

NATIONAL ASSEMBLY SECRETARIAT

REPORT OF THE STANDING COMMITTEE ON NATIONAL FOOD SECURITY AND RESEARCH ON THE CHAMBER OF AGRICULTURE BILL, 2019

1, Chairman of the Standing Committee on National Food Security and Research, have the honour to present the report on the Bill to provide for the registration and regulation of chamber of agriculture [The Chamber of Agriculture Bill, 2019] (Private Member's Bill) referred to the Committee on 23rd April, 2019.

2. The Committee comprises the following:

01	Rao Muhammad Ajmal Khan	Chairman
02.	Mr. Shaukat Ali	Member
03.	Rai Muhammad Murtaza Iqbal	Member
04.	Mr. Zahoor Hussain Qureshi	Member
05.	Mr. Ahmad Hussain Deharr	Member
06.	Makhdoom Zain Hussain Qureshi	Member
07.	Mr. Muhammad Ibrahim Khan	Member
08.	Mian Muhammad Shafiq	Member
09.	Syed Mobeen Ahmed	Member
10.	Sardar Muhammad Jaffar Khan Laghari	Member
11.	Sardar Riaz Mehmood Khan Mazari	Member
12.	Dr. Nausheen Hamid	Member
13.	Mr. Ahmad Raza Maneka	Member
14.	Chaudry Muhammad Ashraf	Member
15.	Choudry Faqir Ahmad	Member
16.	Ms. Shahnaz Saleem Malik	Member
17.	Syed Javed Ali Shah Jilani	Member
18.	Zulfiqar Bachani	Member
19.	Syed Ayaz Ali Shah Sherazi	Member
20.	Mr. Kamal Uddin	Member
21.	Syed Fakhar Imam, Federal Minister for National Food Security and Research	Ex-Officio Member

3. The Committee considered the Bill as introduced in the National Assembly (placed at Annex-A) in its meetings held on 16-05-2019, 08-08-2019, 03-10-2019, 10-12-2019, 02-01-2020, 24-01-2020 and 29-09-2020. The Committee proposed the following amendments therein: -

(1) **Long title and Preamble**

Long title and preamble shall be substituted with the following, namely;

“to provide for the systematic growth of the agricultural produce

WHEREAS, it is necessary to establish Aiwan-i-Zaraat to facilitate the farmers and growth of the market of agricultural sector and to assist the development of agriculture commerce through multiple channels; to provide meaningful support to the growers; and, to make for incidental provisions;”

(2) Clause 1

In clause 1,-

- i. sub-clauses (1) and (2), shall be substituted with the following, namely, -

“(1) This Act may be called the Aiwan-i-Zaraat Act, 2021.

(2) It shall extend to the Islamabad Capital Territory (ICT).”

- ii. sub-clause (3), shall be deleted and the remaining clauses shall be renumbered accordingly.

(3) Clause 2

Clause 2, shall be substituted with the following, namely; -

“ 2. **Definitions.**— In this Act:

- a) “**Act**” means the Aiwan-i-Zaraat Act, 2019;
b) “**agricultural produce**” means such agricultural produce as the Government may specify by notification in the official Gazette and includes any agricultural produce which is dried, graded, polished and packed but does not include the produce that undergoes any other form of value addition;
c) “**Chairman**” means the chairperson of Aiwan-i-Zaraat,
d) “**Member**” means member of Aiwan-i-Zaraat,
e) “**Government**” means the Federal Government, and
f) “**Prescribed**” means prescribed by the rules or the regulations made under this Act.”

(4) Clause 3

Clause 3, shall be substituted with the following, namely; -

“ 3. **Aiwan-i-Zaraat.** – (1) The Government may, by notification in the official Gazette, establish the Aiwan-i-Zaraat.

(2) The Aiwan-i-Zaraat shall be a body corporate, having perpetual succession and common seal, with power to enter into contracts, acquire or, subject to sub-section (3), dispose of its property, and may, by the said name, sue or be sued.

(3) The Aiwan-i-Zaraat shall not dispose of any of its immovable property without prior permission in writing of the Government.”

