

**THE FARMERS (EMPOWERMENT AND PROTECTION)  
AGREEMENT ON PRICE ASSURANCE AND FARM  
SERVICES (RAJASTHAN AMENDMENT) BILL, 2020**

(To be introduced in the Rajasthan Legislative Assembly)

A

*Bill*

*to amend, and add special provisions in, the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020 in its application to the State of Rajasthan, with a view to restore the agricultural safeguards for the farmers of the State of Rajasthan ensured through the regulatory framework of the Rajasthan Agricultural Produce Markets Act, 1961 (Rajasthan Act No. 38 of 1961), in order to secure and protect the interests and livelihood of farmers and farm labourers and also all others engaged in agriculture and related activities.*

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

**1. Short title, extent and commencement.-** (1) This Act may be called the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services (Rajasthan Amendment) Act, 2020.

(2) It shall extend to the whole of the State of Rajasthan.

(3) It shall come into force on such date, as the State Government may, by notification in the Official Gazette, appoint.

**2. Amendment of section 1, Central Act No. 20 of 2020.-** For the existing sub-section (2) of section 1 of the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020 (Central Act No.20 of 2020), hereinafter referred to as the principal Act, the following shall be substituted, namely:-

“(2) It shall come into force on such date, as the State Government may, by notification in the Official Gazette, appoint.”.

### 3. Amendment of section 2, Central Act No. 20 of 2020.-

In section 2 of the principal Act,-

(i) the existing clause (a) shall be renumbered as clause (aa) and before clause (aa) so renumbered , the following clause shall be inserted, namely:-

“(a) “APMC Act” means the Rajasthan Agricultural Produce Markets Act, 1961 (Rajasthan Act No. 38 of 1961);”;

(ii) after the existing clause (b) and before the existing clause (c), the following clause shall be inserted, namely:-

“(bb) “Director” means the Director of Agriculture Marketing for the State of Rajasthan;”;

(iii) after the existing clause (j) and before the existing clause (k), the following clauses shall be inserted, namely:-

“(jj) “Market Committee” means the Market Committee as defined in clause (ix) of section 2 of the APMC Act;

(jjj) “market yard” means the principal market yard or sub-market yard or private sub-market yard as notified under section 5 of the APMC Act;

(jjjj) “Minimum Support Price” means the price announced for crop purchases by the Central Government in consultation with the Commission for Agricultural Costs and Prices;”;

(iv) for the existing clause (m), the following shall be substituted, namely:-

“(m) “prescribed” means prescribed by the rules made by the Central Government or the State Government, as the case may be, under this Act;” and

(v) for the existing clause (p), the following shall be substituted, namely:-

“(p) “State” means the State of Rajasthan.”.

**4. Amendment of section 5, Central Act No. 20 of 2020.-**

After the existing proviso to section 5 of the principal Act, the following proviso shall be added, namely:-

“Provided further that no Farming Agreement for the sale or purchase of a crop shall be valid unless the price paid for such agricultural produce is equal to, or greater than, the prevailing Minimum Support Prices, announced by the Central Government for that crop.”

**5. Amendment of section 7, Central Act No. 20 of 2020.-**

For the existing section 7 of the principal Act, the following shall be substituted, namely:-

**“7. Farming produce liable to fee/cess/cesses/charges.-** (1) Where a farming agreement has been entered into in respect of any farming produce under this Act, such produce shall be liable to the fee/cess/cesses/charges payable under the APMC Act and such fees/cess/cesses/charges shall be utilized for the welfare of farmers and development of market infrastructure:

Provided that the fees/cess/cesses/charges shall be payable by the sponsor and its burden shall not be transferred on the farmer.

(2) Notwithstanding anything contained in the Essential Commodities Act, 1955 (Central Act No. 10 of 1955) or in any Control Order issued thereunder or in any other law for the time being in force, the State Government shall, by an order, be entitled to enforce the stock limit in respect of any agricultural produce where there is shortage of such agricultural produce in the State or the prices of such produce go beyond twenty five percent of the maximum price which was prevailing in the market within two years immediately before passing of the order by the State Government.”

**6. Amendment of section 13, Central Act No. 20 of 2020.-** For the existing section 13 of the principal Act, the following shall be substituted, namely:-

**“13. Dispute settlement.-** (1) If any dispute arises between the parties in respect of the provisions of the agreement, either of the parties may submit an application to the market committee to determine the disputes. The

market committee shall resolve the disputes after giving the parties a reasonable opportunity of being heard.

