

HIGH COURT OF ANDHRA PRADESH: AMARAVATI

MAIN CASE No: W.P.No.7228 of 2026

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PROCEEDING SHEET

Sl. No.	Date	ORDER	OFFICE NOTE
01	18.03.2026	<p><u>BSB,J</u></p> <p><u>I.A.No.1 of 2026</u></p> <p>This application is filed to stay the operation of the notice issued vide Roc.No.66/2025, dated 28.02.2026, pending disposal of the writ petition.</p> <p>The learned counsel for the petitioner submitted that the petitioner is doing business of raw cashew nuts exclusively imported from West African country through major ports and is not doing any business within the notified market area, yet the respondent No.3 has been issuing notices to the petitioner to pay fee under the misconception that business conducted in the notified area regarding any notified agricultural produce is subject to such fee, whereas “notified market area” defined under Section 2 (xii) and “notified area” defined under Section 2 (xi) of the A.P. (A.P.L.) Markets Act, 1966 are different and that Section 12 empowers A.M.C. to levy fee on “purchases” and “sales” made only in a “notified market area” and not a “notified area”. He further submitted that under the said misconception, the respondents are interfering with the business activities of the petitioner and stopping the vehicles at check</p>	Contd...

		<p>posts.</p> <p>He further submitted that previously when a notice dated 09.09.2025 had been given directing to produce books of accounts etc., a reply was given on 01.10.2025 indicating that the petitioner is not procuring agricultural commodities from within the “notified market area” and that it transacts directly from abroad through Tutucorin or Mangalore ports or purchases at the major ports, yet another notice dated 28.02.2026 was given to the petitioner demanding payment of Rs.3,16,272/- as fee payable on the business transactions.</p> <p>The learned Standing Counsel for the A.M.C. requested time for instructions. He further submitted that vehicles can be verified at the check posts of the notified area and therefore, it cannot be interference in the business. He further submitted that fee is leviable on the sales and purchases of notified agricultural produce within a “notified market area”, but he has no instructions as to where the unit of the petitioner is located.</p> <p>In the impugned notice, it was mentioned that the petitioner is transacting the notified agricultural produce within the “notified market area”, but there is no specific reference of place in spite of earlier reply given by the petitioner. Since as per Section 12, “market fee” can be levied only on the “sales” or “purchases” of “notified agricultural produce” within</p>	Contd...
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the “notified market area”, the respondent No.3 cannot demand such fee so long as the petitioner has transactions outside the “notified market area”, though within the “notified area”.

As such, interim order as prayed for is granted till 30.03.2026, subject to the condition that the petitioner shall not transact within the “notified market area” of the respondent No.3 without duly complying the requirement to pay market fee, since “notified area” is different from the “notified market area”.

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Post on 30.03.2026.

B.S.BHANUMATHI,J

NSM