

PUNJAB VIDHAN SABHA

Bill No. 23-PLA-2018

THE PUNJAB SETTLEMENT OF AGRICULTURAL INDEBTEDNESS
(AMENDMENT) BILL, 2018

A

BILL

further to amend the Punjab Settlement of Agricultural Indebtedness Act, 2016.

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

1. (1) This Act may be called the Punjab Settlement of Agricultural Indebtedness (Amendment) Act, 2018. 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 Settlement of Agricultural Indebtedness Act, 2016 (hereinafter referred to as the principal Act), in section 2, in clause (j), for the word “District”, the word “Divisional” shall be substituted. Amendment of section 2 of Punjab Act 15 of 2016.

3. In the principal Act, after section 3, the following section shall be inserted, namely :— Insertion of section 3-A in Punjab Act 15 of 2016.

“3-A. The Government shall notify the maximum amount of debt Minimum limit of debt. that can be advanced by the creditor to the debtor on per acre basis.”

4. In the principal Act, for section 5, the following section shall be substituted, namely :— Substitution of section 5 of Punjab Act 15 of 2016.

“5. (1) The Government shall establish a Divisional Agricultural Debt Settlement Forum (hereinafter referred to as Forum) at every division of the State to carry out the purposes of this Act within the territorial jurisdiction of such division. Establishment of Divisional Agricultural Debt Settlement Forum.

(2) The forum shall consist of three members including a Chairman and two members, to be nominated by the Government.

- (3) The Chairman of the Forum shall be the Commissioner of the division and two *ex-officio* members to be nominated, by notification, one each from the Department of Agriculture and Revenue.
- (4) The Forum shall have the jurisdiction to make settlement between the debtor and his creditor if—
- (i) the loan has been taken by the debtor or provided by the creditor for agricultural purposes; and
 - (ii) the total debt of the debtor does not exceed rupees fifteen lacs.”.

STATEMENT OF OBJECTS AND REASONS

The Punjab Settlement of Agricultural Indebtedness Act, 2016 was enacted to provide for a framework to regulate and settle non-institutional agricultural debts. The Act provided for establishment of Settlement Fora at each of the districts in the State. However, it is now considered more appropriate to establish the Fora at Divisional level to ensure free, fair and speedier settlement of non-institutional debts of farmers.

Further, the Government also feels that the maximum credit limit for the debtors may also be prescribed. With this objective, the Act of 2016 is proposed to be amended with the enactment of 'The Punjab Settlement of Agricultural Indebtedness (Amendment) Bill, 2018'.

AMARINDER SINGH,
Chief Minister, Punjab.

CHANDIGARH :
The 26th August, 2018

SHASHI LAKHANPAL MISHRA,
Secretary.

N.B.— The above Bill was published in the *Punjab Government Gazette (Extraordinary)*, dated the 26th August, 2018 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).