(2) The party aggrieved by the decision of the market committee under sub-section (1) may prefer an appeal to the Director within thirty days from the date of decision. The Director shall dispose off the appeal after giving the parties a reasonable opportunity of being heard and the decision of Director shall be final.

(3) The decision of the market committee under sub-section (1) and decision in appeal under sub-section (2) shall have force of the decree of a civil court and shall be enforceable as such and decretal amount shall be recovered as arrears of land revenue.

(4) Disputes relating to, and arising out of, contract farming agreement shall be settled in accordance with the provisions made hereinabove.

(5) Both parties shall abide by all the provisions of the APMC Act and rules made thereunder and directions issued in this regard by the State Government, from time to time.

(6) Where under a farming agreement, sponsor undertakes the farming by deploying his/its manpower, the sponsor shall be liable to remove his manpower from the agriculture farm/field from the next date of termination of the farming agreement and in the event of manpower of the sponsor continuing in the agricultural farm/field, the sponsor shall be liable to pay damages to the farmer to the tune of such amount as may be notified by the State Government from time to time which shall not be less than one thousand rupees per bigha per day. While deciding the dispute, the Market Committee shall direct the sponsor to remove his/its manpower from the agriculture farm/field and for putting the farmer back to possession, it shall be entitled to take aid of the police. Whenever such requisition is sent, it shall be the duty of the Superintendent of Police of the concerned District to make available the police help within twenty four hours of receipt of the requisition.”.

**7. Deletion of section 14, Central Act No. 20 of 2020.-**

The existing section 14 of the principal Act shall be deleted.

**8. Amendment of section 19, Central Act No. 20 of 2020.-** For the existing section 19 of the principal Act, the following shall be substituted, namely:-

“**19. Jurisdiction of civil court.-** The jurisdiction of civil court shall be such as prescribed in the APMC Act.”.

**9. Amendment of section 20, Central Act No. 20 of 2020.-** For the existing section 20 of the principal Act, the following shall be substituted, namely:-

“**20. Overriding effect.-** In the State of Rajasthan, subject to the provisions of the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services (Rajasthan Amendment) Act, 2020 (Rajasthan Act No...of.....), the provisions of this Act shall have overriding effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any other instrument having effect by virtue of any law for the time being in force.”.

**10. Insertion of new sections 21A, 21B and 21C, Central Act No. 20 of 2020.-** After the existing section 21 and before the existing section 22 of the principal Act, the following new sections shall be inserted, namely:-

“**21A. Special provisions for the State of Rajasthan.-** (1) Notwithstanding any judgment, decree, or order of any court or any other instrument, status quo before 5th June, 2020 shall be maintained qua the provisions of AMPC Act and rules made thereunder.

(2) All notices issued by the Central Government or any authority on its behalf under provisions of this Act, shall be deemed to have been suspended and no punitive action shall be taken against any person for violating the provisions of this Act.

**21B. Punishment for harassment of farmers.-** Notwithstanding anything contained in any other law for the time being in force, if any person or company or corporate house or any other association or body of persons, whether incorporated or not, commits an offence of harassment, he shall be punishable with a term of

imprisonment of not less than three years and extending upto seven years or fine of not less than five lac rupees or both.

**Explanation I.-** For the purpose of this section, where the offence is committed by a company, all the directors of the company, where the offence is committed by a limited liability partnership firm, all the partners of such firm and where the offence is committed by a partnership firm registered under the Indian Partnership Act, 1932 (Central Act No.9 of 1932), all the partners of the said firm who were such directors or, as the case may be, partners at the time of commission of offence, shall be guilty of committing the offence of harassment to the farmer.

**Explanation II.-** For the purpose of this section, an offence of harassment shall be deemed to have been committed if,-

- (a) a person, firm or company compels or exerts pressure on a farmer or any person associated with agriculture or agro-produce to enter into a sale under contract of agricultural produce in his possession, at a price below the Minimum Support Price; and
- (b) a person, firm or company refuses to accept produce or take delivery of the goods under a farming agreement within a week from the date of intimation by the farmer of the produce being ready for delivery.

**21C. Power of State Government to give directions.-** The Government may, from time to time, in the larger interest of public, issue such directions to the authorities as it may deem fit, for giving effect to the provisions of this Act and it shall be the duty of all the authorities to comply with such directions.”.

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## STATEMENT OF OBJECTS AND REASONS

The Parliament has enacted the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020, (Central Act No. 20 of 2020), hereinafter referred to as the Central Act, to provide a new regime for production, trade and commerce in agricultural produce.