(5) Clause 4

Clause 4, shall be substituted with the following, namely; -

“4. **Composition of Aiwan-i-Zaraat.** – (1) The Aiwan-i-Zaraat shall consist of the Chairperson and the following members:

- a) Nineteen executive members as detailed below;

Sr.NO	Criteria for selection	Number of members
1	Owners of 1 to 5 Acres of Agricultural Land	4(at least one female)
2	Owners of 6 to 12 Acres of Agricultural Land	4(at least one female)

3	Owners of 13 to 25 Acres of Agricultural Land	4(at least one female)
4	Owners of 26 to 50 Acres of Agricultural Land	2
5	Owners of 51 and above Acres of Agricultural Land	2
6	Representative of Agro Based Industry	1
7	Representative from Agro Based trade	1
8	Representative of tenant	1

- b) Two Members of National Assembly, nominated by the Speaker National Assembly;
 - c) Mayor Municipal Corporation of Islamabad;
 - d) Secretary to Government, Ministry of National Food Security and Research;
 - e) Additional Secretary Ministry of Commerce.
 - f) Additional Secretary Ministry of Industry and production, and
 - g) Chairman Pakistan Agriculture Research Council;
- (2) The Government shall nominate the Chairperson.
- (3) Sixteen Agro based Members as prescribed in paragraph (a), shall be elected by the ordinary members by secret ballot whereas the representatives of the Agro Based Industry and Representative from Agro Based trade, shall be nominated by the Chamber of Commerce and Industries for the term of three years.
- (4) The Chairperson or a member, other than an ex officio member, may, by writing under his hand, resign from office.
- (5) The Chairperson in consultation with the Government may make rules regarding qualifications of members, place and time of meetings and for smooth working of the Aiwan-i-Zaraat.”

(6) Clause 5

Clause 5, shall be substituted with the following, namely; -

- “5. Appointment and Removal of members. – (1) Persons from the agriculture sector, can become member for a term of one year, which shall be renewable annually after payment of the prescribed fee.
- (2) The rules made by the Aiwan-i-Zaraat shall prescribe the grounds and procedure for the removal of its members.”

(7) Clause 6

Clause 6, shall be substituted with the following, namely; -

- “6. Powers and functions. – (1) The Aiwan-i-Zaraat shall perform such functions, take such measures and exercise such powers as may be necessary for carrying out the purposes of the Act.
- (2) Without prejudice to the generality of provision of subsection (1), the Aiwan-i-Zaraat may:
- a) introduce and take necessary steps to promote latest farming techniques and equipment;

- b) provide training and capacity building to farmers;
- c) provide model farming templates and undertake surveys for improvement of agriculture;
- d) take necessary steps to ensure the availability of quality seeds and fertilizers to farmers;
- e) undertake research and publications in agriculture sector, and establish a close liaison with other agriculture research institutes globally;
- f) initiate necessary steps to facilitate registered members, for provision of agriculture loans from the financial institutions;
- g) promote and enforce the adoption of a fair system of marketing and auction of an agriculture produce in line with the best regional and international practices;
- h) prescribe grading standards for a specific agricultural produce;
- i) prescribe good agricultural practices, geographical origin of an agriculture produce or particular farming method for an agriculture produce;
- j) perform such other functions as the Government may assign; and
- k) Consideration of prices of inputs and outputs of Agricultural Products.

(8) Clause 7

Clause 7, shall be substituted with the following, namely; -

“7. **Appointments.** – The Aiwan-i-Zaraat may, in the prescribed manner, appoint, on contract or deputation, such officers, employees, experts or consultants on such terms and conditions as it may deem fit for the performance of its functions.”

(9) Clause 8

Clause 8, shall be substituted with the following, namely; -

“8. **Annual report.** – The Aiwan-i-Zaraat shall submit an annual performance report to the parliament through Federal Government, within three months of the closing of a financial year.”

(10) Clause 9

Clause 9, shall be substituted with the following, namely; -

“9. **Delegation of powers.** – The Aiwan-i-Zaraat may delegate to any member, or officer or employee of the Aiwan-i-Zaraat any of its powers, duties or functions as prescribed under the rules.”

