

# Rajasthan Relief of Agricultural Indebtedness Act, 1957

RAJASTHAN

India

## Rajasthan Relief of Agricultural Indebtedness Act, 1957

### Act 28 of 1957

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#### 019.

Received the assent of the President on the 11 the day of September, 1957. Published in Rajasthan Gazette, Part IV-A, Ex-Ord., dated 21.9.1957. (w.e.f. 15.5.1958) An Act to provide for the relief of agriculturists in the State of Rajasthan from indebtedness. Whereas it is expedient, in the interests of the general public, to make provision for the relief of agriculturists in the State of Rajasthan From indebtedness; Be it enacted by the Rajasthan State Legislature in the Eighth Year of the Republic of India as follows:

### 1. Short title, extent and commencement.

(1) This Act may be called the Rajasthan Relief of Agricultural Indebtedness Act, 1957. (2) It extends to the whole of the State of Rajasthan. (3) [ It shall come into force on such date as the State Government may, notification in the Official Gazette, appoint.] [Come into force on the 15th day of May, 1958 vide Rev. Deptt. Notification No. F.1(1681) Rev./D/57 (Published in Rajasthan Gazette, Part IV-C, Ex.-Ord., dated 2.5.1957).]

### 2. Definitions.

In this Act, unless the subject or context otherwise requires, (a) "agriculture" includes, (i) the raising of annual or periodical crops and garden produce, (ii) horticulture, (iii) the planting and upkeep of orchards, (iv) the reserving of land for fodder grazing or thatching grass; and (v) the breeding of cattle, camels, sheep or goats; (b) "agriculturist" means a person who earns his livelihood wholly or mainly from (i) agriculture, or (ii) rent from agricultural land, in case he belongs to any of

the categories of persons mentioned in clauses (a) to (h) of sub-section (1) of section 46 of the Rajasthan Tenancy Act, 1955 (Rajasthan Act 3 of 1955), and includes a person who ordinarily engages in agricultural labour or who works as an agricultural artisan;(bb)[ "bank" means a banking company as defined in section 5 of the Banking Companies Act, 1949 (Central Act 10 of 1949) and includes the State Bank of India and any other banking institution notified under section 51 of the said Act;] [Inserted by Rajasthan Act No. 33 of 1960 (published in Rajasthan Gazette, Part-A Ex.-ord. dated 27.9.1960.)](c)"debt" includes all liabilities owing to a creditor in cash or kind secured or unsecured, payable under a decree or order of a Civil Court or otherwise, whether due or not due, but shall not include land revenue or anything recoverable as land revenue other than liabilities payable under a decree of a village panchayat or any money for the recovery of which a suit is barred by limitation;(cc)[ "debtor" means an agriculturist or a member of Scheduled Caste or a Scheduled Tribe who is liable for debts aggregating to one hundred rupees or more, exclusive of claims in respect of liabilities mentioned in section 4;] [Inserted and shall be deemed to have been inserted with effect from 13.10.1961 vide section 2 of Rajasthan Act No. 9 of 1962 (published in Rajasthan Gazette, Part IV-A, Ex. Ord. dated 23.4.1962.)](d)[ "Debt Relief Court" ] [Debt Relief Courts have been established by Notification No. F.1(1681) Rev./D/57, dated 2.5.1958 (Published in Rajasthan Gazette. Part IV-C, dated 2.5.1958 as subsequently amended by Notification No. F.1(151)-LJ/B/60, dated 5.10.1960 (Published in Rajasthan Gazette, Part IV-C, dated 17.11.1960).] means a debt relief court established under section 3;(dd)[ "Scheduled Caste" means any of the castes, races or tribes, or parts of or groups within the castes, races to tribes, specified by the President under article 341 of the Constitution to be Scheduled Castes in relation to the State of Rajasthan;] [Inserted by 9 of 1962 (w.e.f. 13.10.1963)]

#### Additional Information6

List Of Scheduled Castes Throughout the State Except Ajmer Distt. Abu Area of Sirohi Distt. and Sunel Tappa Area of Jhalawar District1. Adi Dharmi2. Aheri3. Badji4. Bagri5. Bairwa or Berwa6. Bajgar7. Balai8. Bansphor9. Bagri. Vagri or Birgi10. Bawaria11. Bedia or Beria12. Bhand13. Bhani14. Bidakia15. Bola16. Chamar, Bhambhi, Jataia, Mochi, Raidass, Raiger or Ramdasia17. Chanal18. Chura19. Dabgar20. Dhankia21. Dheda22. Dome23. Gangia24. Garancha Mehtar or Ganoha25. Garo, Ganaura or Gurda26. Gavaria27. Godhi28. Jingar29. Kalbelia30. Kamad or Kamadia31. Kanjar32. Kapadia Sansi33. Khangar34. Khatik35. Koli or Kori36. Kooch Band37. Koria38. Kunjar39. Madari or Bazigar40. Majhabhi41. Megh or Meghwal42. Mehra43. Mehtar44. Nat45. Pasi46. Rawal47. Salvi48. Sansi49. Santia50. Sarbhangia51. Saragra52. Singiwala53. Thori or Navyak54. Tirgar55. ValmikiIn Ajmer District :1. Aheri2. Bagri3. Balai4. Bambhi5. Bansphod6. Baori7. Bargi8. Bazigar9. Bhangi10. Bidakia11. Chamar, Jatava, Jatia, Mochi or Raigar12. Dabgar13. Dhanak14. Dhad15. Dhobi16. Dhodi17. Dom18. Garoda19. Goncha20. Kabirpanthi21. Kalbelia22. Khangar23. Khatik24. Koli25. Koria26. Kuchband27. Mahar28. Meghwal29. Nat30. Pasi31. Rawal32. Sarbhangia33. Sargara34. Satia35. Thori36. Tirgar37. Kanjar38. SansiIn Abu Road Area of Sirohi District1. Ager2. Baked or Bant3. Bhambi, Bhambhi, Asadaru, Asodia, Chamadia, Chamar, Chambhar, Chamgar, Haralayya, Harali, Khalpa, Machigar, Moohigeer, Madar Madig, Telegu Mochi, Kamati, Mochi, Ranigar, Rohidas, Rohit or Samgar.4. Bhangi, Mehtar, Olgana, Rukhi, Malkana, Halalkhor, Laibegi, Balmiki, Korar or Zadamalli5. Chavadi6. Chena Dasar or Holaya Dasar7. Dhor, Kakkayya or Kankayya8. Garoda or Garo9. Halleer10. Halsar, Halsar Hulasvar or Halaswar11. Holar or Valhar12. Holaya or Holdar13. Lingader14. Maher, Taral, Dhegu

