

Thirteenth Kerala Legislative Assembly
Bill No. 154

**THE KERALA FARMERS' DEBT RELIEF COMMISSION
(AMENDMENT) BILL, 2012**

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further to amend the Kerala Farmers’ Debt Relief Commission Act, 2006.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Farmers’ Debt Relief Commission Act, 2006 for the purposes hereinafter appearing;

BE it enacted in the Sixty-third Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Farmers’ Debt Relief Commission (Amendment) Act, 2012.

(2) It shall be deemed to have come into force on the 26th day of May, 2012.

2. *Amendment of section 2.*—In the Kerala Farmers’ Debt Relief Commission Act, 2006 (1 of 2007) (hereinafter referred as the principal Act) in clause (vii) of section 2, for the words “on or before the commencement of this Act”, the words “on or before the date of commencement of this Act or, in respect of any particular distress affected area in the State, on or before such date as the Government may, by notification in the Gazette, specify,” shall be substituted.

3. *Repeal and saving.*—(1) The Kerala Farmers’ Debt Relief Commission (Amendment) Ordinance, 2012 (40 of 2012) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

As per clause (vii) of section 2 of the Kerala Farmers’ Debt Relief Commission Act, 2006 (1 of 2007), only the liabilities due from the farmers on or before the date of commencement of the said Act is included in the definition of ‘debt’. The said Act came into force on the 18th day of January, 2007.

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The liabilities incurred after the said date do not come under this Act. Some farmers in Wayanad District in the State have committed suicide due to debt trap. The Government consider that this situation will cause far reaching unfavorable consequences among farmers and in the agriculture sector. In this circumstance, the Government have decided to bring all agricultural debts up to 31st October, 2011 in the said District also within the purview of the said Act. Therefore, the Government consider that amendments are to be made in the said Act so as to give relief to the farmers from the debt trap now being faced by them and by vesting the power to bring the debt liabilities up to a specific date in respect of any particular distress affected area within the purview of the Act, by notification in the Gazette, a situation shall be made to take urgent steps for such area. Therefore, the Government decided to amend the said Act.

2. Though a Bill relating to this subject to bring an Act of the State Legislature was published as Bill No. 72 of the Thirteenth Kerala Legislative Assembly, the same could not be introduced in, and passed by, the Legislative Assembly.

3. As the Legislative Assembly was not in session and the above decision had to be implemented urgently, the Kerala Farmers' Debt Relief' Commission (Amendment) Ordinance, 2012 was promulgated by the Governor of Kerala on the 26th day of May, 2012 and the same was published as Ordinance No. 39 of 2012 in the Kerala Gazette Extraordinary No. 1078 dated 26th May, 2012.

4. Through a Bill to replace Ordinance No. 39 of 2012 by an Act of the State Legislature was published as Bill No. 126 of the Thirteenth Kerala Legislative Assembly, the same could not be introduced in, and passed by, the Legislative Assembly of the State of Kerala during its session which commenced on the 11th day of June, 2012 and ended on the 25th day of July, 2012.

5. As per the provisions of sub-clause (a) of clause (2) of article 213 of the Constitution of India, the said Ordinance ceased to operate on the 23rd day of July, 2012.

6. In order to keep alive the provisions of the said Ordinance again and for validating the actions taken after the cesser of operation of the said Ordinance, the Kerala Farmers' Debt Relief Commission (Amendment) Ordinance, 2012 was promulgated by the Governor of Kerala on the 11th day of August, 2012 and the same was published as Ordinance No. 40 of 2012 in the Kerala Gazette Extraordinary No. 1695 dated 13th August, 2012.

7. This Bill is intended to replace Ordinance No. 40 of 2012 by an Act of the State Legislature.

FINANCIAL MEMORANDUM

Clause 2 of the Bill provides to bring the Agricultural debt liabilities up to different dates in respect of different distress affected area within the purview of the Act, by notification. But, as per the Statement of Objects and Reasons attached to the Bill, it can be seen that now the benefits of the Act is intended to be given to the debt liabilities in Wayanad District alone. It is seen that through the past performance of the Farmers' Debt Relief Commission in the State during the previous three years, 90 crore rupees has been given as relief to farmers and the interest levied on the debt of the farmers in the Wayanad District alone comes, approximately, to 80 crore rupees. Therefore the additional expenditure to the Government for extending the said benefit to the said District alone up to 31st October, 2011 will be about 50 crore rupees. Therefore, if this Bill is enacted and is notified in such a way to implement in the Wayanad District alone, a non-recurring expenditure of about 50 crore' rupees is expected out of the Consolidated Fund of the State.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 2 of the Bill which proposes to amend clause (vii) of section 2 of the Kerala Farmers' Debt Relief Commission Act, 2006 (1 of 2007) seeks to empower the Government to specify, by notification, the date up to which the liabilities included in the word 'debt' in the said Act covers in respect of any particular distress affected area in the State.

2. The matters in respect of which notification may be issued are matters of procedure, routine and is of administrative nature. Further after issue, they are subject to scrutiny by the Legislative Assembly. The delegation of legislative power is, thus, of a normal character.

ADOOR PRAKASH.