(11) Clause 10

Clause 10, shall be substituted with the following, namely; -

"10. Registration of members. – (1) A farmer having agricultural land subject to payment of fee prescribed by the rules.

(2) Rules made for this purpose will prescribe the detailed terms, conditions and grounds for grant and cancellation of the registration."

(12) Clause 11

Clause 11, shall be substituted with the following, namely; -

"11. Directions by the Government. – The Government may issue such directions to the Aiwan-i-Zaraat as it may consider necessary for carrying out the purposes of the Act."

(13) Clause 12

Clause 12, shall be substituted with the following, namely; -

"12. Aiwan-i-Zaraat Fund.– (1) There shall be formed a Fund to be known as the " Aiwan-i-Zaraat Fund" which shall vest in the Aiwan-i-Zaraat and shall be utilized by the Aiwan-i-Zaraat in connection with its functions under the Act, including payment of salaries and other remuneration to the members, officers, employees, experts and consultants of the Awan-i-Zarat.

(2). The fund mentioned in sub-section (1), shall consist of grants by the Government and donations by any person or the organization."

(14) Clause 13

Clause 13, shall be substituted with the following, namely; -

"13. Bank account. – The Aiwan-i-Zaraat may open and maintain its accounts in such scheduled bank as the Government may approve or as may be prescribed by the rules."

(15) Clause 14

Clause 14, shall be substituted with the following, namely; -

"14. Appeal. – Any person aggrieved by the decision or order of the Chairperson refusing, cancelling or suspending the registration or renewal of registration, may prefer an appeal to the Aiwan-i-Zaraat in the prescribed form and manner."

(16)

Clause 15

Clause 15, shall be substituted with the following, namely; -

“15. Rules. – The Government may, by notification, in the official gazette make rules for carrying out the purposes of the Act.”

(17)

Clauses 16 to 31

Clauses 16 to 31, shall be omitted.

3. The Committee recommends that the Bill, as reported by the Standing Committee placed at Annex-B, may be passed by the National Assembly.

Sd/-
(TAHIR HUSSAIN)
Secretary

Islamabad, the 21st May, 2021

Sd/-
(RAO MUHAMMAD AJMAL KHAN)
Chairman

[AS INTRODUCED IN THE NATIONAL ASSEMBLY]

A

Bill

to provide for the registration and regulation of chamber of agriculture

WHEREAS it is expedient to ensure appropriate representation of all genders and business sectors at all levels in chamber of agriculture and that they play significant role in developing policy framework for improving business environment and economic growth; and

WHEREAS it is imperative to define the purpose, role, responsibilities and operational framework including code of corporate governance for agriculture trade organisations; and for matters connected therewith or incidental thereto;

It is enacted as follows:-

PRELIMINARY

1. **Short title, extent, application and commencement.** - (1) This Act may be called Chamber of Agriculture Act, 2019.

- (2) It extends to the whole of Pakistan.
- (3) It shall apply to agriculture trade organisations whose objects and business are not confined to a province.
- (4) It shall come into force at once.

2. **Definitions.** - In this Act, unless there is anything repugnant in the subject or context,–

- (a) "Administrator" means an Administrator appointed under this Act;
- (b) "Articles" mean the articles of association of a chamber of agriculture;
- (c) "Director-General" means the Director-General of the Chamber of Agriculture appointed by the Federal Government and includes an officer empowered by the Federal Government to perform the functions of the Director-General under this Act;
- (d) "Executive Committee" means the Board of Directors, the Managing Committee or any other body, by whatever name called, of a registered agriculture trade organisation responsible for the management or conduct of the affairs of such agriculture trade organisation;
- (e) "Licence" means a licence granted to agriculture trade organization under section 3 of this Act;
- (f) "Member of the Executive Committee" includes a Director where the Executive Committee is a Board of Directors and the Chairman, Vice-Chairman, President and Vice-President of a agriculture trade organisation licensed under this Act.
- (g) "member of a agriculture trade organisation" means a firm and includes a proprietorship, an association of persons, a partnership, a company or a multinational corporation, engaged in agriculture trade, industry or services and enrolled as a member of a agriculture trade organisation licensed under this Act;
- (h) "Memorandum" means the memorandum of association of agriculture trade organisation;
- (i) "Office bearers" means President, Vice-President, Chairman and Vice-Chairman of agriculture trade organization;

