

Farmers' Produce Trade and Commerce (Promotion and Facilitation) Rules, 2020

UNION OF INDIA

India

Farmers' Produce Trade and Commerce (Promotion and Facilitation) Rules, 2020

Rule

FARMERS-PRODUCE-TRADE-AND-COMMERCE-PROMOTION-AND-FACILITATION-RULES, 2020

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Farmers' Produce Trade and Commerce (Promotion and Facilitation) Rules, 2020 Published vide Notification No. G.S.R. 455 (E), dated 20.7.2020 Last Updated 28th September, 2020 G.S.R. 455 (E).
- In exercise of the powers conferred by section 17 of the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020 (Ord. 10 of 2020), the Central Government hereby makes the following rules, namely. -Chapter-I Preliminary

1. Short title and commencement.

(1) These rules may be called the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Rules, 2020. (2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

- In these rules, unless the context otherwise requires.-(a)"Agriculture Marketing Adviser" means Agriculture Marketing Adviser in the Directorate of Marketing and Inspection under the Department of Agriculture, Co-operation and Farmers' Welfare of the Central Government;(b)"Ordinance" means the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020 (Ord. 10 of 2020);(c)"section" means a section of the Ordinance;(d) Words and expressions used in the rules and not defined, but defined in the Ordinance shall have the meanings as assigned to them in the Ordinance. Chapter-II Payment Procedure for Trade in Trade Area

3. Payment by Trader.

- A trader who transacts with a farmer in farmers' produce in the trade area under section 4, shall make payment for traded scheduled farmers' produce on the same day or within maximum three working days if procedurally so required, subject to the condition that the receipt of delivery as in Form -1 shall be given to the farmer on the same day.

4. Payment by farmer producer organisation or agricultural cooperative society.

- A farmer producer organisation or an agricultural co-operative society, by whatever name called, shall make payment in the following manner, namely:-(i)where, it aggregates or buys the scheduled farmers' produce from a farmer in the trade area for primary value addition, packaging, labelling processing or export and thereafter sells at a better price, it shall make payment to the farmer immediately after such sale, but not later than fourteen days from the date of aggregation or purchase subject to the condition that the receipt of delivery as in Form-1 shall be given to the farmer on the same day:Provided that the farmer and the farmer producer organisation may, in anticipation of more remunerative price and on mutual understanding, further delay the payment, but not exceeding twenty-one days from the date of aggregation or purchase:Provided further that they may mutually decide to make the part payment in case of delayed payment.(ii)where it aggregates or buys the scheduled farmers' produce from farmer in the trade area and sells such produce in raw form itself, it shall make the payment immediately after such sale, but not later than three days from the date of aggregation or purchase, if procedurally so required, subject to the condition that the receipt of delivery as in Form-1 shall be given to the farmer on the same day.Chapter-III Disputes Settlement Mechanism Pertaining to Farmers and Penalties

5. Dispute settlement through Conciliation Board.

- Any dispute arising out of transaction between the farmer and the trader in the trade area shall be first resolved through mutually acceptable solution through conciliation and for that purpose, the disputing parties may file an application in Form-2 through any mode, including e-filing, within fourteen days from the date of dispute to the Sub-Divisional Magistrate having jurisdiction in a place where the transaction has taken place or farmer actually resides or produces farmers' produce, whichever is convenient:Provided that the Sub-Divisional Magistrate may allow the disputing parties to file application within twenty one days from the date of dispute on a reasonable or justifiable cause.Explanation. - For the purposes of this rule, a dispute may include one or more issues relating to quality, quantity, weighing, payment, packaging, rejection, and such other issues.

6. Appointment of conciliation board.

(1)The Sub-Divisional Magistrate shall, within fourteen days from the date of receipt of the application from disputing parties, appoint a conciliation board, which shall be chaired by an officer serving under his supervision and control.(2)The Sub-Divisional Magistrate shall, considering the

nature, gravity and monetary value involved in the dispute, simultaneously appoint members as recommended by the disputing parties, to the conciliation board, in equal numbers such that total number of appointed members to represent the parties shall be either two or four: Provided that if the party fails to recommend members within seven days, the Sub-Divisional Magistrate may appoint such members as it thinks fit, to represent such parties.

7. Procedure to be followed by conciliation board.

- For conciliation, the following procedure shall be followed by the conciliation board, namely.-(i)the chairperson of the conciliation board shall fix the date and the time of each conciliation session, where all parties have to be present;(ii)each disputing party shall provide to the conciliation board a brief memorandum setting forth the issues, which need to be resolved;(iii)the conciliation board may ask disputing parties to furnish such other information as may be required by it in connection with the issues to be resolved;(iv)the parties shall ordinarily be present personally at the conciliation sessions notified by the conciliation board: Provided that the disputing parties may be represented by an authorised person with the permission of the conciliation board, but not by any legal practitioner;(v)if a party fails to attend a session fixed by the conciliation board deliberately or wilfully for two consecutive times, conciliation shall be deemed to have failed and the conciliation board shall report such matter to the Sub- Divisional Magistrate.

