the application are enclosed herewith:—

(i) Detailed project report as per provision of sub-rule (2) of rule 56B of the Rajasthan Agricultural Produce Markets Rules, 1963.
(ii) Solvency Certificate.
(iii) Copy of Registration Document of the Applicant (e.g. Company/Partnership Firm/Co-operative Society/ Government Organization, etc. such as, Certificate of Incorporation or Registration in respect of Company, Co-operative Society, Trust, Corporation, Partnership, etc. Memorandum of Association and Articles of Association).
(iv) Copy of Income tax return of last 2 years.
(v) Names, address and telephone number of all the Directors/owners/partners, etc.
(vi) Receipt/challan in support of having paid the application fee.
(vii) Copy of Business Rules relating to operation of private sub-e-market:
(viii) Undertaking or affidavit that the applicant shall abide by all the provisions of the Act and rules made there under and in case of violation the applicant shall be liable for action including cancellation of license.

Date
Place

Yours faithfully,

(Applicant)

Declaration:

(1) I/We agree to abide by the Rajasthan Agricultural Produce Markets Act, 1961 and the Rules made there under and amendments made to it from time to time and the directions and orders issued by the Director from time to time.

(2) I/We agree to keep all the necessary records and information about the functioning of our business and to produce whatever information and documents will be asked for inspection by the appropriate authority.
(3) I/We agree to pay whatever charges or fees or amounts liable and due from me legally as per provisions of the Act and Rules made there under.

Date :
Place :

(Applicant)

FORM XIX
[Rule 56B (3)]
Register of Applications Received for Grant of Licence for private sub e-market

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name and Address of Applicant</th>
<th>Date of Receipt of Application</th>
<th>Application fees Rupees</th>
<th>Receipt No. &amp; Date of deposited fees</th>
<th>Remarks</th>
</tr>
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</table>


FORM XX
[Rule 56B (5)]
Licence for Establishment/Renewal of private sub e-market

Licence No.

Licence is hereby granted to ........................................
............................................(Name)
............................................(Address)
............................................(Phone No.)
............................................(Hereinafter referred to as the Licensee) on payment of licence fee of Rs. 5 Lakhs for establishment of private sub e-market, subject to the provisions of the Rajasthan Agricultural Produce Markets Act, 1964 and the
rules made there under, as amended from time to time, on the following conditions:

1. The Licensee shall abide by the provisions of the Act and rules and bylaws made there under and instructions issued by the Director or Licensing Authority from time to time.

2. This Licence is not transferable.

3. This Licence may be suspended or cancelled in accordance with the provisions of the Act and the rules made there under and if the Licence holder commits any act or abstains from carrying out his normal business in the market with the intention of willfully obstructing, suspending or stopping the marketing of agricultural produce in the market area, the Licence may be suspended or cancelled.

4. In the event of suspension or cancellation of this Licence, it shall be surrendered to the Director or Licensing Authority.

5. The Licensee shall not adulterate or cause any declared agricultural produce to be adulterated.

6. The Licensee, after grant of Licence, shall within a period of one month, inform about his authorised representative, who shall be responsible on his behalf.

7. The Licensee shall maintain books, registers and records in the manner, required by the Director and shall make them available for inspection to the Director or person authorized by him.

8. The Licensee shall furnish information and return to the Director and concerned market committee as prescribed in the Rajasthan Agricultural Produce Markets Act, 1961 and by laws made their under.

9. The Licensee of private sub e-market:
   a. shall not engage itself in conducting futures trading in Agricultural Produces,
   b. shall not be a registered Agricultural Produce exchange under Forward Contracts Regulation Act, 1952,
c. shall not be a shareholder of Agricultural Produce exchange registered under Forward Contracts Regulation Act, 1952.

10. The Licensee shall provide guarantee in respect of contracts executed on its platform and payment to the seller on the same day as per provision of section 15D of Act. For this purpose, he shall maintain a settlement guarantee fund. Notwithstanding any default committed by the buyer, he shall ensure the payment strictly as per provision of section 15D of the Act.

11. The Licensee shall arrange its own market functionaries for its operation.

Date:
Place:

Director or the Authority empowered by the State Government

FORM XXI
[Rule 56 B (5)]

Licence Register of Private Sub-e market

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Licence No.</th>
<th>Name &amp; Address of Licensee</th>
<th>Amount of Licence fees</th>
<th>Receipt No. &amp; Date of deposited fees</th>
<th>Signature of Licensee</th>
<th>Signature of Director or empowered Authority</th>
<th>Period of Licence</th>
<th>Remarks</th>
</tr>
</thead>
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</tbody>
</table>
FORM XXII
[Rule 56 B (16)]
Certificate of Market Fees Paid Notified Agricultural Produce
DELIVERY SLIP
(To be issued by private sub e-market)

Delivery Center
Name of private sub e-market

Serial No............  Date:--
Name of Selling Member
Registration/Licence No.
Name of Buying Member
Registration/Licence No.

We hereby certify that the following deliveries have been
lifted from our warehouse located at.................................
which is in........................market area, and the complete details of
payment of market fees and name of the original trader along with
his license number, who has delivered originally and is responsible
for payment of market fees on such goods are maintained with us,
which can be verified from our records. We have delivered the
below mentioned Agricultural Produce to the person named
below:

<table>
<thead>
<tr>
<th>Name of agricultural produce</th>
<th>Weight</th>
<th>Name of the person to whom delivery has been given</th>
<th>Remarks</th>
</tr>
</thead>
</table>

For & on behalf of the Licensee
Phone No.
Address:

[No. F.4(4)Agri./Gr.2/2006]
By Order of the Governor.
मंत्री गृह.
Deputy Secretary to the Government.

Government Central Press, Jaipur.