

KARNATAKA ACT NO. 22 OF 2004
THE KARNATAKA AGRICULTURAL PRODUCE MARKETING (REGULATION)
(AMENDMENT) ACT, 2004

Arrangement of Sections

Sections:

1. Short title and commencement
2. Amendment of section 2
3. Amendment of section 65

STATEMENT OF OBJECTS AND REASONS

It is considered necessary to review the present provisions in the Karnataka Agriculture Produce Marketing (Regulation) Act, relating to 'retail sale' and 'retail trader' which prescribes the maximum quintals of agricultural produce that can be stocked by a retail trader to ensure transparency and flexibility to meet the situation arising from time to time. therefore it is considered necessary to amend Act to provide for:-

(1) Fixing of maximum quantity of agricultural produce or goods to be stocked by retail traders in the State by State Government through notification from time to time.

(2) Fixing of such quantity for retail sale by the market committees within the prescribed maximum limit in their bye-laws which enables the consumers to purchase the commodities for domestic consumption and to restrict the same for subsequent sale or processing.

Further the system of levy of market fee on the sale of notified agricultural produce has been rationalized to provide for levy of market fee at single point once in any market committee on the first sale. The subsequent sales of the commodity in any other market area will be exempted from the levy of market fee. Further to this to give impetus to the Agro Processing Sector in the State which ensures value addition to the agricultural produce enabling the farmers to get a better price for their produce and to attract investments from private sector to the Agro Processing Sector which makes the agricultural marketing operations more effective. Therefore it is considered necessary to amend the Karnataka Agricultural Produce Marketing (Regulation) Act to provide for:-

(1) Exemption from the levy of market fee on agricultural produce on which market fee has already been levied and collected in any market area within the State and such agricultural produce is processed and sold in any other market area within the State or exported outside the State.

Hence, the Bill.

(LA Bill No.8 of 2004)

(Entries 14 and 28 of List of Seventh Schedule to the Constitution of India)

KARNATAKA ACT NO. 22 OF 2004

(First published in the Karnataka Gazette Extra-ordinary on the Seventeenth day of May, 2004)

**THE KARNATAKA AGRICULTURAL PRODUCE MARKETING (REGULATION)
(AMENDMENT) ACT, 2004**

(Received the assent of the Governor on the Fourteenth day of May, 2004)

An Act further to amend the Karnataka Agricultural Produce Marketing (Regulation) Act, 1966.

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

Be it enacted by the Karnataka State Legislature in the fifty-fifth year of the Republic of India, as follows;

1. Short title and commencement.- (1) This Act may be called the Karnataka Agricultural Produce Marketing (Regulation) (Amendment) Act, 2004.

(2) It shall come into force at once

2. Amendment of section 2.- In section 2 of the Karnataka Agricultural Produce Marketing (Regulation) Act, 1966 (Karnataka Act 27 of 1966) (hereinafter referred to as the principal Act), for clauses (37) and (37A), the following shall be substituted, namely:-

"(37) 'Retail Sale' means a sale of such quantity of notified agricultural produce as the market committee may by bye-laws determine subject to the prescribed maximum limit on which the market fee has already been levied and collected in the concerned market area, to a consumer for domestic consumption and not for subsequent sale or processing,"

(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."

3. Amendment of section 65.- In section 65 of the principal Act, in sub-section (2), after the first proviso, the following shall be inserted, namely:-

"Provided further that, if on any agricultural produce market fee has already been levied and collected under sub-section (2) in any market area within the State and such agricultural produce is processed and sold in any other market area within the State or exported out side the State it shall be exempted from the levy of market fee.

Explanation: Nothing in this proviso shall apply to,-

(i) any processed agricultural produce imported from out side the State and sold in any market area within the State ; or

(ii) any agricultural produce imported or caused to be imported by any person either on his own account or as an agent for another person, from out side the State into any market area within the State for the purpose of processing or manufacturing except for one's own domestic consumption.

By Order and in the name of the Governor of Karnataka

M.R.HEGDE
Secretary to Government
Department of Parliamentary Affairs and Legislation