

**KARNATAKA ACT NO. 05 OF 2014**  
**THE KARNATAKA AGRICULTURAL PRODUCE MARKETING (REGULATION AND**  
**DEVELOPMENT) (SECOND AMENDMENT) ACT, 2013**

**Arrangement of Sections**

**Sections:**

1. Title and commencement
2. Amendment of section 6
3. Amendment of section 65
4. Amendment of section 72
5. Amendment of section 72A
6. Amendment of section 72D
7. Amendment of section 131C
8. Amendment of section 133

**STATEMENT OF OBJECTS AND REASONS**

**Amending Act 05 of 2014.-** The Government considers it necessary to carry out certain reforms in the Agricultural Marketing sector, with a view to provide expanded market access to the farmers and provide for improved marketing processes for greater transparency and avoiding delay in payment to farmers.

In this direction it is necessary to carry out certain amendments to Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966.

Hence, the Bill.

[L.A. Bill No. 11 of 2013, File No. Samvyashae 41 Shasana 2013]

[Entry 14 of List II of the Seventh Schedule to the Constitution of India.]

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**KARNATAKA ACT NO. 05 OF 2014**

(First published in the Karnataka Gazette Extra-ordinary on the fourth day of January, 2014)

**THE KARNATAKA AGRICULTURAL PRODUCE MARKETING (REGULATION AND DEVELOPMENT) (SECOND AMENDMENT) ACT, 2013**

(Received the assent of the Governor on the Third day of January, 2014)

An Act further to amend the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966;

Whereas, it is expedient to 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 Sixty-Fourth 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) (Second Amendment) Act, 2013.

(2) It shall come into force at once.

**2. Amendment of section 6.-** In the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966 (Karnataka Act 27 of 1966) (hereinafter referred to as the principal Act), in section 6, in sub-section (2),-

(i) in clause (a), after the words "any other specified area", the words "including a warehouse" shall be inserted.

(ii) in clause (d), after the second proviso, the following shall be inserted, namely:-

"Provided also that, the Director of Agricultural Marketing may declare a warehouse in a sub-market, market sub-yard or sub-market yard in such manner as may be prescribed."

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

"Provided also that in case of any private markets established under section 72A of the Act, market fee shall be levied and collected at the rate of thirty three percent of market fee payable under this Act, provided that no market fee is leviable on flowers, fruits and vegetables. Instead the Market committee may collect user charges in respect of the above articles, user charges for such services provided by the Market Committee from the buyer of the produce at such rates as may be specified in the bye-laws as approved by the Director of Agricultural Marketing ."

**4. Amendment of section 72.-** In section 72 of the principal Act,-

(i) the word "trader" occurring in two places shall be omitted; and

(ii) after sub-section (3), the following shall be inserted, namely:-

"(4) The Director of Agricultural Marketing or the Officer authorised by him may grant a trader license in such manner and in such form as may be prescribed to operate as trader in any of Agricultural Produce Marketing Committee yards/private markets in the State. The existing licensee shall obtain a fresh trader licence within a period of six months from the date of commencement of the Karnataka Agricultural Produce Marketing (Regulation and Development) (Second Amendment) Act, 2013"

**5. Amendment of section 72A.-** In section 72A of the principal Act, in sub-section (2), for clause (b), the following shall be substituted, namely:-

"(b) establish a Direct Purchase Center to purchase notified agricultural produce directly from an agriculturist; or"

**6. Amendment of section 72D.-** In section 72D of the principal Act, in sub-section (1), after the words, figures "section 72C", the words, figures and brackets " or section 72 (4)" shall be inserted.

**7. Amendment of section 131C.-** In section 131C of the principal Act,-

(i) in sub-section (1), the words "with the Market Committee or" shall be omitted;

(ii) for sub-section (4), the following shall be substituted, namely:-

"(4) Any disputes arising out of contract farming agreement shall be decided by the Registering Authority. He shall resolve the dispute in a summary manner within thirty days from the date of reference of dispute by giving the parties a reasonable opportunity of being heard, in such manner as may be prescribed."

(iii) in sub-section (5), for the words "Disputes Committee", the words "Registering Authority" shall be substituted.

**8. Amendment of section 133.-** In section 133 of the principal Act, after the words "any class of co-operative societies", the words "or farmers producer organizations in the State" shall be inserted.

By Order and in the name of the Governor of Karnataka

**K. B. CHANGAPPA**

Secretary to Government (i/c)

Department of Parliamentary Affairs and Legislation