or Megu<sup>15</sup>. Mahayavanshi, Dhed, Vankar or Meru Vankar<sup>16</sup>. Mang, Matang or Minimadg<sup>17</sup>. Mang, Charudi<sup>18</sup>. Meghval or Meghvar<sup>19</sup>. Mu kari<sup>20</sup>. Nadia or Hadi<sup>21</sup>. Pasi<sup>22</sup>. Shenva, Chenva, Sedma or Ravat<sup>23</sup>. Tirgar or Tirbanpa<sup>24</sup>. TuriSunel Tappa Area Jhalawar District :1. Bagri or Bagdi<sup>2</sup>. Balai<sup>3</sup>. Banohada<sup>4</sup>. Barahar or Basod<sup>5</sup>. Barghunda<sup>6</sup>. Bedia<sup>7</sup>. Bhangi or Mehtar<sup>8</sup>. Bhanumat<sup>9</sup>. Bhamar, Bairwa, Bhami, Jatav<sup>10</sup>. Chidar<sup>11</sup>. Dhanak<sup>12</sup>. Dhed<sup>13</sup>. Dom<sup>14</sup>. Kanjar<sup>15</sup>. Khatik<sup>16</sup>. Koli or Kori<sup>17</sup>. Kotwal<sup>18</sup>. Mahar<sup>19</sup>. Mang or Mang Garodi<sup>20</sup>. Meghwal<sup>21</sup>. Nat, Kalbelia or Saper<sup>22</sup>. Pasi<sup>23</sup>. Pardhi<sup>24</sup>. Sanse<sup>25</sup>. Zamrat(ddd)"Scheduled Tribe" means any of the Tribes or Triba, communities, or parts of or groups within the tribes or tribal communities specified by the president under Article 342 of the Constitution to be Scheduled Tribes in relation to the State of Rajasthan;List Of Scheduled TribesThroughout the State Except Ajmer Distt. Abu Area of Sirohi Distt. and Sunel Area of Jhalawar District :1. Bhil<sup>2</sup>. Bhil Mina<sup>3</sup>. Darner, Damaria<sup>4</sup>. Garasia (excluding Rajput Garasia)<sup>5</sup>. Mina<sup>6</sup>. Sehria or SahariyaIn Ajmer District :1. Bhil<sup>2</sup>. Bhil MinaIn Abu area of Sirohi District :1. Barda<sup>2</sup>. Bavacha or Bamocha<sup>3</sup>. Bhil (including Bhil Garasia), Dholi, Bhil, Dungri Bhil,. Dungri Garasia, Mewasi Bhil, Rawal Bhil, Tadvil Bhil, Bhagalia, Bhilala, Pawara, Nasava and Vasay.<sup>4</sup>. Ghodhara<sup>5</sup>. Dhanka (including Tadvil Tetaria and Valvi)<sup>6</sup>. Dhodia<sup>7</sup>. Dubia (including Talavia or Halpari)<sup>8</sup>. Gamit or Gamta or Gavit (including Mavchi Padvi, Vasave and Valvi)<sup>9</sup>. Ground or Raj Gond<sup>10</sup>. Kothadi or Kathari (including Dhor Kathodia or Dhor Kathodia and Dhar Kathodia or son Rothari)<sup>11</sup>. Kokna, Kokni, Kukna<sup>12</sup>. Koli Dhor, Tokre Koli, Kolcha or Kolgha<sup>13</sup>. Naikda or Nayaka (including cholivala Nayaka, Kapadia Nayaka, Mota Nayaka and Nana Nayaka)<sup>14</sup>. Pardhi (including Advichincher and Phanse Pardhi)<sup>15</sup>. Patelia<sup>16</sup>. Pola<sup>17</sup>. Rathawa<sup>18</sup>. Varli<sup>19</sup>. Vitoia, Kotwalia or BarodiaIn Sunel Tappa of Jhalawar District1. Gond<sup>2</sup>. Korku<sup>3</sup>. Seharia

(e)[.....] [Ommitted by Rajasthan Act No. 33 of 1960 (Published in Rajasthan Gazette, part IV-A Ex.-Ord., dated 27.9.1960.)(f)"State" means the State of Rajasthan as formed by section 10 of the State Re-organisation Act, 1956 (Central Act 37 of 1956);(g)"Village Panchayat" means [a Nyaya panchayat] [Ommitted by Rajasthan Act No. 33 of 1960 (Published in Rajasthan Gazette, part IV-A Ex.-Ord., dated 27.9.1960.) established or deemed to be established under the [Rajasthan Panchayat Act, 1953] [Please now see Rajasthan Panchayati Raj Act, 1994 (13 of 1994).] (Rajasthan Act XXI of 1953).