There has been extraordinary outrage amongst the farmers, farm labourers and all others engaged in incidental and ancillary agricultural activities including those engaged in production, handling and sale of agricultural produce including vegetables, fruits etc. Since the direct consequences of the Central Act would be to nullify the minimum support price mechanism that has stood the test of time and introduce several other infirmities and distortions operating to the grave detriment and prejudice of agriculture and the communities associated with it.

The Parliament has also introduced a mechanism for production, trade and commerce in agricultural produce through this Central Act, that is vulnerable to encroachment and manipulation by vested corporate interests through provisions such as contract farming minus a guarantee of minimum support price and leaving the farmer open to the vagaries of market forces for getting a remunerative price for agricultural produce, fruits and vegetables. No check has been provided against exploitation of farmer.

As per the Agriculture Census 2015-16, 86.2% of farmers own less than five acres of land and a majority of them own less than two acres of land falling in the category of small and marginal farmers and consequently have limited or no access to multiple markets with an inherent handicap of bargaining power to negotiate remunerative price contracts, hence, needing proper protection by the State legislature to ensure a level playing field to prevent exploitation of farmers and to ensure remunerative price for agricultural produce.

This is the primary and principal responsibility of the State Government but the Central Act fails to take into account this imperative and this object of the Indian Constitution.

Agriculture, land and markets is the primary legislative domain of the State falling under Entries 14, 18 and 28 of List-II of

Seventh Schedule of the Constitution of India; and 'production, supply and distribution of goods' is also a State Subject under Entry 27 of List-II read-with, Entry 33 of List-III of Seventh Schedule of the Constitution of India.

The Hon'ble Supreme Court of India in the case of Jayant Verma v/s Union of India has categorically held that as per the constitutional scheme in so far as the agriculture is concerned, it is an exclusive State subject. The State Government, therefore, is of the opinion that the Central Act in so far as it encroaches upon the agriculture and market is beyond the legislative competence of the Parliament. However, the State Government at this stage is of the further opinion that it can protect the interest of the farmers, farm labour and those engaged in incidental activities by amending the Central Act in exercise of its powers vested under Article 254(2) of the Constitution.

Therefore, it is proposed introduce the Rajasthan Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services (Rajasthan Amendment) Bill, 2020 to protect the interest of farmers, farm labourers, those engaged in ancillary and incidental activities relating to production, sale and marketing of agricultural produce as also consumers and for adherence to the minimum support price mechanism.

The Bill seeks to achieve the aforesaid objectives.

Hence the Bill.

अशोक गहलोत,  
**Minister incharge.**



**EXTRACTS TAKEN FROM THE FARMERS  
(EMPOWERMENT AND PROTECTION) AGREEMENT  
ON PRICE ASSURANCE AND FARM SERVICES ACT,  
2020**

(Central Act No. 20 of 2020)

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**1. Short title and commencement.-** (1) xx    xx    xx

(2) It shall be deemed to have come into force on the 5th June, 2020.

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

(a) "APMC yard" means the physical premises covering Agriculture Produce Market Committee Yard, by whatever name called, established for regulating markets and trade in farming produce under any State Act;

(b) to (l)            xx            xx            xx            xx

(m) "prescribed" means prescribed by rules made under this Act;

(n) to (o)            xx            xx            xx            xx

(p) "State" includes Union territory.

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**5. Pricing of farming produce.-** The price to be paid for the purchase of a farming produce may be determined and mentioned in the farming agreement itself, and in case, such price is subject to variation, then, such agreement shall explicitly provide for—

(a) to (b)            xx            xx            xx            xx

Provided that the method of determining such price or guaranteed price or additional amount shall be annexed to the farming agreement.

XX                      XX                      XX                      XX                      XX

**7. Exemptions with respect to farming produce.-** (1) Where a farming agreement has been entered into in respect of any farming produce under this Act, such produce shall be exempt from the application of any State Act, by whatever name called, established for the purpose of regulation of sale and purchase of such farming produce.

(2) Notwithstanding anything contained in the Essential Commodities Act, 1955 (10 of 1955) or in any control order issued thereunder or in any other law for the time being in force, any

obligation related to stock limit shall not be applicable to such quantities of farming produce as are purchased under a farming agreement entered into in accordance with the provisions of this Act.

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**13. Conciliation board for dispute settlement.-** (1) Every farming agreement shall explicitly provide for a conciliation process and formation of a conciliation board consisting of representatives of parties to the agreement:

Provided that representation of parties in such conciliation board shall be fair and balanced.

(2) A dispute arising from any farming agreement shall be first referred to the conciliation board formed as per the provisions of the farming agreement and every endeavour shall be made by such board to bring about settlement of such dispute.

