

SALIENT FEATURES OF THE ORISSA AGRICULTURAL PRODUCE MARKETS (AMENDMENT) ACT, 2006

The following are the salient features of the Orissa Agricultural Produce Markets (OAPM) Amendment Law.

A. Establishment of Private Markets

1. Any person or body of persons may establish a private market for the purpose of sale or purchase of agricultural produce. This will include a Company registered under the Companies Act, a Co-operative Society or an Individual.
2. For establishing the market, a license from the State Government will be required and the Market will be located in an area to be specified by the State Government. The license will also impose certain conditions and restrictions which the State Government shall determine. A license shall not be granted for setting up a market within one kilometre from an existing Market Yard. Also, a license for a private market shall not be given for trading in common varieties of paddy and rice.

B. Contract Farming

1. Any Individual, Partnership Firm, Company registered under the Companies Act, Co-operative Society or Government Agency can take up contract farming in the State.
2. Every sponsor of contract farming will have to be registered with the local Regulated Market Committee (RMC).
3. There will be a written Agreement between the Contract Farming Sponsor and the Contract Farming Producer (Farmer). The Agreement will contain the terms and conditions and will be in a form which will be specified by the State Government.
4. The Director, Agriculture Marketing will act as the dispute settlement authority between the contract farming producer (farmer) and contract farming sponsor. There shall be a right to appeal before the Secretary to Government, Co-operation Department.
5. The agricultural produce covered under the Contract Farming Agreement may be sold by the producer to the contract farming sponsor outside the Regulated Market Yards.