## 2A. [ Application of Act to Scheduled Caste or Scheduled Tribes.

From such date as may be appointed in this behalf by the State Government by notification in the Official Gazette, the provisions of this Act shall also apply to all the members of the Scheduled Castes or Scheduled Tribes or both, wherever residing in the state in the same manner as they apply to agriculturists and the word 'agriculturist', wherever occurring in this Act, shall, unless the subject or context otherwise requires, be deemed to include a member of a Scheduled Caste or a Scheduled Tribe irrespective of whether or not he is an agriculturist within the meaning of clause (b) of section 2.] [Inserted and shall be deemed to have been inserted with effect from 13.10.1961 vide section 3 of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part 1V-A, Ex.-Ord., dated 23.4.1962).]

### 3. Establishment of Debt Relief Courts.

(1) Notwithstanding anything contained in the Rajasthan Civil Courts Ordinance, 1950 (Rajasthan Ordinance VII of 1950), the State Government may establish Debt Relief Courts with such jurisdiction, as it may determine and may appoint persons possessing the prescribed qualification to be judges of such courts.

### 4. Inapplicability of the Act in certain cases.

The provisions of this Act shall not effect claims due in respect of : (a) rent as defined in clause (22) of section 5 of the Rajasthan Tenancy Act, 1955 (Rajasthan Act 3 of 1955) ; (b) any liability in respect of any sum due to any society registered or deemed to be registered under the [Rajasthan Co-operative Societies Act, 1953] [Omitted by Rajasthan Act No. 33 of 1960 (Published in Rajasthan Gazette, Part IV-A, Ex.-Ord. dated 27.9.1960).] (Rajasthan Act IV of 1953); (c) any liability arising out of a breach to trust; (d) any liability in respect of maintenance whether under a decree of a court or otherwise. (e) any liability due to a [.....] [Rajasthan Co-operative Societies Act, 1965 Repealed by Rajasthan Co-operative Societies Act, 2001 (Please see the New Act 2001).] bank,-

#### Additional Information<sup>6</sup>

[Scheduled Banks] [Notification No. F.1(30) Co-op-II/65, dated 2.3.66 (Published in Rajasthan Gazette Ex.-Ord., Part IV-C. dated 2.3.1966.)] Notification. In exercise of the powers conferred by clause (e) of section 2 of the Reserve Bank of India Act, 1934 (Central Act 2 of 1934), the Government of Rajasthan hereby declare the Rajasthan State Industrial Co-operative Bank Ltd., Jaipur to be a Central Co-operative Bank within the meaning of the said clause in addition to the following Central Co-operative Banks: 1. The Sikar Kendriya Sahakari Bank Ltd., Sikar. 2. The Central Co-operative Bank Ltd, Bikaner. 3. The Jaipur Central Co-operative Bank Ltd., Jaipur. 4. The Sawai Madhopur Central Co-operative Bank Ltd., Sawai Madhopur. 5. The Alwar Central Co-operative Bank Ltd., Alwar. 6. The Chittorgarh Kendriya Sahakari Bank Ltd., Chittorgarh. 7. The Kota Central Co-operative Bank Ltd., Kota. 8. The Udaipur Central Co-operative Bank Ltd., Udaipur. 9. The Tonk Central Co-operative Bank Ltd., Tonk. 10. The Pali Central Co-operative Bank Ltd., Pali. 11. The Banswara Central Co-operative Bank Ltd., Banswara. 12. The Ajmer Central Co-operative Bank Ltd., Ajmer. 13. The Ganganagar Kendriya Sahakari Bank Ltd., Ganganagar. 14. The Jhunjhunu Kendriya Sahakari Bank Ltd., Jhunjhunu. 15. The Jhalawar Kendriya Sahakari Bank Ltd., Jhalawar. 16. The Sirohi Central Co-operative Bank Ltd., Sirohi. 17. The Dungarpur Kendriya Sahakari Bank Ltd., Dungarpur. 18. The Bhilwara Central Co-operative Bank Ltd., Bhilwara. 19. The Bharatpur Central Co-operative Bank Ltd., Bharatpur. 20. The Bundi Central Co-operative Bank Ltd., Bundi. 21. The Jodhpur Central Co-operative Bank Ltd., Jodhpur. 22. The Churu Central Co-operative Bank Ltd., Churu. 23. The Barmer Central Co-operative Bank Ltd., Barmer. 24. The Nagaur Central Co-operative Bank Ltd., Nagaur. 25. The Jalore Central Co-operative Bank Ltd., Jalore. [Notification. In exercise of the powers conferred by clause (e) of section 2 of the Reserve Bank of India Act, 1934 (Central Act 2 of 1934), and in supersession of this department declaration of even number dated the 2nd March, 1966, the Government hereby declare the Rajasthan State Industrial Co-operative Bank Ltd., Jaipur to be a State Co-operative Bank within the meaning of the