- (j) "Act" means the Companies Act, 2017 (XIX of 2017);
- (k) "Prescribed" means prescribed by the rules made under this Act;
- (l) "Register" means the Register of Companies required to be kept under section 119 of the Act;
- (m) "Registered agriculture trade organisation" means agriculture trade organisation registered under the Act;
- (n) "Agriculture trade organization" means an organisation which: -
 - (i) is capable of being formed as a limited company within the meaning of the Act;
 - (ii) is formed or intended to be formed with the object of promoting any agriculture trade, industry or service or any combination thereof;
 - (iii) Prohibits payment of any profits to its members; and
 - (iv) Applies its income and profits for achieving its objects.

3. Licensing and registration of agriculture trade organisations. - (1) Notwithstanding anything contained in this Act or in any other law for the time being in force relating to registration of societies, bodies or associations of persons, no agriculture trade organisation shall be registered under the Act or such other law unless it holds a licence granted by the Federal Government authorizing it to be so registered.

(2) No licence shall be granted for registration under this Act to an agriculture trade organisation unless it is,-

(a) A Federation of Chambers of agriculture and Industry, organized on all-Pakistan basis, to represent Chambers and Associations:

Provided that a licence for registration as a Chambers of agriculture and Industry shall not be granted to more than one agriculture trade organisation;

(b) a Chamber of agriculture and Industry organized to represent agriculture trade, industry and services in a Islamabad representing less than the prescribed number of persons shall not be granted licence.

(c) a Women's Chamber of agriculture and Industry organized to represent the women entrepreneurs engaged in agriculture trade, industry or services and territorial jurisdiction of such a Chamber shall be determined by the Government from time to time by a notification in official gazette but such a Chamber representing less than the prescribed number of women entrepreneurs shall not be granted licence and where the number of women entrepreneurs desiring to form a Chamber is less than the prescribed number, they may join an adjoining Women's Chamber of agriculture and Industry:

Provided that nothing contained in this clause shall debar a woman entrepreneur to become member of a Chamber in clause (b) if such woman entrepreneur otherwise qualifies the criteria of membership of the respective chamber;

(d) an association with membership on all-Pakistan basis organized to represent a specific agriculture trade, industry or service or any combination thereof: Provided that a licence for registration as an all-Pakistan association shall not be granted to more than one agriculture trade organisation in the same sector: Provided further that whether a specific activity in agriculture trade, industry or service is an independent sector or only a sub-sector shall be determined by the Government, whose decision in this respect shall be final;

(e) a Chamber of Small Agriculture traders organized to represent small businesses and cottage industry: Provided that the size, nature and extent of small businesses and cottage industry and the organizational structure and territorial jurisdiction of such a Chamber shall be prescribed by the Federal Government.

- (3) Notwithstanding the provisions of clause (b) and (d) of sub-section (2), where the membership of a chamber in a district attains the minimum prescribed number for grant of licence to a chamber under this Act, such persons shall be entitled to form and apply for grant of licence as a chamber..
- (4) Application for grant of licence of agriculture trade organisation shall be submitted to the Federal Government in the prescribed Application Form.
- (5) An agriculture trade organisation shall be granted licence on such terms and subject to such conditions as may be prescribed.
- (6) Licence shall be granted to an agriculture trade organisation for a period of three years.
- (7) An agriculture trade organisation holding a licence shall be registered under the Act as a company with limited liability without the addition of the word "limited" to its name and on such registration shall enjoy all the privileges of a limited company and be subject to all its obligations except those of- (a) using the word "limited" as any part of its name; (b) publishing its name; and (c) sending lists of members to the registrar.
- (8) The Federal Government may, by notification in the official gazette, grant exemption to any agriculture trade organisation from any provision of this section and such exemption may be for such period and subject to such conditions as may be specified in the notification: Provided that no such exemption shall be granted to a agriculture trade organisation unless the Federal Government is satisfied that it would be in the public interest to do so.

