

AS INTRODUCED IN THE RAJYA SABHA  
ON THE 12TH JULY, 2019

**Bill No. XL of 2018**

THE SAFEGUARDING AND ADJUDICATING FARMERS' ECONOMIC  
RIGHTS COMMISSION BILL, 2018

A

BILL

*to provide for the establishment of an autonomous body, called the Safeguarding and Adjudicating Farmers' Economic Rights Commission, to help improve the economic conditions of farmers, reduce their indebtedness and for all matters connected therewith or incidental thereto.*

BE it enacted in the Sixty-ninth year of the Republic of India as follows:—

1. (1) This Act may be called the Safeguarding and Adjudicating Farmers' Economic Rights Commission Act, 2018. Short, title and commencement.

(2) It shall come into force on such date as the Central Government shall, by notification  
5 in the Official Gazette, appoint.

Definitions.

**2.** In this Act, unless the context otherwise requires,—

(a) "Appropriate Government" means, in the case of State, the Government of the State and in all other cases, the Central Government.

(b) "Capital" includes any monetary assets or interest arising out of the same, owned or incurred by an individual or group of individuals. 5

(c) "Chief Commissioner" means the Chairman of the Commission.

(d) "Commission" means, the Safeguarding and Adjudicating Farmers' Economic Rights (SAFER) Commission established under section 3.

(e) "Committee" means the search-cum Selection Committee constituted under sub-section (5) of section 3. 10

(f) "Complainant" means a farmer or member related to a farmer, who has lodged a complaint with the Commission, in the prescribed format.

(g) "Creditor" means a person or institution that, in the regular course of business, advances finance to a farmer for any purpose, and shall include the legal representatives and successors-in-interest, whether by inheritance, assignment or otherwise, of the person or institution that advances the finance. 15

(h) "Farmer" means an Indian citizen who undertakes cultivation in his own land or in any other land on sharing basis or on lease or performs any other livelihood work related to agriculture.

(i) "Land" includes benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth. 20

(j) "Prescribed" means prescribed by rules made under this Act.

(k) "Small and Marginal Farmers" means a farmer, in possessions of irrigated or unirrigated land being used for agricultural purposes of a size of not more than two hectares. 25

Establishment of a SAFER Commission.

**3.** (1) The Central Government shall, by notification in the Official Gazette, establish the Safeguarding and Adjudicating Farmer's Economic Rights (SAFER) Commission, to alleviate economic indebtedness and protect farmers from economic exploitation.

(2) The Commission shall consist of:

(i) A Chief Commissioner—Chairman, with a term of four years. 30

(ii) A Deputy Chief Commissioner—Member, with a term of four years.

(iii) Secretary, Ministry of Agriculture and Farmer's Welfare—Member

(iv) Secretary, Ministry of Finance—Member

(v) Five Members to be appointed by the President, by warrant of his signature and seal, from amongst persons with special knowledge in the field of agriculture, agricultural finance and judicial matters connected therewith, each with a tenure of six years. 35

(3) Each Member of the Commission shall have an equal voting right on any decision made by the Commission:

Provided that the Chief Commissioner shall have a veto, which may be exercised for the reasons to be recorded in writing. 40

(4) All decisions of the commission shall be made by a simple majority,

(5) The Chief Commissioner and Deputy Chief Commissioner shall be selected by a Search-Cum-Selection Committee consisting of Cabinet Secretary (Chairperson), Secretary,

Ministry of Agriculture and Farmer's Welfare (Deputy Chairperson) and three other eminent agriculture scientists to be co-opted as members.

(6) The Committee shall submit a panel of names for the post of Chief Commissioner and Deputy Chief Commissioner from amongst person satisfying the criteria that he shall.

5 (i) be an eminent scholar or researcher or professor of agriculture, with noted publications in reputed sources, or an expert in building governance institutions for agriculture or agricultural finance, with certified experience of the same;

(ii) be an Indian Citizen or an Overseas Citizen of India; and

(iii) not be, or have been, a part of any registered political party.