said clause, in addition to the Rajasthan State Co-operative Bank Ltd., Jaipur.] [Notification No. F.1(30) Co-op-11/65, dated 12.1.66 (Published in Rajasthan Gazette Ex.-Ord., Part 1V-C, dated 11.8.1966.][Foreign Banks] [American Express International Banking Corporation (Name altered See Gazette of India, Pt. 111. section 4. dated 30.3.1968, at page 132)]Bank of China, Calcutta Bank of TokyoBritish Bank of Middle EastChartered BankComptoir National D'Escompte de ParisEastern BankFirst National City Bank of New YorkGeneral Bank of netherlandsHabib BankHongkong and Shanghai Banking CorporationMercantile BankMitsui BankNational and Grindlays Banks[National Bank of Pakistan] [Dissolved. See Gazette of India, Pt.-III, Section 4, dated 8.1.1966 at page 96.]Nationalised BanksAllahabad BanksBank of Maharashtra, PoonaCentral Bank of India[Wank of Baroda.] [Deleted by DBO No. 4 'Owl' C. 102/69 (Gazette of India, Pt.-III, Section 4, 1969 at page 702)]Dena Bank, BombayIndian Bank, MadrasIndian Overseas Bank, MadrasSyndicate BankUnion Bank of India, BombayUnited Bank of IndiaUnited Commercial Bank Ltd., CalcuttaPunjab National BankBank of India, BombayOther BanksAdodhia Bank, FyzabadAndhra Bank, MasulipatamBank of America National Trust and Savings Association[Bank of Karad] [Inserted, by 13130-No. 89/Ind/C-102-69, dated 5.6.1968][Bank of Kerala Ltd.] [Inserted by DBO No. 89/Ind/C-102-68 (Gazette, of India. Pt.-111, Section 4, 1968 at page 190)]Bank of Madura Ltd., MaduraiBank of Karnatak, Hubli Bank of Rajasthan, UdaipurBareilly Corporation (Bank), BareillyBelgaum Bank[Benaras State Bank] [Deleted see Gazette of India, Pt-III 54, dated 1964 at page 213.]Canara BankCanara Banking Corporation, UdipiCanara Industrial and Banking Syndicate, Udipi[Gatholic Syraian Bank Ltd., Trichur] [Inserted by DBO 90/Incl./C-102-69 (Gazette of India, Pt.-III, Section 4, 1969 at page 501)][Federal Bank Ltd., Alwaye] [Inserted by DBO 94/Ind./C-102-69 (Gazette of India, Pt.-III, Section 4, 1970 at page 514)]Gadodia Bank, BombayHindustan Commercial Bank, CawnporeHindustan Mercantile Bank, Calcutta[Industrial Development Bank of India] [See Gazette of India, Pt.-11, Section 3(ii), 1964 at page 4102.][J. and K. Bank Ltd., Sringer] [See Gazette of India, Pt.-111, 1971 at page 2041.]Karnani Industrial BankKarnataka Bank Ltd., MagaloreKarur Vysya BankKrishnaram Baldeo Bank (Private) Ltd., GwaliorKumbakonam Bank Ltd.Lakshmi Commercial BankLakshmi Vilas Bank Ltd., KarurMiraj State BankNadar Bank Tuticorin[Nedgungadi Bank, Calicut.] [deleted - See Gazette of India, Pt.-11, Section (i), 1964 at page 1981.]New Bank of India Ltd.Oriental Bank of CommercePandyan BankPunjab and Sind Bank, AmritsarPunjab Co-operative Bank, Amritsar[Punbachal Bank Ltd., Gauhati] [Gazette of India, P1.-II, Section 3(H), Extra at 1972 Page 1291]Ratnakar Bank Ltd., Kolhapur[Sangli Bank] [Omitted-Gazette of India, Pt.-III, Section 4, 1964 at page 470.]South India Bank, TinnevelySouth Indian Bank Ltd., TrichurState Bank of HyderabadState Bank of IndiaState Bank of JaipurState Bank of PatialaState Bank of SaurashtraTenjore Permanent Bank Ltd., Tanjore[Tamilnadu State Co-operative Bank Ltd., Madras [See Gazette of India, 1973, Pt. III, Section. 4, 1967 at page 528.]Trader's Bank Ltd.Travancore Bank Ltd., Trivendrum TalukaUnited Industrial Bank, Calcutta[United Western Bank Ltd., Satara] [Deleted by DBO No. 87/Excl./C/182-67, Gazette of India, Pt.-III, Section 4, 1967 at page 528.]Vijaya Bank Ltd., MangaloreVysya Bank, Bangalore CityWest Bengal Co-operative Bank Ltd., Calcutta.

(f)arreares of wages or salary;(g)any liability in respect of village profits or of land revenue arising between co-sharers and the lambardars or between a proprietor and a thekedar or a farmer of proprietary rights or between co-sharers in ijara and jagir villages;(h)a mortgagage claim against property in the hands of subsequent transferee who has taken the transfer in order to satisfy the mortgagage;(i)any liability arising between mortgagor and mortgaggee in respect of land revenue of the

mortgaged property which has been paid by the mortgage on behalf of the mortgagor;(j)any revenue or tax payable to Government or any other sum of money due to Government by way of or towards repayment of loan or otherwise;(k)any tax payable to a local authority and any other sum of money due to it by way of or towards repayment of a loan or otherwise.

