

## THE MEGHALAYA ACT 6 OF 1997

(As passed by the Meghalaya Legislative Assembly)

Received the assent of the Governor on the 3rd May, 1997

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### THE MEGHALAYA COMMERCIAL CROPS DEVELOPMENT BOARD ACT, 1996

*An*

*Act*

*to provide for setting up a Board for promoting the cultivation and processing  
And marketing of commercial crops in this State and for matters connected therewith*

Be it enacted by the Legislature of the State of Meghalaya in the Forty-seventh Year of the Republic of India as follows:-

**Short title  
commencement  
and duration.**

1. This Act may be called the Meghalaya Commercial Crops Development Board Act, 1996.
2. It extends to the whole of the State of Meghalaya
3. It shall come into force on such date as the State Government may by notification in the official Gazette appoint.

**Definitions**

2. In this Act, unless the context otherwise required-
  - (a) “Board” means the Meghalaya Commercial Crops Development Board constituted under sub-section (1) of section 3;
  - (b) “Chief Executive Officer” means the Chief Executive Officer of the Board Appointed under sub-section (1) of Section 5;
  - (c) “commercial crops” include potatoes <sup>1</sup>“and tapioca” for processing broom stick, tezpatta, cotton, rubber, tea, coffee, cashewnut, black pepper, ginger, turmeric, betel leaf, arecanut citrus fruits, <sup>2</sup>“temperatan fruits edible bamboo” medicinal or aromatic plants and any crops as the State Government may by notification in the Official Gazette specify;
  - (d) “Commodity Board” means the Coffee Board, the Tea Board, the Rubber Board or as the case may be, Spices Board set up by the Central Government;

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<sup>1</sup> Added by Amendment of Act No.3 of 2001, Sec 2

<sup>2</sup> Added by Amendment of Act No. 3 of 2001, Sec 2

- (e) “prescribed” means prescribed by rules or, as the case may be, by regulations;
- (f) “regulations” means regulations made by the Board under this Act;
- (g) “rules” means rules made by the State Government under this Act;
- (h) “section” means a section of this Act;
- (i) “State” means the State of Meghalaya; and
- (j) “State Government” means the Government of the State of Meghalaya

**Constitution of the Board**

3. (1) There shall be constituted by the State Government by notification in the Official Gazette a Board to be called the Meghalaya Commercial Crops Development Board from such data as may be specified in the notification.
- (2) The Board shall be a body corporate having perpetual succession and a common seal with powers to acquire, hold, mortgage and dispose of property and to enter into contract and may by the said name sue and be sued.
- (3) The headquarters of the Board shall be at Shillong or at such other place in the State as the State Government may by notification in the Official Gazette specify.

**Membership in the Board**

4. (a) As a Chairperson, the Minister-in-Charge Soil Conservations;
- (b) As Vice-Chairperson, the Chief Secretary to the State Government;
- (c) As members, the Principal Secretary or the Commissioner and Secretary or the Secretary of each of the Department of Soil Conservation, Finance, Planning, Revenue and Agriculture of the State Government, one officer from the National Bank for Agriculture and Rural Development and two members of the State Assembly to be nominated by the Government.
- (d) As the member Secretary, the Chief Executive Officer

**Appointment of Chief Executive Officer, Officers and Staff and conditions of service**

5. (1) The Chief executive Officer shall be appointment by the State Government.
- (2) Other Officers and Staff of the Board shall be appointed by the Board as may from time to time be necessary subject to such control and restrictions, if any, as the State Government may think fit to impose.
- (3) The Salaries and allowances and other conditions of Service of the Chief Executive Officer and of the Officers and staff of the Board shall be as may by rules be prescribed.