(3) Where, in respect of any dispute, a settlement is arrived during the course of conciliation proceeding, a memorandum of settlement shall be drawn accordingly and signed by the parties to such dispute and such settlement shall be binding on the parties.

**14. Mechanism for dispute resolution.-** (1) Where, the farming agreement does not provide for conciliation process as required under sub-section (1) of section 13, or the parties to the farming agreement fail to settle their dispute under that section within a period of thirty days, then, any such party may approach the concerned Sub-Divisional Magistrate who shall be the Sub-Divisional Authority for deciding the disputes under farming agreements.

(2) On receipt of a dispute under sub-section (1), the Sub-Divisional Authority may, if—

(a) the farming agreement did not provide for conciliation process, constitute a conciliation board for bringing about settlement of such dispute; or

(b) the parties failed to settle their dispute through conciliation process, decide the dispute in a summary manner within thirty days from the date of receipt of such dispute, after giving the parties a reasonable opportunity of being heard and pass an order for recovery of the amount under dispute, with such penalty and interest, as it deems fit, subject to the following conditions, namely:—

(i) where the Sponsor fails to make payment of the amount due to the farmer, such penalty may extend to one and half times the amount due;

(ii) where the order is against the farmer for recovery of the amount due to the Sponsor on account of any advance payment or cost of inputs, as per terms of farming agreement, such amount shall not exceed the actual cost incurred by the Sponsor;

(iii) where the farming agreement in dispute is in contravention of the provisions of this Act, or default by the farmer is due to force majeure, then, no order for recovery of amount shall be passed against the farmer.

(3) Every order passed by the Sub-Divisional Authority under this section shall have same force as a decree of a civil court and be enforceable in the same manner as that of a decree under the Code of Civil Procedure, 1908 (5 of 1908), unless an appeal is preferred under sub-section (4).

(4) Any party aggrieved by the order of the Sub-Divisional Authority may prefer an appeal to the Appellate Authority, which shall be presided over by the Collector or Additional Collector nominated by the Collector, within thirty days from the date of such order.

(5) The Appellate Authority shall dispose of the appeal within thirty days.

(6) Every order passed by the Appellant Authority under this section shall have same force as a decree of a civil court and be enforceable in the same manner as that of a decree under the Code of Civil Procedure, 1908 (5 of 1908).

(7) The amount payable under any order passed by the Sub-Divisional Authority or the Appellant Authority, as the case may be, may be recovered as arrears of land revenue.

(8) The Sub-Divisional Authority or the Appellate Authority shall, while deciding disputes under this section, have all the powers of a civil court for the purposes of taking evidence on oath, enforcing the attendance of

witnesses, compelling the discovery and production of documents and material objects and for such other purposes as may be prescribed by the Central Government.

(9) The manner and procedure for filing a petition or an application before the Sub-Divisional Authority and an appeal before the Appellate Authority shall be such as may be prescribed by the Central Government.

XX XX XX XX XX

**19. Bar of jurisdiction of civil court.-** No civil Court shall have jurisdiction to entertain any suit or proceedings in respect of any dispute which a Sub-Divisional Authority or the Appellate Authority is empowered by or under this Act to decide and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act or any rules made thereunder.

**20. Act to have an overriding effect.-** The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any State law for the time being in force or in any instrument having effect by virtue of any such law other than this Act:

Provided that a farming agreement or such contract entered into under any State law for the time being in force, or any rules made thereunder, before the date of coming into force of this Act, shall continue to be valid for the period of such agreement or contract.

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**THE FARMERS (EMPOWERMENT AND PROTECTION)  
AGREEMENT ON PRICE ASSURANCE AND FARM  
SERVICES (RAJASTHAN AMENDMENT) BILL, 2020**

(To be introduced in the Rajasthan Legislative Assembly)

**RAJASTHAN LEGISLATIVE ASSEMBLY**

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A

*Bill*

*to amend, and add special provisions in, the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020 in its application to the State of Rajasthan, with a view to restore the agricultural safeguards for the farmers of the State of Rajasthan ensured through the regulatory framework of the Rajasthan Agricultural Produce Markets Act, 1961 (Rajasthan Act No. 38 of 1961), in order to secure and protect the interests and livelihood of farmers and farm labourers and also all others engaged in agriculture and related activities.*

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(To be introduced in the Rajasthan Legislative Assembly)

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**Pramil kumar Mathur,**  
Secretary.

(Ashok Gehlot, Minister-Incharge)

2020 का विधेयक सं.31

कृषक (सशक्तिकरण और संरक्षण) कीमत आश्वासन और कृषि सेवा पर  
करार (राजस्थान संशोधन) विधेयक, 2020