**5. [Abatement or stay of suit or insolvency petition. [Substituted and shall be deemed to have been substituted with effect from 13.10.1961 vide section 4 of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A Ex.-Ord. dated 23.4.1962.)]**

(1) Whenever a suit. or an insolvency petition against a debtor shall have been brought or made and pending in a competent court and such debtor or the person who brought or made such suit or petition applies to such court in this behalf, the court shall: (i)abate such suit or petition if it is satisfied on affidavit or otherwise that an application, to the Debt Relief Court under section 6 or section 6A has been made admitted and is pending, or(ii)stay proceedings in such suit or application, if it is satisfied as aforesaid that the defendant or the opposite party, as the case may be is a debtor within the meaning of this Act:Provided that, in the case of an application for stay under clause (ii), the court shall fix a period, not exceeding ninety days, within while the application to the debt Relief Court shall be made.(2)If any such suit or petition as is referred to in sub-section (1) shall have been pending(i)against a member of a Scheduled Caste or a Scheduled Tribe, at the Date of the applicability of this Act to such caste or tribes appointed under section 2A and(ii)In other case at the date of the commencement of this Act, an application for stay of proceedings under sub-section (1) may be made within six months of the date of such, applicability or such commencement, as the case may be.]

**6. [Application to Debt Relief Court. [Substituted vide section 5 of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, part IV-A, Ex-ord. dated 23.4.1962.)]**

(1) Any debtor who is liable for debts individually or jointly with another person, may file an application before the Debt Relief Court having jurisdiction in the area in which he ordinarily resides or earns his livelihood praying for the determination of his debts.(2)Such an application praying for the determination of the debts, outstanding against a debtor, may also be filed by his creditor or his surety, whether such debtor is liable for such debts individually or jointly with another person.(3)Every application under sub-section (1) or sub-section (2) shall be signed and verified in accordance with order VI, rule 15, of the first Schedule to the Code of Civil Procedure, 1908 (Central Act V of 1908) and shall contain the following particulars, namely: (a)a statement that the debtor Is an agriculturist or a member of a Scheduled Caste or a Scheduled Tribe.(b)the place where the normally resides,(c)a statement of all his debts outstanding against him, including those referred to in section 4, as nearly as may be ascertainable and the names and addresses of his creditors,(d)a statement of all his property, including claims due to him. together with a specification of the value of his property and the place or places at which any such property is to be found, and(e)such other particulars, as may be prescribed;(4)In cases covered by clause (ii) of

sub-section (1) of section 5. all applications pending before Debt Relief Courts at the commencement of the Rajasthan Relief of Agricultural Indebtedness (Amendment) Ordinance, 1961 (Ordinance No. 7 of 1961), shall continue and be deemed to have been presented under this section.(5)All applications pending before Debt Relief Courts at the commencement of the Rajasthan Relief of Agricultural Indebtedness (Amendment) Ordinance, 1961 (Ordinance No. 7 of 1961), shall continue and be deemed to have been presented under this section.(6)The suit or insolvency petition in which proceeding may have been stayed under clause (ii) of sub-section (1) of section 5 shall abate(i)if no such application as is referred to in sub-section (4) is filed, or(ii)if such an application is admitted and notice of such admission has been received by the court concerned.(7)If such an application is rejected, the debtor shall not be entitled to file another application in any Debt Relief Court and any proceedings stayed under sub-section (1) of section 5 shall be resumed.]

## **6A. [ Application for recording settlement.**

(1) If any debtor and all or any of his creditors arrive at a settlement in respect of debt's due by the debtor to such creditors or creditors, the debtor or all or any of such creditors may, within thirty days from the date of such settlement, make an application to the Debt Relief Court having jurisdiction in the area in which the debtor ordinarily resides or earns his livelihood, praying for recording such settlement.(2)Every such application shall be in the prescribed form and shall be signed and verified in the manner laid down in sub-section (3) of section 6.(3)On receipt of such application, the creditor or the Court shall, after giving notice in the prescribed manner to the creditor or the debtor, as the case may be, and after making such inquiry as it thinks fit, record such settlement and certify the same if is satisfied that such settlement is bona fide and is not made with intent to defeat or delay any of the creditors of the debtor and is in the interest of the debtor. Every settlement so recorded and certified shall be binding and shall not be reopened.(4)After the Debt Relief Court has recorded and certified a settlement under sub-section (3), it shall call upon the debtor to declare if there are any other debts due by the debtor which are not included in the settlement. If the debtor makes a declaration that there are no such debts, the court shall make an order in terms of the settlement.(5)If the Court is satisfied, after recording and certifying such settlement, that there are also other debts due from the debtor which are not included in the settlement the court shall treat the application under sub-section (1) as having been admitted as an application under section 6.] [Inserted and shall be deemed to have been inserted with effect from 13.10.1961 vide sections 5 and 7 of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex-Ord., dated 23.4.1962.)]

## **7. Preliminary procedure in proceedings under section 6.**

Upon the admission of an application under section 6 [or section 6A] [Inserted and shall be deemed to have been inserted with effect from 13.10.1961 vide sections 6 and 7 of Rajasthan of Act No. 9 of 1962 (Published in Rajasthan Gazette Part IV-A, Ex.-Ord. dated 23.4.1962.)] all creditors of the applicant, including those to whom any liability referred to in section 4 is, due, shall be joined as parties to the proceedings and Debt Relief Court shall pass an order fixing a date of hearing, shall cause notice of such date, together with a copy of the application, to be served on all such creditors

of the applicant and shall cause copies of such notice and application to be affixed to the Court house.