**Functions of the board**

6. (4) It shall be the duty of the Board to promote by such measures as it thinks fit, the cultivation, Processing and marketing of commercial crops in the State.
- (5) Without prejudice to the generally of the provisions contained in sub-section (1) the measures referred to therein may include:-
- (a) Advising the cultivators in land use and land development particularly for cultivation of commercial crops;
- (b) Motivating cultivators to take up cultivation of commercial crops and assisting them with technical advice;
- (c) Exploring, as far as may be, possibilities of introducing new cultivation techniques;
- (d) Assisting cultivators to procure quality seeds and other input;
- (e) Advising any person interested in setting up processing units and assisting him in establishing linkages with factories and other processing units or with a commodity Board;
- (f) Creating marketing infrastructure and finding outlets for the produces;
- (g) <sup>1</sup>“Motivating cultivators to take up Commercial Nurseries to raise quality seed or crops planting, Materials”;
- (h) “extending into financial assistances to cultivators and entrepreneurs in processing and Marketing to help them achieve the objective;”

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<sup>1</sup>Substituted by Amendment Act No.3 of 2001, Sec 2 Earlier the words read as :-

(g) assisting with advice any person engaged in the cultivation, processing or marketing of commercial crops in getting financial assistance from banks and other financial assistance from banks and other financial institutions or assistance from a commodity Board; and

(h) any other measure as may be considered necessary for the purpose of promoting and developing the cultivation of commercial crops.

- (i) <sup>1</sup>“entering into financial agreement with commodity Board, Bank or any other Financial Institution for the promotion and execution of any Commercial Crops Development Scheme;”
  - (j) “mortgage or properties of the Board as security for obtaining credit from Banker or any Financial Institution;”
  - (k) “Granting or advancing loans to any Cooperative Society registered under the Meghalaya Cooperative Societies Act (Assam act 1 of 1948 as adapted by Meghalaya) or any recognized group or any individual;”
  - (l) “assisting with advance any person engaged on the Cultivation, process or Marketing of Commercial Crops in getting, financial assistance from Banks and other financial Institutions or assistance from a Commodity Board and.”
  - (m) “any other measure as may be considered necessary for the purpose of promoting and developing the cultivation of Commercial Crops.”
- (3) Notwithstanding anything contained in this section the Board may, with approval of the State Government, by itself borrow, money from banks and financial and other institutions and advance the same to cultivators or persons engaged in processing and marketing of commercial crops on such terms and conditions as may by rules be prescribed.
- (4) <sup>2</sup>“Subject to the provisions of this Act and Rules framed thereunder, the Board may, in the event of failure of a Loanee to repay the load taken, temporarily take possession of the land mortgaged or hypothecation of the produce/harvest to be affected by transaction of marketing/trading by the board till such time the loan with accrued interest are fully recovered.
- (5) As soon as the Loanee could repay the loan with accrued interest the Board shall release to the Loanee the land so temporary taken over by it.”

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<sup>1</sup>Inserted by Amendment Act No.3 of 2001, Sec. 1 (2)

<sup>2</sup> Added by Amendment act No.3 of 2001

- (6) <sup>1</sup>“Notwithstanding anything contained in this Act the Board may, with the prior approval of the State Government acquire lands for the purpose of raising its own plantations or nurseries or any crop or for demonstrating new techniques of raising planting materials or cultivation or for the purpose of establishment of its office processing units or storage or marketing units and in such case the provisions of land Acquisition Act, 1994 shall apply.”

**Funds  
maintenance  
and raising**

7. (1) The Board shall maintain its own funds into which all money it receives shall be credited into and all necessary payments made therefrom.
- (2) The money I the fund shall be deposited in the State Bank of India, the Meghalaya Co-operative Apex Bank Ltd. Or any nationalized bank <sup>2</sup>“as may be approved by the State Government”.
- (3) The Board may accept grants, subventions and loans from the Central or State Government and other Institutions and, with previous approval of the State Government, borrow money from banks and from financial and other institutions.

**Accounts and  
audit**

8. (1) The Board shall maintain the accounts in such form and manner as my by rules be prescribed.
- (2) <sup>3</sup>“The accounts of the board shall be audited by the Comptroller and Auditor General of India and the audit report shall be forwarded to the State Government for action as it may deem necessary and for placing it before the State legislature.
- (3) General Account of the Board shall be audited once a year by Chartered Accountant as such the Board may appoint.”

**Submission of  
Annual  
Reports**

9. (1) At the end of each financial year the Board shall prepare an Annual report on its activities during the year preceding and shall send a Report along with the financial statement to the State Government.
- (2) The Report submitted under sub-section (1) shall be laid before the State Legislature with such comments as the State Government may deem fit to make.