4. Privileges and obligations of agriculture trade organisations. - (1) A licensed and registered agriculture trade organisation shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its own name and, subject to and for the purposes of this Act, may enter into contracts and may acquire, purchase, take, hold and enjoy movable and immovable property of every description and may convey, assign, surrender, yield up, charge, mortgage, demise, re-assign, transfer or otherwise dispose off or deal with, any movable or immovable property or any interest vested in it, upon such terms as it deems fit.

- (2) The liability of members of a licensed and registered agriculture trade organisation shall be limited to their membership subscription.
- (3) No agriculture trade organisation other than a licensed and registered agriculture trade organisation shall use in its name or title the word "Federation" or "Chamber" or "Association":

Provided that nothing in sub-section (3) shall apply to a company, association or body of persons formed for promoting art, science, religion, charity, sports, any profession other than agriculture trade, agriculture, industry, service or any other subject which the Government may, by notification in the official gazette specify in this behalf.

5. Renewal of licence. - (1) A licensed agriculture trade organisation shall require renewal of its licence every three years.

- (2) Application for renewal of licence shall be made to the Director-General, ninety days prior to the expiry of licence: Provided that the Director-General, on sufficient cause being shown, by an order in writing, may extend the period not exceeding thirty days.

- (3) Annual accounts and performance of agriculture trade organisation shall be audited by a firm of chartered accountants, and the reports thereof shall be submitted to the Director General along with the renewal application.
- (4) The Director-General, on receipt of the application for renewal of licence, shall endeavour to decide before the expiry of the licence.
- 6. Cancellation of licence and exemption,–** (1) the licence granted to agriculture trade organisation shall be cancelled by the Federal Government where: -
- (a) An agriculture trade organization fails to apply for renewal of the licence granted under section 3 of this Act within the prescribed or extended period allowed by the Director-General;
 - (b) An agriculture trade organization fails to apply for membership of the Federation of Pakistan Chambers of agriculture and Industry within one month of grant of licence;
 - (c) An agriculture trade organization fails to get registration under the Act;
 - (d) An agriculture trade organisation is found to be non-existent at the registered address or is non- operational;
 - (e) An agriculture trade organization is not holding elections or operating according to the provisions of the memorandum within the prescribed period;
 - (f) An agriculture trade organization is not complying with the orders and directions of the Federal Government or Director-General issued under this Act or the prescribed rules;
 - (g) An agriculture trade organisation is not discharging statutory obligations as a Limited Company incurred under the Act;
 - (h) An agriculture trade organisation is not discharging statutory obligations under this Act or prescribed rules;
 - (i) An agriculture trade organisation fails to pay the penalties imposed under this Act within the prescribed period;
 - (j) the Federal Government cancels any exemption granted to a agriculture trade organisation under sub section (8) of section 3;
 - (k) An agriculture trade organisation is engaged in activities other than those for which it was established;
 - (l) An agriculture trade organisation has lost its representative character, or its membership remains below the prescribed threshold over a period of two years;
 - (m) the financial or performance audit report of a agriculture trade organisation states that:-
 - (n) the income and profits of the agriculture trade organisation are spent for purposes other than those for which it was established; (ii) the agriculture trade organisation does not remain financially viable.
- (2) Where the Federal Government intends to cancel the licence of agriculture trade organisation, granted under section 3 of this Act, it shall issue a show cause notice to such agriculture trade organisation specifying the grounds for its intention to cancel the licence and provide adequate opportunity of being heard before deciding the matter.
- (3) The Federal Government shall notify, in the official gazette, cancellation of licence of agriculture trade organization.

(4) Where the licence is cancelled on any ground mentioned in clause (d), (e), (f), (g), (h), (i), (k), (l) and (m) of sub-section (1) members of the agriculture trade organisation concerned found responsible by the Federal Government for the grounds of cancellation shall be debarred from sponsoring the proposal for grant of licence or de novo licence to agriculture trade organisation or becoming member of or holding any office of any agriculture trade organisation for a period not exceeding three years.