## **8. Submission of claims by creditors.**

(1) On or before the date fixed for the hearing of the creditors under section 7, which shall not be earlier than two months from the date of service of notice or of the issue of proclamation under Order, V, rule 20, of the First schedule to the Code of Civil procedure 1908 (Central Act V of 1908), every creditor shall submit a statement of his claim signed and verified in the manner prescribed by order VI, rule 15 of the first Schedule to the said Code, such Statement shall be submitted in person, by agent, by pleader or by registered post and every claim not so submitted deemed for all purposes and all occasions to have been. discharged as against such debtor or debtors: Provided that, if the Debt Relief Court is satisfied that for good and sufficient cause any creditor was unable to submit his claims, it may extend the time upon such conditions, as to costs as it may think fit and may revive the claim. (2) On the date on which the case is fixed for hearing, every creditor shall produce the documents in his possession or control on which he bases his claim. he shall also furnish a full and true statement of accounts of all previous transactions between him and his debtor leading to the claim and his account books or copies thereof, if any, in his possession or control. If such documents and statement are not produced at such hearing or at any adjourned hearing fixed for the purpose by Debt Relief Court, the Court may declare such claim to be discharged for all purposes and all occasions against such debtor or debtors : Provided that, if the Debt Relief Court is satisfied that any creditor was, for good and sufficient cause, unable to produce such documents or statements, it may, on such condition as to costs as it may think fit, extent the date for the purpose and may revive the claim.

## **9. Debt Relief Court to require proof of validity and subsisting character of debts.**

On the day fixed for the hearing of the case or on any subsequent day to which the hearing may be adjourned, the Debt Relief Court shall require proof of the validity and subsisting character of the debts.

## **10. Determination of debts.**

(1) Notwithstanding anything contained in any enactment for the time being in force or in any agreement between the parties or the persons through whom they claim, as to allowing compound interest or treating without' an account the profits of mortgaged property to be interest on the mortgage money or specifying the mode of otherwise setting accounts, and notwithstanding any writing, statement or settlement of accounts or any agreement purporting to close previous dealings and create a new obligation, the Debt Relief Court shall: (i) re-open all transactions carried on during [fifteen years] [Substituted and Inserted and shall be deemed to have been Substituted and Inserted w.e.f. 13.10.1961 vide section 8 Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex-Ord., dated 23.1962)] immediately proceeding the last transaction or the first



day of January, 1952, whichever is earlier, (ii) ascertain the amount and date of each loan originally advanced, and (iii) draw up an account, which, in case there are more creditors than one, shall be prepared separately for each of them in the manner laid down hereunder, namely: (a) separate accounts of interest and principal shall be taken upto the date of the application filed under section 6 [or under sub-section (1) of section 6A, as the case may be.] [Substituted and Inserted and shall be deemed to have been Substituted and Inserted w.e.f. 13.10.1961 vide section 8 Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex-Ord., dated 23.1.1962)] (b) in the account of principal moneys advanced, there shall be debited to the debtor such moneys, as may from time to time have been actually received by him or on his account from each creditor and the price of goods, if any, sold to the debtor, by such creditor, as part of the transaction : Provided that there shall not be so debited to the debtor: (i) any sum in excess of the amount due or to accrue due under a decree which the debtor may have agreed directly or indirectly to pay in pursuance of any agreement relating to the satisfaction of such decree, or (ii) any accumulated interest which has been converted into principal in any statement or settlement of accounts or by any contract made in the course of the transactions. (c) in the account of interest, there shall be debited to the debtor simple interest on the balance of the principal moneys for the time being outstanding at the rate stipulated by the parties or, if the debt is payable under the decree or order of the Civil Court, at the rate provided for in such decree or order or at the rate of six percent per annum in the case of secured loans and nine per cent per annum in the case of unsecured loans, whichever is the lowest. (d) all moneys paid by or on account of the debtor to the creditor or on his account and of profits, services or other advantages of every description received by the creditor in the course of the transaction estimated, if necessary, at such money value as the Debt Relief Court in its discretion or with the aid of valuers appointed by it may determine, shall be credited first in the account of interest and, if any such payment or the money equivalent of any such profits, services or other advantages, exceeds the balance of interest due at the time it is made, the residue thereof shall be credited to the debtor in the account of principal moneys: (e) if the aggregate of the amounts so credited in the account of interest is equal to the total amount of the principal, no further interest thereon shall be deemed to be due; (f) If such aggregate is less than the total amount of the principal, further interest, if due in accordance with the provisions of clause (c), may be allowed to the maximum limit of the difference between such aggregate and the total amount of the principal: (g) the Debt Relief Court shall, in the manner laid down in this sub-section and subject to the provisions of the succeeding sub-sections, determine and declare separately the amounts outstanding against the debtor as principal and interest. (2) A Debt Relief Court shall reduce by forty percent, the principal amount of the loans advanced prior to the 1st of January, [1945] [Substituted and Inserted and shall be deemed to have been Substituted and Inserted w.e.f. 13.10.1961 vide section 8 Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex-Ord. dated 23.4.1962.)] as found in accordance with the provisions of sub-section (1) to be due on the date of the application filed under section 6 [or under sub-section (1) of section 6A, as the case may be.] (3) Notwithstanding anything contained in this Act or in any other law for the time being in force, no Debt Relief Court shall award on account of arrears of interest a sum exceeding the total amount of principal found due in accordance with the foregoing provision of this section. (4) If a Debt Relief Court finds that nothing is due to the creditor it shall pass an order discharging the debt. (5) If the aggregate of the amounts credited in the account of interest in the manner laid down in sub-section (1) is less than the total amount of the principal, the difference between the total amount so credited and the total amount of the principal or the balance

outstanding in the account of interest, whichever is less, shall be allowed as interest.(6)Nothing contained in this Act shall be deemed to require the creditor to refund any some which has been paid to him or to increase the liability of the debtor to pay any amount in excess of that which would have been payable by him, if this Act had not been passed.(7)In the case of any transaction carried on between a debtor and a creditor in kind in the form of grain or goods for the purpose of manure or seed or any other purpose, the account of such transactions shall be prepared in terms of the money equivalent of such grain or goods calculated at the market price thereof prevailing at the time of the transaction.

