

**PUNJAB VIDHAN SABHA**

**Bill No. 30-PLA-2017**

**THE PUNJAB RURAL DEVELOPMENT (AMENDMENT)  
BILL, 2017**

A

BILL

*further to amend the Punjab Rural Development Act, 1987.*

BE it enacted by the Legislature of the State of Punjab in the Sixty-eighth Year of the Republic of India as follows :—

1. (1) This Act may be called the Punjab Rural Development (Amendment) Act, 2017. Short title and commencement.

(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.

2. In the Punjab Rural Development Act, 1987 (hereinafter referred to as the principal Act), in section 5, in sub-section (1), for the words “rupees two”, the words “rupees three” shall be substituted. Amendment of section 5 of Punjab Act 6 of 1987.

3. In the principal Act, in section 7, at the end of clause (x), the word “and” shall be omitted and thereafter, the following clause shall be inserted, namely :— Amendment of section 7 of Punjab Act 6 of 1987.

“(x-a) to provide relief to debt stressed farmers of the State; and”.

4. (1) The Punjab Rural Development (Amendment) Ordinance, 2017 (Punjab Ordinance No. 6 of 2017) and the Punjab Rural Development (Second Amendment) Ordinance, 2017 (Punjab Ordinance No. 8 of 2017) are hereby repealed. Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the Ordinances referred to in sub-section (1), shall be deemed to have been done or taken under the principal Act, as amended by this Act.

## STATEMENT OF OBJECTS AND REASONS

The Punjab Rural Development Board was set up to increase the rural development, providing agricultural facilities to farmers and buyers, and providing relief of loss of agricultural produce due to natural disasters and for this purpose, THE PUNJAB RURAL DEVELOPMENT ACT, 1987 was created.

Punjab is an Agricultural State and its economy is mainly dependent on agriculture. Rural Development Fee @ 2% on *ad valorem* is levied on sale and purchase of Agricultural Produce. The Rural Development Fee is spent on better marketing of agricultural produce and development of market infrastructure/its maintenance. New project such as multi commodity maize dryers, grading of agricultural produce, ripening chambers and cold storage are initiated. Repairing of link roads are also undertaken with this Rural Development Fee. To promote and accelerate comprehensive and rural development including the construction or repair of rural roads, for establishment of Government veterinary hospitals and dispensaries in rural areas or up-gradation and improvement thereof, for making arrangements for supply of drinking water and for improving sanitation in rural areas, for promoting welfare of agricultural labourers and rural artisans and for carrying out such other purposes, as may be considered necessary by the Board in the interest of producers and for the benefit of the persons paying the fee including the dealers the Rural Development Fee rate from 2% to 3% was increased by amending the Section 5(1) of 'The Punjab Rural Development Act, 1987, by Ordinance No. 6 of 2017 and for the purpose of the use of Punjab Rural Development Fund to provide relief to the farmers, Section 7 of the Punjab Rural Development Act, 1987 was amended,—*vide* Ordinance No. 8 of 2017. Now these Ordinances are being converted in to an Act.

CAPTAIN AMARINDER SINGH,  
Chief Minister, Punjab.

CHANDIGARH :  
The 28th November, 2017.

SHASHI LAKHANPAL MISHRA,  
Secretary.

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*N.B.*— The above Bill was published in the *Punjab Government Gazette (Extraordinary)*, dated the 28th November, 2017 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).