(5) Where the licence of agriculture trade organisation has been cancelled under sub-section (1), a member or member of executive committee or employee of such agriculture trade organisation continues to impersonate as member, member of executive committee or employee of the agriculture trade organisation, such person shall be liable to penalties under section 23.

7. Cancellation of registration. - (1) Notwithstanding anything contained in the Act or any other law for the time being in force the registration of a agriculture trade organisation under the Act shall be deemed to have been cancelled with immediate effect if the licence granted to such agriculture trade organisation has been cancelled by the Federal Government under section 6;

(2) The registrar shall strike off the register, and publish in the official gazette, the names of all Such agriculture trade organisations whose registration has been cancelled under subsection (1).

(3) All affairs of agriculture trade organisation whose registration stands cancelled under subsection (1) shall be wound up in a manner as determined by the Federal Government.

8. Grant of licence de novo. - (1) Where licence of agriculture trade organisation is cancelled under section 6 the Federal Government may consider grant of licence de novo after a period of one year from the date of cancellation of licence: Provided that where the licence of an agriculture trade organisation was cancelled under clause (a) of sub-section (1) of section 6, the Federal Government may consider the grant of licence de novo at an earlier date.

(2) The agriculture trade organisation seeking licence under sub-section (1) shall be required to make an application in such form and manner, as may be prescribed.

9. Membership of agriculture trade organisations. - (1) Chambers and sector-specific associations on all-Pakistan basis, granted licence under this Act shall apply for membership of the Federation of Pakistan Chambers of agriculture and Industry within thirty days of grant of licence under this Act.

(2) Upon an application by agriculture trade organisation under sub-section (1), the Federation of Pakistan Chambers of agriculture and Industry shall enroll such agriculture trade organisation as its member within thirty days and where such an enrolment is not decided within thirty days, the matter shall be referred to the Director-General along with the reasons for not allowing enrolment and the Director-General shall decide the matter within thirty days.

(3) A chamber or an association which is a member of the Federation of Chambers of agriculture and Industry shall be eligible to vote in the election of office-bearers and committees of the Federation on completion of two years of grant of licence.

(4) Proprietorships, associations of persons, partnerships, companies or multinational corporations engaged in agriculture trade, industry or services shall be entitled to enrolment as members of chambers and associations on fulfillment of the prescribed conditions.

(5) Notwithstanding anything contained in any other law for the time being in force any person engaged in agriculture trade, industry or service, or any combination thereof, shall be entitled to be enrolled as a member of a registered agriculture trade organisation except where such person is otherwise disqualified for any of the reasons as may be prescribed.

- (6) Where a person, qualified to be enrolled as a member of a agriculture trade organisation, is refused enrolment or the enrolment is unduly delayed, on a complaint by the aggrieved person, the Director-General may direct the agriculture trade organisation concerned to enroll such person as a member on fulfillment of the prescribed requirements.
- (7) Members of the Chambers and Associations shall be eligible to vote on completion of two years of their enrolment and payment of all dues.
- (8) Except for the membership and office-bearers provided under this Act or prescribed rules, there shall not be any other position by any nomenclature in agriculture trade organisation.

10. Organisation and tenure of office-bearers and executive committee of agriculture trade organisations. - (1) Notwithstanding anything in any other law for the time being in force the tenure of office-bearers of all agriculture trade organisations shall be one year,–

- (2) The organizational structure of agriculture trade organisations including composition and tenure of Executive Committees and the manner of their elections shall be such as prescribed in the rules.

11. Amendment, repeal, etc. of articles, memorandum, etc. of agriculture trade organisations. -

(1) notwithstanding anything contained in this Act or in any other law for the time being in force or in the articles or memorandum, -

(a) a registered agriculture trade organisation shall not rescind, amend or otherwise modify its articles or memorandum without the prior approval of the Federal Government; and

(b) the Federal Government may, whenever it considers expedient to do so, by order in writing, direct any such agriculture trade organisation to rescind, amend or otherwise modify its articles, memorandum, rules, or bye-laws or to make any rule or byelaw, in such manner and within such period as may be specified in the order.