**<sup>4</sup>“The State  
Government to  
make  
subventions or  
advance loans  
to the Board**

- 9A Notwithstanding anything contained in the Act, the State Government may from time to time and on such terms and conditions make Suventions or advance loans to the Board for the purpose of this Act.”

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<sup>1</sup>Added by Amendment Act No.3 of 2001.

<sup>2</sup>Inserted by Amendment Act No.3 of 2001.

<sup>3</sup> Substituted by Amendment Act No.3 of 2001, Earlier the words read as (2) The accounts of the board shall be audited by the Comptroller and Auditor General of India and the audit report shall be forwarded to the State Government for action as it may deem necessary and for placing it before the State Legislature.

<sup>4</sup>Inserted by Amendment Act No.3 of 2001.

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| <b>Financial</b>                         | 10. When the Board borrows money from banks and from financial and other institutions for the purposes of this act the State Government may guarantee, in such manner and subject to such conditions as it may think fit, for the repayment of the money borrowed and for any interest that may be due therein.  |
| <b>Direction by the State Government</b> | 11. The State Government may from time to time issue directions <sup>1</sup> <u>“for carrying out”</u> the purposes of this Act and the Board shall comply with such direction <sup>2</sup> (s).   |
| <b>Dissolution of the Board</b>          | <p>12. If at any time the State Government is satisfied that the Board is unable to discharge or perform its functions and duties or that it is otherwise necessary in public interest to do so, it may by notification dissolve the board with effect from such date as it may specify and on such date as it may specify and on such dissolution-</p> <p style="margin-left: 40px;">(a) all properties, funds, rights and liabilities of the Board shall vest in the State Government, and</p> <p style="margin-left: 40px;">(b) the Chairman, Vice-Chairperson and members of the Board shall accordingly cease to hold office.</p>   |
| <b>Power to make rules</b>               | <p>13. (1) The State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.</p> <p style="margin-left: 20px;">(2) Without prejudice to the generally of the foregoing powers the rules may provide for-</p> <p style="margin-left: 40px;">(a) The appointment, salaries and allowances and conditions of service of the Chief Executive Officer and of the Officers and staff of the Board;</p> <p style="margin-left: 40px;">(b) The terms and conditions for advancing loans by the Board;</p> <p style="margin-left: 40px;">(c) The form and manner in which the account and Bank borrowing are to be maintained and the budget estimates are to be prepared by the Board.</p> <p style="margin-left: 40px;">(d) Matters to be included in the annual reports and the time the reports are to be submitted by the Board to the State Government; and</p> <p style="margin-left: 40px;">(e) Any other matter which may by rules be prescribed.</p> |

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<sup>1</sup>Substituted by Amendment Act No. 3 of 2001, Earlier the words read as “in connection with”

<sup>2</sup>Added by Amendment Act No.3 of 2001.

**Power to make regulations.**

14. (1) The Board may, with previous sanction of the State Government by notification in the Official Gazette make regulations not inconsistent with the Act and the rules made there under for the purpose of giving effect to the provisions of this Act.
- (2) Without prejudice to the generally of the foregoing provisions the regulations may provide for -
- (a) the procedure and manner for holding meetings and conduct of business;
  - (b) fixing the numbers of members required to form a quorum at a meeting;
  - (c) the power and duties of the Chairperson, the Vice-Chairperson and the Chief Executive Officer;
  - (d) the operation of the funds and bank accounts;
  - (e) the power for incurring expenditure by Officers of the Board;
  - (f) the manner of discharging loans and the general terms and conditions thereof;
  - (g) recovery of loans;
  - (h) the registers and records to be maintained by the Board;
  - (i) the board criteria for implementing the provisions of the Act in the field; and
  - (j) any other matter which may by regulations be prescribed.

**THE UNDERLINED TEXT INDICATES THE INSERTION/SUBSTITUTION OF THE SUBSEQUENT AMENDMENTS TO THE MEGHALAYA COMMERCIAL CROPS DEVELOPMENT BOARD ACT, 1996 (ACT NO. 6 OF 1997), AMENDED AND UPDATED UPTO THE YEAR - ACT 3 OF 2001.**