## **11. Preparation of a scheme of repayment and transfer of debtor's property.**

(1) When the amount due has been determined under section 10 the Debt Relief Court shall after taking into account the liability of the debtor in respect of claims referred to in section 4, prepare a scheme of payment of the debtor's debts.(2)If the debtor has transferable property which he is willing to transfer to enable him to repay the whole or any part of his Debts, the Debt Relief Court may sanction such transfer on such conditions as it may think necessary to impose in order to safeguard the rights of the creditors including those to whom any liability referred to in section 4 is due and may grant such reasonable time as is necessary for the debtor to transfer such property: Provided that, when there is any mortgage, lien or charge upon the property, such sanction shall be given only upon terms which will ensure that such mortgage, lien or charge shall subsist to such extent as is sufficient to safeguard the interests of the secured creditor:Provided further that when a transfer has been agreed to before the Debt Relief Court by the parties to the proceedings and either party fails to complete the transaction within a period of sixty days, the court may take action, as far as may be, under Order XXI, rule 32 of the First Schedule to the Code of Civil Procedure, 1908 (Central Act V of 1908) :(3)if, after the transfer of property, if any, under sub-section (2), the debts as determined under section 10 have not been satisfied, the Debt Relief Court shall fix instalments for the repayment of the remaining debts in such manner, as may be prescribed and may, in case of default, order payment of simple interest at a rate not exceeding four per cent, if the debt is unsecured and three percent if it is secured:Provided that, if in the opinion of the Court, such debtor has unreasonably refused to transfer property in satisfaction of the whole or part of his debts, it may award a rate of interest not exceeding six percent per annum in the case of secured loans and nine percent per annum in the case of unsecured loans :Provided further that, in fixing instalments, the Debt Relief Court shall have regard to the extent of the transferable property in the possession of the debtor and his paying capacity to be determined by rules made by the State Government in this behalf.(4)When instalments have been fixed under the preceding sub-section, the Debt Relief Court shall draw up a final decree under its seal and signature of the Judge or Judges thereof and such decree shall be deemed to be a decree of the lowest Civil Court having jurisdiction over the local area in which the debtor ordinarily resides or earns his livelihood & shall be executable as such but no appeal shall lie therefrom nor shall lawyer's fee be taxed therein.

### **11A. [ Settlement during the pendency of proceedings.**

notwithstanding anything contained in section 10 and 11, if during the pendency of the proceedings before a Debt Relief Court a settlement is arrived at between the debtor and all his creditors and if

the Debt Relief Court is satisfied that the settlement has been made by the debtor voluntarily, and is for his benefit such court may make order in terms of such settlement.] [Inserted and shall be deemed to have been inserted w.e.f. 13.10.1961 vide section 9 of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex-ord. dated 23.4.1962.)]

## **12. Suspension of payment of instalments.**

When the land revenue or rent, as the case may be, due by the debtor is suspended or remitted in whole or part, the instalment shall be suspended and shall become payable one year after the last of the remaining instalments. No interest shall be charged on such suspended instalments.

## **13. Invalidity of transfer made by debtors in certain circumstances.**

(1) No transfer of immovable property shall be valid if made by a debtor in respect of whose debts, proceedings are pending [under section 6 or section 6A, unless made with the sanction of the Debt Relief Court.] [Substituted and shall be deemed to have been Substituted w.e.f. 13.10.1961 vide section 10 of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex-ord, dated 23.4.1962).](2) Every transfer of immovable property made by a debtor, in respect of whose debts a scheme has been prepared under sub-section (1) of section 11, shall be void unless made with the sanction of the Collector within whose jurisdiction, the debtor ordinarily resides or earns his livelihood. The Collector shall not sanction any transfer of such property unless he is satisfied that such transfer will not defeat the claims of any creditors, the payment of whose claims has been ordered by such scheme.

## **14. Application of sections 49 and 50 and Order XXII of the Code of Civil Procedure.**

If during the period for which the scheme prepared under section 11 is in force, the debtor or the creditor dies, the provisions of section 49 and 50 and Order XXII of the First Schedule of the Code of Civil Procedure, 1908 (Central Act V of 1908) shall, as far as may be, apply.

## **15. Act inapplicable to debt payments by insolvents.**

Nothing contained in this Act shall apply to the debts payable by any person who has been adjudicated an insolvent prior to the commencement of this Act [or, in the case of a member of a Scheduled Caste or a Scheduled Tribe, prior to the applicability thereof under section 2A] [Substituted and shall be deemed to have been Substituted w.e.f. 13.10.1961 vide sections 10 of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex.-ord., dated 23.4.1962).], provided that the adjudication has been not annulled before or after such commencement [or applicability] [Inserted and shall be deemed to have been Inserted w.e.f. 13.10.1961 vide sections 12 & 13 respectively of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex.-ord., dated 23.4.1962).].

## **16. Application of Civil Court procedure to Debt Relief Court.**

The Debt Relief Court, in regard to proceedings under this Act, shall so far as is practicable, have the same powers and shall follow the same procedure as it would have and follow, if it were a Court of Original Civil Jurisdiction.