- (2) If any registered agriculture trade organisation fails or neglects to comply with the direction under clause (b) of sub-section (1), the rescission, amendment, modification, or making as provided in the order under clause (b) of sub-section (1) shall be deemed to have been duly done by the agriculture trade organisation in accordance with this Act or its articles or memorandum or in the manner it is otherwise competent to do so.

12. The Director-General. - (1) The Federal Government may, by notification in the official gazette, appoint or empower an officer to perform the functions of Director-General of agriculture trade organisations under this Act.

- (2) The Federal Government may appoint or empower such other officers with such designations as it deems fit for performing under the superintendence and direction of the Director-General, such functions of the Director-General, under this Act as he may, from time to time, authorize them to perform.

(3) The Director-General may, by order in writing, -

(a) review any function, matter, case or decision of any officer; or

(b) Withdraw any function, matter or case from any officer or staff, and deal with such function, matter or case himself either de novo or from the stage it was so withdrawn, or transfer the same to another officer or staff at any stage.

13. Powers and functions of the Director-General. - (1) All acts and proceedings of a registered agriculture trade organisation shall be subject to the control of the Federal Government and, subject to such control the affairs of such agriculture trade organisation shall be managed and conducted in such manner as the Director-General may, from time to time, direct.

(2) The Director-General shall, for the purpose of this Act, have the same powers as are vested in a Civil Court under the Code of Civil Procedures 1908 (Act V of 1908) in respect of the following matters, namely :-

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) compelling the production of documents;
- (c) receiving evidence on affidavit; and
- (d) issuing commission for the examination of witnesses.

(3) The Director-General shall exercise the powers to —

(a) conduct enquiries into the affairs of agriculture trade organisation as may be necessary for the purposes of this Act;

(b) inspect, with or without prior notice, any office of such agriculture trade organisation including any of its branch or regional, circle, zonal or liaison office, or any record or document found therein;

(c) attend any meeting of the general body or the Executive Committee of such agriculture trade organisation or of any committee or other body set up or appointed to transact any business, or to conduct any affair, of such agriculture trade organisation;

(d) watch and supervise, or cause to be watched and supervised, any election held by, for the purpose of electing persons to the Executive Committee or other body including a region, circle or zone of any such agriculture trade organisation;

(e) act as a final forum of appeals against the decisions of any person, committee or office-bearers of a agriculture trade organisation in matters relating to electoral process before the conduct of election; and

(f) annul the results of any election held by any agriculture trade organisation if he is satisfied -

(i) upon his own knowledge and after such investigation he may think fit to make; or

(ii) upon a report made by a person authorized by him to make investigation for the purpose; or

(iii) upon a complaint filed by an aggrieved person in this behalf within thirty days of the announcement of the results of such election, that the irregularities in the conduct of such election justify such annulment and, by order in writing, direct fresh election to be held within such period as may be specified in the order;

(g) cancel, suspend or modify any resolution adopted or any decision taken, by the general body or the Executive Committee of such agriculture trade organisation if he is satisfied that such resolution or decision is not in conformity with the provisions of the articles or memorandum or any rules or regulations made thereunder, or that the requirements of the provisions of articles or memorandum or any rules or regulations made thereunder have not been complied with while adopting such resolution or taking such decision, or that such resolution or decision is contrary to any rules, regulations, directions or instructions

issued by the Director-General or by the Federal Government to such agriculture trade organisation;

(h) if he considers it necessary for smooth, orderly and efficient functioning of any such agriculture trade organisation -

(i) remove or cause to be removed any number of members of the Executive Committee of such agriculture trade organisation and fill up, or cause to be filled up, the resultant vacancies;

(ii) suspend, or cause to be suspended, for a specified period, any number of members of any such agriculture trade organisation and cancel, or cause to be cancelled, any such suspension or the suspension of any member otherwise than by or at the instance of the Director-General;

(iii) remove, or cause to be removed, from the membership register, the name of any number of members, and reinstate, or cause to be reinstated, in the membership register, any member so removed or removed otherwise than by or at the instance of the Director-General;

(i) give directions to persons or agriculture trade organisations in matters concerning this Act, or any rules or directive made thereunder;

(j) impose and collect penalties and fines under section 24;

(k) such other powers as are provided by this Act.