10 (7) The Chief Commissioner and Deputy Chief Commissioner shall be appointed by the Central Government from the Panel submitted by the Committee.

(8) Any casual vacancy in the post of Chief Commissioner and Deputy Chief Commissioner shall be filled by the Central Government by the same procedure, within six months.

15 (9) The Central Government shall appoint such number of officers and other staff including experts to the Commission as may be required for its efficient functioning.

(10) The salaries and allowances payable to, and other terms and conditions of service of the Chief Commissioner, Deputy Chief Commissioner, Members, Officers and any other Staff, shall be such as may be prescribed.

(11) The Commission shall have the powers to regulate its own procedure.

20 **4.** (1) It shall be the duty of the Commission to take such steps, as it may deem appropriate, for the safeguarding of farmers' economic rights and alleviating economic distress amongst farmers.

Functions of  
the  
Commission.

(2) Without prejudice to the generality of the foregoing provision, the Commission shall perform the following functions for the economic welfare of farmers—

25 (a) Investigate all complaints made to the Commission, or any other relevant authority, by farmers regarding exploitation by creditors, illegal or malafide foreclosures on farmers' property, or any case of economic distress due to indebtedness:

Provided that the complaint is registered, in the prescribed format with the Commission within two months of an order for the execution of a decree to initiate debt recovery.

30 (b) investigate all complaints made to the Commission, by farmers, regarding the deprivation of farmers' economic rights, including but not limited to, access to subsidies, access to reliable markets and provision of Minimum Support Prices;

35 (c) investigate, or participate in ongoing investigations by submitting written Reports to the relevant authorities, any lapses in enforcement of current Central or State Acts regarding economic indebtedness and debt recovery in the agricultural sector; and

(d) participate in the planning process to alleviate the economic indebtedness and general agrarian distress amongst farmers in the country.

40 (3) During the period of investigation of any complaints made under sub-section (2) of section 4, the Commission shall have the powers to:

(a) introduce a temporary moratorium on debt recovery;

(b) introduce a temporary moratorium on the alienation of land; and

45 (c) conduct a Social Impact Assessment (SIA) regarding the process of debt recovery and alienation of property, giving regard to the complainant's and his dependants' income and its sources, in order to ascertain the minimum amount of land

and capital necessary to provide for the maintenance of the complainant and his dependants, including an adequate amount of shelter.

(4) On completion of investigation of any complaints made under sub-section (2) of section 4, the Commission shall have the powers to:

(a) declare null and void, in its entirety, any debt recovery or alienation of property that the Commission feels is manifestly unjust or illegal; 5

(b) order a partial exemption of land, living quarters and capital, owned by the complainant, based upon the Social Impact Assessment carried out under clause (c) of sub-section (3) of section 4; and

(c) advise the appropriate Government, through a written Report, to act upon— 10

(i) an established lapse in law enforcement;

(ii) an established lapse in provision of Minimum Support Price;

(iii) an established lapse in provision of any economic right guaranteed to farmers under existing State and Central Law; and

(iv) an established illegality in the process of debt recovery by a financial institution or finance provider named in said case; 15

(5) All investigations shall be completed within six months of the complaint being registered with the Commission.

Appropriate Government to consult the Commission.

**5.** (1) The appropriate Government shall consult the Commission on all matters relating to loan waivers, and any matters connected to farmer indebtedness. 20

(2) All Members barring the Secretary Ministry of Agriculture and Farmer's Welfare and the Secretary, Ministry of Finance, shall be involved in the consultation process.

(3) The Commission shall with regard to loan waivers submit a report to the appropriate Government delineating the quantum of waiver necessary for each individual applicant, giving a preference to small and marginal farmers. 25

(4) With regard to the completion of an investigation by the Commission on complaint under sub-section (2) of section 4, the Commission shall submit a report to the appropriate Government, including recommendations for enforcement of existing laws, policies and schemes and/or the enactment of new policies, laws and schemes and/or recommendations for the initiation of judicial processes against individuals found, by the investigation, to be acting illegally. 30

(5) The Commission shall with regard to any other matter connected to farmer indebtedness submit a report to the appropriate Government, under conditions as may be prescribed on a case-by-case basis.

