

THE HONOURABLE SRI JUSTICE M.S.RAMACHANDRA RAO

W.P.No.39448 OF 2015

ORDER :

This Writ Petition is filed challenging the proceedings in ROC.No.55/2015, dt.NIL.08.2015 of the 4th respondent rejecting the petitioner's application for issuance of trade license to purchase and supply Subabul, Eucalyptus and Casurina in the notified area of the 4th respondent-Market Committee.

2. Counsel for the petitioner contends that the impugned order is based on the instructions of the Hon'ble Minister for Agriculture and Marketing, Government of Andhra Pradesh given in a review meeting held on 02.04.2015 directing that no fresh licenses should be issued to any trader under any circumstances to trade Subabul/Eucalyptus; that it is not known on what basis such a direction was issued; and that applications of certain other tradesman particularly, M/s. P.O.A.I. Logistics for trading in the above products were considered and subject to the condition of depositing Rs.50,00,000/- by way of bank guarantee, permission was granted to them. It is contended that no prejudice would be caused even if trade license is issued to the petitioner, since the petitioner is ready to furnish the trade license fee and also abide by the license conditions. Petitioner also claims that it has paid huge amounts to farmers and obtained orders from paper mills.

3. In the counter affidavit filed by respondents 1 to 3, they stated that the 4th respondent had rejected the petitioner's application for grant of trade license basing on certain instructions of Commissioner and Director of Agriculture Marketing Committee, State of Andhra Pradesh, Hyderabad vide Circular No.S1(1)392/2009, dt.14.12.2009 and unless prior permission of the said official is obtained, no new

license can be given.

4. There is no mention in the counter affidavit on what basis the Commissioner and Director of Agriculture Marketing Committee, State of Andhra Pradesh, Hyderabad had issued such a direction. In the counter affidavit filed by the 4th respondent, it is stated that the petitioner's husband claimed to have experience in trading and supply of wood, but the petitioner has no such license from the Agricultural Market Committee Kandukur, till now; and on that ground, the Circular dt.14.12.2009 of the Commissioner and Director of Agriculture Marketing Committee was invoked. There is also reference to some disputes between the companies who purchased these produces from the farmers and it is stated that some farmers were not paid.

5. Counsel for the petitioner, the Government Pleader for Agriculture and the Standing Counsel for 4th respondent have reiterated their submissions.

6. The fact that the petitioner has no experience in dealing with Subabul or Eculyptus or Casurina, is not a ground mentioned in the impugned order in rejecting the petitioner's application. The only ground mentioned in the impugned order for rejecting the petitioner's application was that the Hon'ble Minister has directed that no fresh license shall be given. Curiously, none of the counter affidavits of the respondents deal with this fact and they put blame on the 2nd respondent for giving such a direction. Therefore, the reasons now assigned in the counter affidavits cannot be given any weight.

7. Even assuming that some persons, who trade in these commodities, do not pay farmers, it is a dispute between such traders and those farmers and on that ground a blanket ban on issuing trade

licenses cannot be imposed.

8. Therefore, the impugned rejection of the petitioner's application for grant of trade license appears to be clearly arbitrary and contrary to the provisions of the Andhra Pradesh (Agricultural Produce & Live Stock) Markets Act, 1966 which was enacted for facilitating trading between farmers, who grow agriculture produce and traders, who deal in agriculture produce.

9. Therefore, the Writ Petition is allowed; the impugned order is set aside; the 4th respondent is directed to issue license in trading of Subabul, Eucalyptus and Casurina to the petitioner subject to the petitioner paying requisite fee and complying with all other conditions which the 4th respondent may stipulate as per the provisions of the Act. There shall be no order as to costs.

10. Consequently, Miscellaneous Petitions pending if any, shall stand closed.

M.S. RAMACHANDRA RAO, J

30th December, 2015.
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