8. Time limit for completion of conciliation.

(1)The process for conciliation under rule 7 shall be completed within a period of thirty days from the date of appointment of board.(2)On settlement of the dispute, a Memorandum of Settlement shall be drawn accordingly, in Form-3 and duly signed by the disputing parties and thereupon, it shall be binding upon them.(3)In case the dispute is not settled, the conciliation board shall prepare a brief report stating the brief issues, efforts made by it to resolve those issues, the cause for failure of conciliation and any other matters that the conciliation board deems appropriate.(4)A copy of the brief report prepared under sub-rule (3) shall be provided to the Sub-Divisional Magistrate and to each of the parties.

9. Dispute settlement through Sub-Divisional Authority.

(1)If the conciliation board fails to resolve the dispute or the parties to the transaction are unable to resolve the dispute within thirty days as mentioned in sub-rule (1) of rule 7, an aggrieved party may, within fourteen days therefrom, make an application in Form-4 to the concerned Sub- Divisional Magistrate who shall be the Sub-Divisional Authority to decide the dispute: Provided that the Sub-Divisional Authority may allow an aggrieved party to file such application within twenty one days instead of fourteen days, if such party shows reasonable or justifiable cause for the delay.(2)An aggrieved party shall comply with the following requirements, namely.-(i)the application shall be duly signed and verified by the applicant, and may also be filed electronically;(ii)the copy of the brief report prepared by the conciliation board under sub-rule (3) of rule 7, along with supporting documents shall accompany the application;(iii)the application may be filed personally by the applicant or through an advocate.(3)The Sub-Divisional Authority shall (i)issue notice to both

parties and they shall attend proceedings before the Sub-Divisional Authority on the designated date;(ii)hear both the parties by taking into account circumstances and the documentary evidence provided by the parties:Provided that the Sub-Divisional Authority may, if required, make necessary inquiries to arrive at its decision.(4)The Sub-Divisional Authority shall decide the dispute or contravention in a summary manner as provided under sub-section (7) of section 8 by passing a reasoned order within thirty days from the date of its filing, after giving an opportunity of being heard to the concerned parties and the contravener.

10. Appellate authority.

- The Collector of the concerned district or the Additional Collector nominated by the Collector of the district shall be the Appellate Authority, to decide the appeal against the order passed by the Sub- Divisional Authority under sub-rule (4) of rule 8.

11. Procedure for disposing of an appeal.

(1)A party aggrieved by the order of the Sub-Divisional Authority may, within thirty days of the passing of such order, file an appeal to the Appellate Authority in Form-5 or by electronic filing of such appeal:Provided that the appellate authority may allow the appeal to be filed within forty-five days instead of thirty days, if such party shows reasonable or justifiable cause for the delay.(2)The appellant shall comply with the following requirements in filing appeal, namely.-(i)the appeal memo shall be in writing and duly signed and verified by the appellant;(ii)the certified copy of the decision of the Sub-Divisional Authority along with supporting documents shall accompany the appeal memo;(iii)the appeal memo may be filed personally or through an advocate.(3)The Appellate Authority dispose of the appeal by passing an order within thirty days from the date of filing of such appeal, after giving the concerned parties a reasonable opportunity of being heard.(4)The order under sub-rule (4) of rule 8 passed by the Sub-Divisional Authority or under sub-rule (3) passed in appeal by the appellate authority shall be final and binding on all parties; and such order shall have the force of the decree of the civil court and shall be enforceable as such, and the decretal amount shall be recovered as arrears of land revenue.

Chapter IV

Regulation of Electronic Trade and Transaction Platform and Penalties

12. Procedure for regulating Electronic Trade and Transaction Platform.

- After taking cognizance of any breach as mentioned in sub-section (1) of section 9, the Agricultural Marketing Adviser or the officer of the State referred to in that sub-section shall comply with the following procedure, namely:-(i)issue notice to the person owning, controlling or operating an electronic trade and transaction platform , as soon as possible, but in no case later than fourteen days from the date of taking suo moto cognizance or receiving a petition or a reference from any

Government agency, mentioning therein brief of the contravention and direct the contravenor to attend the proceedings before it on the designated date;(ii)hear the person owning, controlling or operating an electronic trade and transaction platform by taking into account circumstances and the documentary evidences provided in support by the alleged contravenor;(iii)conduct such other enquires to ascertain facts as he deems fit, and may ask for additional documentary evidences to arrive at the conclusion;(iv)direct the person owning, controlling or operating an electronic trade and transaction platform to file a reply either personally or through an advocate, and may permit him to be represented in the proceedings by an advocate;(v)pass an ex-parte order if the person owning, controlling or operating electronic trade and transaction platform fails to submit reply in response to the notice within fourteen days from the date of receipt of such notices;(vi)examine the reply to the notice and make any other enquiry to ascertain facts and direct him to file additional documentary evidence, if necessary;(vii)dispose of the matter in a summary manner as provided in sub-section (1) of Section 9 by passing a reasoned order within sixty days from the date of taking suo moto cognizance of the contravention or receipt of the petition or reference from the Government agency.