14. Powers to enter and search the premises. - (1) The Director-General or any officer authorized in this behalf may, for the purpose of making any investigation, enter any premises, where the Director-General or such authorized officer, as the case may be, has reasons to believe that any article, books of account, computer hardware or software, data recording devices, or other document relating to the subject matter of investigation may be found, and may -

(a) search such premises and inspect any article, books of account, computer hardware or software, data recording devices, or other document;

(b) take extracts or copies of such articles, books of account, or any software data;

(c) impound or seal such books of account, computer hardware or software, data recording devices, or other documents; and

(d) make inventory of such articles, books of account, computer hardware or software, data recording devices, or other documents found in such premises.

(2) All searches made under sub-section (1) shall be carried out, mutatis mutandis, in accordance with the provisions of Code of Criminal Procedure, 1898 (Act V of 1898).

15. Supersession of Executive Committee, office-bearers and appointment of Administrator. -

(1) Where the Federal Government is of the opinion that the affairs of a registered agriculture trade organisation are not being properly managed and that the interests of agriculture trade, industry or service so require, it may, by order in writing, suspend or supersede the Executive Committee of such agriculture trade organisation for such period, not exceeding two years, as may be specified in the order; Provided that no such order shall be made unless the Executive Committee, intended to be suspended or superseded, has been given a notice in writing of, and afforded an opportunity to make a representation against, the intended supersession.

(2) Where,—

(a) an Executive Committee is superseded under sub-section (1);

(b) in the opinion of the Federal Government, it is not possible for any reason to reconstitute the Executive Committee at the due time of such reconstitution, or

(c) the Executive Committee is debarred by an order of any Court, from discharging its functions, the Federal Government may appoint, for such period, not exceeding two years, as it may think fit, an Administrator to take over the functions of such Committee and to manage the conduct and affairs of the agriculture trade organisation:

Provided that when the period of supersession is terminated or the Executive Committee is reconstituted or the order of the Court is vacated before the expiry of the period for which the Administrator shall have been appointed, the Federal Government may direct the Administrator to relinquish the functions taken over by him in favour of the Executive Committee.

(3) Upon the appointment of an Administrator under clause (a) or clause (b) of subsection (2), the members of the Executive Committee shall be deemed to have vacated their respective offices.

16. Administrator to act under the control of Director-General.— (1) The Administrator shall manage and conduct the affairs of the agriculture trade organisation under the supervision and control of the Director-General and in accordance with the rules, if any, made in this behalf by the Federal Government and, until such rules are made, in accordance with such directions as the Director-General may, from time to time, give.

(2) The rules and directions referred to in sub-section (1) may provide for -

(a) The appointment of an Advisory Committee consisting of persons selected from the members of the agriculture trade organisation to assist the Administrator in the discharge of his functions;

(b) Holding of elections for the purpose of reconstitution of the Executive Committee at any time considered appropriate before the expiry of the term of appointment of the Administrator;

(c) Compliance with the provisions of the Act to the extent applicable to the agriculture trade organisation except those relating to the laying of the income and expenditure account and reading of the auditor's report in general meeting

(d) withholding, during the period of supersession of the Executive Committee, of the general meeting of the agriculture trade organisation other than the meeting to hold elections for reconstituting the Executive Committee;

(e) conduct of any business, during the period the general meeting remains withheld, which requires the approval or assent of the members at a general meeting;

(f) The pay, allowances, remuneration and other privileges, of the Administrator and the members of the advisory committee; and

(g) Such other matters as are necessary for efficient management of the affairs of the agriculture trade organisation.

(3) Any expenditure incurred in connection with the management of agriculture trade organization by the Administrator including pay, allowances and remuneration of the Administrator and the members of the Advisory Committee shall be met as expenses, and be a charge on the income, of