GOVERNMENT OF ARUNACHAL PRADESH
LAW AND JUDICIAL DEPARTMENT
ITANAGAR

NOTIFICATION

The 9th May, 2006

No. LAW/LEGN-20/2005.—The following Act of the Arunachal Pradesh Legislative Assembly which received the assent of the Governor of Arunachal Pradesh is hereby published for general information.

(Received the assent of the Governor on 5th May, 2006)

THE ARUNACHAL PRADESH AGRICULTURAL PRODUCE MARKETING (REGULATION) (AMENDMENT) ACT, 2006
(Act No. 6 of 2006)

AN ACT
to amend the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989 (Act No. 6 of 1990).

BE it enacted by the Legislative Assembly of Arunachal Pradesh in the Fifty-seventh year of the Republic of India as follows :-

1. (1) This Act may be called the Arunachal Pradesh Agricultural Produce Marketing (Regulation) (Amendment) Act, 2006.

(2) It shall extend to the whole of Arunachal Pradesh.

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

2. In the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989 (Act No. 6 of 1990) (hereinafter referred to as the Principal Act), after sub-sections (6) and (21) of Section-2 the following definitions shall be added:

“(6)(a) “Contract Farming” means farming by a person called “Contract Farming Producer” under a written agreement with another person called “Contract Farming Sponsor” to the effect that his farm produce shall be purchased as specified in the agreement.

(6)(b) “Contract Farming Agreement” means the agreement made for contract farming between Contract farming sponsor and Contract Farming Producer.

(21)(a) “Private market Yard” means such place other than the market yard/sub-market yard in the market area where infrastructure has been developed and managed by a person for marketing of notified agricultural produce holding a licence for this purpose under this Act.
3. After Chapter V of the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989, the following chapter shall be inserted:

“CHAPTER V-A
Establishment of Private Yard

34.A. Notwithstanding anything contained in this Act, the Director/Chief Executive Officer of the Arunachal Pradesh Agricultural Marketing Board may grant licence to purchase agricultural produce by establishing private yard or direct from Agriculturist, in one or more market area for:

(a) process of the notified agricultural produce;
(b) trade of notified agricultural produce of particular specification;
(c) export of notified agricultural produce;
(d) grading, packing and transaction in other way by value addition of notified agricultural produce;

35.A (1) Consumer/Farmer market may be established by developing infrastructure as prescribed, by any person in any market area. At such place, producer of agricultural produce himself may, as prescribed, sell his produce directly to the consumer.

(2) Market service charge shall be collected on sale of agriculture produce by the seller and will be remitted to the proprietor of the consumer market.

(3) Save as otherwise provided in this Act no market fee shall be leviable on the transactions undertaken in the consumer/farmers market.

(4) Licence for establishment of consumer/farmer market shall be granted by the State Government/Director/Managing Director.

36.A. (1) Any person who, under Section 34-A desires to purchase notified agricultural produce direct from the agriculturists or wishes to establish a private yard or under Section 35-A desires to establish consumer/farmer market in one or more than one market area, shall apply to the Director for grant or renewal of license, as the case may be, in the manner and for the period, as may be prescribed by the State Government.

(2) Along with every such application for licence, fee prescribed, by Director, shall be deposited.

(3) Application received under sub section (1) for grant or renewal of licence may be accepted or rejected for reasons recorded in writing by the authority prescribed by the State Government, as the case may be provided:
(i) if the Market Committee dues are outstanding against the applicant, the licence shall not be granted/renewed;

(ii) the applicant is a minor or not bonafide;

(iii) the applicant has been declared defaulter under the Act and rules and bye-law made thereunder;

(iv) the applicant having been declared guilty in any criminal case and convicted by imprisonment.

(v) Any other reasons.

(4) All the licences granted/renewed under this section shall be subject to provisions of this Act, rules or bye-laws made thereunder.