13. Imposition of Penalty.

(1)In case of contravention of the provisions of proviso to sub-section (1) of section 5 or sub-section (2) of section 7 by the person owning, operating or controlling an electronic trading and transaction platform, the Agriculture Marketing Adviser or, as the case may be, the officer of the State referred to in section 9, may-(i)pass an order for the recovery of the amount payable to the farmers and traders;(ii)impose a penalty, which shall not be less than rupees fifty thousand but which may extend to rupees ten lakh, and where the contravention is a continuing one, further penalty not exceeding rupees ten thousand for each day after the first day during which such contravention continues; or(iii)suspend the right to operate as an electronic trading and transaction platform for a period of not less than two months and not exceeding one year or cancel, depending upon the gravity of the contravention of the provisions of the Ordinance.(2)Every order issued under sub-rule (1) shall have the force of the decree of the civil court and shall be enforceable as such, and the decretal amount shall be recovered as arrears of land revenue.

14. Appeal to Appellate Authority.

(1)An officer not below the rank of Joint Secretary to the Government of India in the Department of Agriculture, Co-operation and Farmers' Welfare, of the Central Government, nominated by that Government, shall be the Appellate Authority to decide the appeal filed under this rule.(2)The party aggrieved by the order of the Agriculture Marketing Adviser or the State Officer under rule 12 of rule 13, as the case may be, may, within sixty days of the date of passing of such order may file an appeal including electronic filing, to the Appellate Authority, in Form-6:Provided that the Appellate Authority may allow such appeal to be filed within ninety days instead of sixty days, if the appellant shows sufficient cause for not preferring the appeal within the said period.(3)Every appeal shall comply with the following requirements, namely.-(i)the appeal memo shall be in writing and duly signed and verified by the appellant;(ii)the certified copy of the order being appealed against, along with supporting documents;(iii)the appeal may be filed by the appellant in person or through an

authorised representative or an advocate.

15. Disposal of Appeal.

(1) The Appellate Authority shall dispose of the appeal in a summary manner within ninety days from the date of filing of such appeal, after giving a reasonable opportunity of being heard to the concerned parties. (2) The order passed in appeal by the Appellate Authority under sub-rule (1) shall be final and binding, and have the force of the decree of the civil court and shall be enforceable as such, and the decretal amount shall be recovered as arrears of land revenue.

Form-1 (See rules 3 and 4) Receipt of Delivery

Receipt No.....Date.....Name of the Trader/FPO/Agri Coop. Society (Buyer).....Permanent Address of the Buyer.....Address of Communication of Buyer.....Phone/Mobile Phone No of Buyer.....PAN NO (for Trader).....Name of Farmer.....Address of Farmer.....Description of Farmer Produce Purchased.....Quality of Farmers' Produce.....Place of Purchase.....Date of Purchase.....Quantity of Purchase.....Rate of Purchase (Rs./Qtl).....Total Amount Due (Rs.).....Date and amount of Payment.....Signature of Buyer

Name-Note: Trader, FPOs and Agriculture Cooperative Society are referred to as Buyer

Form-2 (See rule 5) Application for filing the dispute with Sub-Divisional Magistrate to appoint Conciliation Board To,

The Sub-Divisional Magistrate, Date: -----

Sir, In terms of Rule 5 of the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance Rules, 2020, the following information is furnished by the undersigned with a request to constitute a conciliation board to resolve the dispute described below:

S. No.	Particulars
1.	Details of disputing parties :
(i)	Name and address of farmer with contact number, if any.
(ii)	Name and address of trader with contact number
(iii)	Brief of dispute
(iv)	Estimated value of loss/damage
2.	Name and address of recommended conciliators with contact no (as applicable):
(i)	Representing the Party (up to maximum two) (a)(b)
3.	Relief Sought
4.	Enclosure
(i)	Copy of PAN card (in case of trader)
(ii)	

Documentary evidence in support of
facts stated in this application

To the best of my/our knowledge and belief, the above
stated information is correct.