(6) The appropriate Government shall respond to each a Report by the Commission in writing, accepting or rejecting its recommendations with reasons for the rejection. 35

Establishment of a Portal for Complaints.

**6.** (1) The Commission shall, within six months of its constitution establish a functional online Portal for Complaints to be made under this Act.

(2) The Portal shall have provisions for accepting the following:

(a) complaints made by farmers regarding matters falling under the purview of this Act. 40

(b) complaints made by farmers under any other existing Central or State Laws regarding agriculture or any matters connected therewith.

(c) complaints made by farmers to any other relevant authorities, regarding the levels of economic distress in agriculture or any matters connected therewith, that the complainant wishes to forward to commission. 45

(d) appeals made to the Commission by farmers, against the adjudication of a case by any State Debt Conciliation Board:

5 Provided that the complaints made offline, either in person or by post to the Block Development Officer or any other Officer of similar or higher rank shall be lodged with the Commission through the Online Portal, not more than three days after its receipt by concerned officer.

7. The Central Government shall, after due appropriation made by Parliament by law in this behalf, provide adequate funds from the Consolidated Fund of India to the Commission for carrying out of provisions made under this Act.

Central Government to provide adequate funds for the Commission.

10 8. (1) if any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to be necessary or expedient for removing the difficulty.

Power to remove difficulties.

15 (2) Every order made under this section shall, as soon as it may be after it is made, be laid before each House of Parliament.

9. The provisions of this Act shall have overriding effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Act.

Act to have overriding effect.

20 10. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Power to make rules.

25 (2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of parliament while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session, or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

## STATEMENT OF OBJECTS AND REASONS

India has a great tradition of agriculture. We are among the world's largest producers of wheat, rice, fruits, vegetables, sugarcane and cotton. We are the world's largest producers of pulses and milk. Farming provides almost 50% of the nation with its primary source of livelihood. We have seen massive advances in productivity, to the extent that we are now an entirely self-sufficient country when it comes to food demand *vis-a-vis* food supply. And yet, our farmers are the unhappiest they have ever been. The last few years have seen protests by farmers across the nation, from Delhi to Tamil Nadu. As a nation, we should not fail to provide for those who put food on our table. Be it in infrastructure, access to markets, agricultural finance or simply a fair price for their produce, farmers should be supported.

Several schemes and policies have been enacted to alleviate the distress within the agrarian sector. Governments have given loan waivers and regularly hiked the Minimum Support Prices, every time there is discontent within the farming community. However, there is a need to tackle the core, sectoral issues. Exploitation by moneylenders, subsequent alienation of land and property, unfair market prices and exploitation by middlemen—these are the key underlying issues that any policy or scheme to eventually fail. These issues makes keep the farmers stuck within a vicious cycle of debt and uncertainty. Taking away a farmer's land and only source of income through debt recovery he is unable to provide for his family with the middlemen hoarding all profits for himself, the farmer is forced to discontinue farming. There is, therefore, an urgent need to establish a SAFER Commission, whose sole purpose is to listen to farmers and fight for their economic rights. The Commission shall ensure that the farmers of the country know that the Government stands for them, and will do everything it can to ensure they get their fair share.

Hence, this Bill.

PARTAP SINGH BAJWA

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the establishment of the Safeguarding and Adjudicating Farmers' Economic Rights (SAFER) Commission. It also provides for the appointment of and payment of salaries for a Chief Commissioner, a Deputy Chief Commissioner, members, officers and any other staff as may be necessary. Clause 7 provides for the Central Government to provide adequate funds for the smooth functioning of the Commission. The Bill therefore, if enacted, would involve expenditure from the Consolidated Fund of India.

It is estimated that a recurring expenditure of rupees fifty crore will be involved. A non-recurring expenditure of rupees ten crore is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 10 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. As the rules will relate to matters of detail only, the delegation of legislative power is of a normal character.



RAJYA SABHA

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*(Shri Partap Singh Bajwa, M.P.)*