

Karnataka Agricultural Produce Marketing (Regulation And Development) (Amendment) Act, 2011

18 of 2011

[02 April 2011]

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An Act 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 sixty first 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 and Development) (Amendment) Act, 2011.
- (2) It shall come into force at once.

2. Amendment Of Section 65 :-

In the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966 (Karnataka Act 27 of 1966), in section 65,-

- (1) after sub-section (4), the following shall be inserted, namely:-
"Provided that the existing processing industries who undertake expansion/ modernization/diversification shall also be exempted from payment of market fee, for a period of five years from the

date of the commencement of the Karnataka Agricultural Produce Marketing (Regulation and Development) (Amendment) Act, 2011 subject to the following conditions, namely:-

- (a) a minimum investment of fifty percent of the earlier investment on fixed assets has to be made;
- (b) the increased production compared to the average of the production made in the previous three years qualifies for exemption under expansion programme;
- (c) raw material used for production of new product other than existing one will be considered for diversification programme;
- (d) the existing units which have replaced all the old machineries with the modern machineries under the modernization programme shall be exempted from payment of market fee on the total raw material purchases for processing capacity only;
- (e) a certificate issued by the Director of Industries and commerce, Government of Karnataka or his nominee certifying that he has fulfilled the above conditions and he is eligible for exemption of fee shall be produced."

(2) after sub-section (4), the following shall be inserted, namely:-

"(5) No market fee shall be payable for a period of five years, four years and three years from the date of the commencement of the Karnataka Agricultural Produce Marketing (Regulation and Development) (Amendment) Act, 2011, in case of new agricultural produce processing industries and existing processing industries who undertake expansion/modernization/ diversification in Zone-1, 2 and 3 respectively as identified under Karnataka New Industrial Policy 2009-2014, published in Government Order No. CI/223/SPI/2008, dated 28.02.2009, on the purchases of agricultural produce as specified in Sl. No.II, III, IV, VI, VII, IX and X of the Schedule appended to the Act directly from farmers, subject to the following conditions, namely:-

- (i) A minimum investment of fifty percent of the earlier investment on fixed assets has to be made under expansion/modernization/diversification projects.
- (ii) The increased production compared to the average of the production made in the previous three years qualifies for exemption under expansion program.
- (iii) Raw material used for production of new product other than the existing one shall be considered for diversification programme.
- (iv) The existing units, which have replaced all the old machineries with the modern machineries under the modernization programme shall be exempted from payment of market fee on the total raw

material purchases for processing capacity only.

(v) a certificate issued by the Director of Industries and commerce, Government of Karnataka or his nominee certifying that he has fulfilled the above conditions and he is eligible for exemption of fee shall be produced.