37.A. (1) Subject to the provisions of sub-section (4) of Section 35.A, the Director or Prescribed officer who has issued licence or registration as the case may be may, for the reasons to be communicated to the licence holder/registration holder in writing, suspend or cancel, licence/registration -

(a) if the licence or registration has been obtained through willful misrepresentation or fraud;

(b) if the holder of the license or registration or any servant or anyone acting on his behalf with his (license/registration holder's) expressed or implied permission, commits a breach of any of the terms or conditions of licence/registration;

(c) if the holder of the licence/registration in combination with other licence/registration holder commits any Act or abstains from carrying on his normal business in the market area with the intention of willfully obstructing, suspending or stopping the marketing of notified agricultural produce in the market yard/sub-market yard and in consequence whereof the marketing of any notified agricultural produce has been obstructed, suspended or stopped;

(d) if the holder of the licence/registration has become an insolvent;

(e) if the holder of the licence/registration incurs any disqualification, as may be prescribed; or

(f) if the holder of the licence/registration is convicted of any offence under this Act then within one year of the conviction if the conviction is for the first time and within three years for subsequent conviction.

(2) Subject to the provisions of sub-section (4) of Section 35.A, the Director or the Prescribed Officer may, after communicating the reasons in writing to the licence/registration holder, suspend a licence/registration for the period not exceeding one month on any reason under sub-section (1).

Provided that such order shall cease to have effect on expiry of a period of ten days from the date on which it is made, unless confirmed by the Market Board before such expiration.

(3) Notwithstanding anything contained in sub-section (1), but subject to the provisions of sub-section (4) of Section 35.A, the Director may, for the reasons to be communicated in writing to the licence/registration holder, by order suspend or cancel his/its licence/registration granted or renewed by a Market Committee.
38. A. (1) Any person aggrieved by an order of the Chairman of Market Committee or the Director passed under Section 36-A or Section 37-A, as the case may be prefer an appeal-

(a) to the Market Committee, where such order is passed by the Chairman, within seven days of receipt of the order-

(b) to the Director, where such order is passed by the Market Committee, within thirty days of receipt of the order; and

(c) to the State Government, where such order is passed by the Director, within thirty days of receipt of the order; in such manner, as may be prescribed.

(2) The Appellate Authority, if it considers necessary to do so, grant a stay of the order appealed against for such period as it may deem fit.

(3) The order passed by the Chairman, Market Committee and the Director/Managing Director shall, subject to the order in the appeal under this section, be final and shall not be called in question in any court of law.

39. A (i) Dispute between the Private, market or Consumer market and Market Committee, shall be referred to the Director or Managing Director or his representative, or any other officer authorized by the State Government in this regard. The dispute shall be resolved after giving both parties a reasonable opportunity of being heard, in the manner prescribed.

(ii) The decision given by the authority under sub-section (i) above shall be final and shall not be called in question in any court of law.”

4. After Chapter - VII of the Arunachal Pradesh Agricultural Produce Marketing (Regulation) Act, 1989, the following chapter shall be inserted:

“CHAPTER VII-A
Contract Farming

44. A (1) Contract Farming agreement shall be governed in the manner laid down hereinafter.

(2) Contract Farming Sponsor shall register himself with the Market Committee or with a prescribed officer in such a manner as may be prescribed.

(3) The Contract Farming Sponsor shall get the contract farming agreement recorded with the officer prescribed in this behalf. The contract farming agreement shall be in such form containing such particulars and terms and conditions as may be prescribed.

Notwithstanding anything contained in contract farming agreement, no title, rights, ownership or possession shall be transferred or alienated or vest in the contract farming sponsor or his successor or his agent as a consequence arising out of the contract farming agreement.
(4) Disputes arising out of contract farming agreement may be referred to an authority prescribed in this behalf for settlement. The prescribed authority shall resolve the dispute in a summary manner within thirty days after giving the parties a reasonable opportunity of being heard, in the manner prescribed.

(5) The party aggrieved by the decision of the prescribed authority under sub-section (4) may prefer an appeal to an Appellant Authority within thirty days from the date of decision. The Appellant Authority shall dispose off the appeal within thirty days after giving the parties a reasonable opportunity of being heard and the decision of the Appellant Authority shall be final.

(6) The decision by the authority under sub-section (4) and decision in appeal under sub-section (5) shall have force of the decree of the civil court and shall be enforceable as such and decretal amount shall be recovered as arrears of land revenue.

(7) Disputes relating to and arising out of contract farming agreement shall not be called in question in any court of law than otherwise provided herein above.

(8) The agricultural produce covered under the Contract Farming Agreement may be sold to the Contract Farming Sponsor outside the market yard and in such a case no market fees will be leviable.”

C. P. Mansai,
Secretary (Law & Judl),
Government of Arunachal Pradesh,
Itanagar.