



KARNATAKA LEGISLATIVE ASSEMBLY
FIFTEENTH LEGISLATIVE ASSEMBLY
SIXTH SESSION

**THE KARNATAKA AGRICULTURAL PRODUCE MARKETING (REGULATION AND
DEVELOPMENT) (AMENDMENT) BILL, 2020**
(LA Bill No. 23 of 2020)

A Bill further to amend the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966.

Whereas, it is expedient further to amend the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966 (Karnataka Act 27 of 1966) for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the seventy first year of the Republic of India, as follows:-

1. Title and commencement.-(1) This Act may be called the Karnataka Agricultural Produce Marketing (Regulation and Development) (Amendment) Act, 2020.

(2) It shall come into force at once.

2. Amendment of section 2.- In section 2 of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966 (Karnataka Act 27 of 1966) (herein after referred to as the Principal Act), in clause 37(A) the words "and different quantities may be specified for different class of retail traders for the purpose including a class depending on number of shops he owns" shall be inserted at the end.

3. Amendment of section 65.- In section 65 of the Principal Act,-

(i) in sub-section (6), in clause (b), the following proviso shall be inserted at the end, namely:-

"Provided that, no market fee is payable by new agricultural produce processing industries identified under Karnataka New Industrial Policy 2009-14, who have gone into production between the period from 06-04-2011 to 16-03-2013 in respect of purchase of agricultural produce for the extended/ balance period under Integrated Agri-Business Development Policy-2011 as announced in the Karnataka Industrial Policy 2014-19, subject to the production of a certificate issued by the Director of Industries and Commerce, Government of Karnataka, to the effect that the unit is eligible for exemption of fee."

(ii) after sub-section (6), the following shall be inserted, namely:-

"(7) Notwithstanding anything contained in this Act, no market fee is payable for a period of ten years by new agricultural produce processing industries in respect of purchases of agricultural produce by such industries in accordance with the Karnataka Agri-Business and Food Processing Policy-2015 of the Government published in the Government Order No. AGD 94 AMS 2015, dated: 11.12.2015, subject to the production of a certificate issued by the Director of Industries and Commerce, certifying that he is eligible for exemption of fee."

STATEMENT OF OBJECTS AND REASONS

It is considered necessary to amend the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966(Karnataka Act 27 of 1966)to,-

- (i) empower the Government to classify the retailers for the purpose of prescribing stock limits to be held by them and thereby comply with the directions of the Hon'ble High Court of Karnataka in writ petition No.39880-39883/2014;
- (ii) give effect to the announcement made in the Karnataka Industrial Policy 2014-2019;
- (iii) remove the anomaly in granting APMC market fee waiver to Agro based industries as per industrial Policy 2009-14 and Integrated Agro Business Development Policy-2011 for the Agro based industries which have gone into production between dated:06.04.2011 and 16.03.2013;and
- (iv) give effect to the Karnataka Agri Business and Food Processing Policy- 2015, dated:11.12.2015.

Hence the Bill.

FINANCIAL MEMORANDUM

It is estimated that around Rupees one hundred and six crores annually loss to the APMCs from the proposed legislative measure.

S.T.SOMASHEKAR

Minister for Co-Operation

M.K. Vishalakshi

Secretary (I/c)

Karnataka Legislative Assembly

ANNEXURE
EXTRACT FROM THE KARNATAKA AGRICULTURAL PRODUCE MARKETING
(REGULATION AND DEVELOPMENT) ACT, 1966

(KARNATAKA ACT 27 OF 1966)

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

(37A) 'Retail Trader' means a person who is engaged in retail sale of any notified agricultural produce on which market fee has already been levied and collected in the concerned market area and holds in stock at a time not exceeding such quantity of notified agricultural produce as the State Government may by notification specify from time to time.

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65. Levy of market fees.-XX

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(6) Notwithstanding anything contained in this Act, no market fee is payable for a period of ten years by new agricultural produce processing industries,-

- (a) in respect of purchases of agricultural produce by such processing industries in accordance with the Integrated Karnataka Agri-Business Development Policy-2011 of the Government published in the Government Order No. AHD 172 AFT 2010, dated: 05.03.2011
- (b) on any agricultural produce exported or caused to be exported by any person either on his own account or as an agent for another person from the market area to outside the country;

Subject to the production of a certificate issued by the Director of industries and commerce, Government of Karnataka certifying that he is eligible for exemption of fee.

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