Signature/thumb expression of
Applicant (As applicable) Farmer/Trader
Form-3 [(See rule 8(2))] Memorandum of Settlement

1. Name and designation of Chairperson

2. Name and address of 1st disputant (farmer)

(i) Name and address of 1st conciliator representing farmer (ii) Name and address of 2nd Conciliator
representing farmer

3. Name and address of 2nd disputant (trader)

(i) Name and address of 1st conciliator representing trader (ii) Name and address of 2nd conciliator
representing trader

4. Brief recital of the dispute (maximum 300 words)

5. Brief of the settlement (maximum 200 words)

**6. We, both disputants, herewith express our mutual consent with the
settlement of dispute as aforesaid and accordingly we resolve to implement
the settlement resolution forthwith.**

**7. If dispute is not settled, brief report as required under Rule 8 of the
Farmers' Produce Trade and Commerce (Promotion and Facilitation)
Ordinance Rules, 2020 (max. 200 words)**

Signature of the parties

Signature/Thumb expression of 1st disputant Signature of 2nd disputant
(Farmer) (Sponsor)

Witnesses (Name with Signature) (1) (2) Signature of Chairperson of Conciliation Board

1

2 3 4

(Name and signature of other members representing the disputants)

Copy to: (i) Sub-Divisional Magistrate of the jurisdiction. (ii) Chairperson of the conciliation
board. (iii) Every member of the conciliation board. Form-4 [(See rule 9(1))] Application to the

Sub-Divisional Authority for dispute settlement

To, Date:

The Sub -Divisional Authority,

Sir, In terms of sub-section (5) of section 9 of the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020, the following brief of the disputes, related facts and related documents are furnished by the undersigned with a request to resolve the dispute mentioned below.

Serial No.	Particulars
1.	Brief of Dispute (max. 300 words)[Enclosure may be attached if necessary]
2.	Consequence of conciliation board[Brief report of the board to be attached]
3.	Relief Sought
4.	Parties (Name and Address)
(i)	Applicant
(ii)	Respondent

Signature/Thumb Impression of Applicant

Enclosures: (i) PAN of trader (in case of trader) (ii)

Any other document supporting the fact

Form-5[(See rule 11(1))]Format for Memorandum of Appeal to the Appellate Authority

1. Personal details of Appellant and Respondent:

(i) Name and address of appellant with telephone/mobile no. (ii) Name and address of respondent with telephone/mobile no[* In case of trader PAN and e-mail ID may also be furnished]

2. Order against which appeal is filed with appeal details (copy of order along with documents to be attached):

(i) Authority passing the order appealed against (ii) Date of decision/order passed (iii) Date of serving the order Order relates to recovery payable to -----or -----(Yes/No) (iv) If Yes, amount of Recovery in Rs. ----- Payable to ----- (v) Order relates to penalty (Yes/No) (vi) If Yes, amount of Penalty in Rs. (vii) Any other, please specify

3. Ground of appeal and additional documents:

(i) Ground of appeal (each ground should not exceed 100 words) - (a) (b) (c) (iii) Additional documentary evidences, if any, other than produced during proceeding before Sub-Divisional Authority

4. Appeal filing details:

(i) Whether there is delay in filing the appeal (Yes/No) (ii) If 4(i) is Yes, mention the ground for condonation of delay (maximum. 100 words) (iii) Details of appeal fee paid

5. Relief sought with mention of any interim relief i.e. stay order (in max. 100 words)

Form of verification I, ----- the appellant, do hereby declare that what is stated above is true to the best of my information and belief. It is also certified that I have personally gone through the relevant provisions of the Ordinance and the rules framed thereunder.

Place Name and signature of the appellant with seal

Date

Form-6 [(See rule 14(2))] Format for Memorandum of Appeal to Appellate Authority under rule 14(2)

1. Personal details of Appellant:

(i) Name and address of appellant with telephone/mobile no. and e-mail id (ii) PAN No.

2. Order against which appeal is filed with appeal details (copy of order along with documents to be attached):

(i) Authority passing the order appealed against- (ii) Date of decision/order passed--- (iii) Date of serving the order-- (iv) Order relates to recovery payable to farmers and traders- (Yes/No) (v) If Yes, amount of Recovery Rs----- Payable to----- (vi) Order relates to penalty (Yes/No) (vii) If Yes, amount of total recovery in Rs.-

3. Ground of appeal and additional documents :

(i) Ground of appeal (each ground should not exceed 100 words) (a) (b) (c) (iii) Additional documentary evidences, if any, other than produced during proceeding before the Agriculture Marketing Adviser

4. Appeal filing details:

(iv) Whether there is delay in filing the appeal (Yes/No) (v) If 4(i) is Yes, mention the ground for condonation of delay (in maxi. 100 words) (vi) Details of appeal fee paid

5. Relief sought with mention of any interim relief i.e. stay order (in max. 100 words)

Form of verification I, ----- the appellant, do hereby declare that what is stated above is true to the best of my information and belief. It is also certified that I have personally gone through the relevant provisions of the Ordinance and the rules framed thereunder.

Place Name and signature of the appellant with seal

Date