## **17. Revision of order of Debt Relief Courts.**

Any person aggrieved by an order of a Debt Relief Court may, within ninety days of such order, apply to the District Court for revision of the order on any of the following grounds: (a) that the order is contrary to law; (b) that the court has exercised a jurisdiction not vested in it by law or has failed to exercise a jurisdiction vested in it by law; (c) that the instalments fixed under sub-section (3) of section 11 are inequitable; but, subject to the orders of the District Court on such application and further subject to the provisions of section 18, the order of the Debt Relief Court shall be final. Explanation. For the purposes of this section [and section 18, 18A and 19] [Inserted and shall be deemed to have been inserted with effect from 13.10.1961 vide sections 12 and 13.], the District court shall be deemed to be the Court of the District Judge within whose civil jurisdiction, the Debt Relief Court is situate.

## **18. Review.**

A Debt Relief Court, or the District Court which has passed any order under section 17, may either on its own motion at any time or on an application from any person interested made within sixty days of the passing of any order, review the order so passed and pass any other order in reference thereto, as it thinks fit: Provided that no order once passed shall be varied or reversed unless notice has been given to the persons interested to appear and be heard in support thereof.

## **18A. [ Transfer of proceedings.**

On the application of any aggrieved person or on its own motion, the District Court may, at any stage of the proceedings, transfer any application for the determination of debts pending before a Debt Relief Court to another Debt Relief Court] [Inserted and shall be deemed to have inserted w.e.f. 13.10.1961 vide sections 12 and 13 respectively of Rajasthan Act No. 9 of 1962 (Published in Rajasthan Gazette, Part IV-A, Ex.-ord., dated 23.4.1962.).

## **19. Application of Civil Court procedure in District Court.**

The District Court, in regard to proceedings under this Act shall, so far as is practicable and subject to the provision of this Act have the same powers and shall follow the same procedure as it would have and follow under the Code of Civil Procedure, 1908 (Central Act V 1908).

## **20. Payment of Court Fees by creditors in Proceedings under the Act.**

(1) The creditor shall be liable to pay one fifth of such court fee upon the amount determined as due under section 10, as he would be liable to pay upon a plaint filed for the recovery of that sum, and no further proceedings shall be taken under this Act until the sum due has been paid :Provided that no court fees shall be payable if court fees have already been paid in respect of a debt.(2)If such court fees are not paid within such time as the Debt Relief Court considers to be reasonable in each case, it may declare his claim to be discharged for all purposes and all occasions.(3)when such court fees have been paid, the Debt Relief Court shall tax the amount thereof as costs in the decree prepared under sub-section (4) of section 11 and the amount so taxed shall be payable by the debtor in such annual instalments, in addition to the instalments fixed under sub-section (3) of section 11, as the Debt Relief Court may direct.

## **21. Bar against jurisdiction of courts in certain matter.**

(1) Subject to the provisions of sections 17 to 19, the jurisdiction of the Civil Courts and the insolvency courts shall be barred in respect of (a)any matter pending before a Debt Relief Court:(b)the claim for any debt which has been discharged or deemed to have been discharged under section 8:(c)the recovery of any debt, the recovery of which is included in any scheme under sub-section (1) of section (11) for the time being in force and any order of a Debt Relief Court under sub-section (2) & (3) of that section or under section 20, and(d)any order of a Collector under section 13.(2)Nothing herein contained shall prevent a court which has stayed proceedings under the provisions of this Act from resuming them and passing such orders in regard to them as are not inconsistent with this Act.

## **22. Limitation.**

In calculating the period of limitation for any suit filed in, or proceedings before, a Civil Court for the recovery of a debt which was the subject of any proceedings under this Act, the time during which such proceedings had continued, shall be excluded.

## **23. Power to make rules.**

The State Government may, by notification in the Official Gazette, make rules (a)regarding any matter which is required to be or may be prescribed under this Act:(b)prescribing the manner in which notices shall be issued, served and published under this Act:(c)prescribing the records to be kept and the returns to be made by a Debt Relief Court:(d)prescribing the jurisdiction of Debt Relief Courts:(e)determining the paying capacity of a debtor;(f)generally for carrying into effect the purposes of this Act.

## **24. Repeal.**

(1) The enactments specified in the schedule to this Act and all laws amending the same shall stand repealed on the date this Act comes into force. (2) Such repeal shall not effect any proceedings pending on the date of the commencement of this Act under any law so repealed before any court, board, tribunal or authority and all such proceedings shall continue and be heard and determined by the Debt Relief Court in accordance with such law as if this Act had not been passed.

## **25. General clauses Act to apply.**

- The Rajasthan General Clause Act, 1955, (Rajasthan Act 8 of 1955) in force in the pre-reorganisation State of Rajasthan shall, as far as may be, apply mutatis mutandis to this Act. The Schedule (See section 24)

### **1. The Marwar Relief of Indebtedness Act, 1941.**

### **2. The Marwar Agriculturists Relief Act, 1942.**

### **3. The Bundi Agriculturists Relief Act.**

### **4. The Agricultural Relief Rules of the former Sirohi State.**

### **5. The Bombay Agricultural Debtors Relief Act, 1947, in so far as it applies to the abu area and in so far as it extends to the Ajmer area.**

### **6. The Madhya Bharat Agricultural Debtors Relief Act, 1956, in so far as it applies to the sunel area.**

### **7. All laws dealing with or providing for the relief of agriculturists from indebtedness in force in any part of the State.**

Notifications No. F 1(168) Rev. D/57 dated Dec. 18, 1957. In exercise of the powers conferred by sub-section (3) of section 1 of the Rajasthan Relief of agricultural Indebtedness Act. I. Come into force on the 15th day of May, 1958 vide Rev. Deptt. Notification No. F.1(1681) Rev./D/57 (Published in Rajasthan Gazette, Part IV-C, Ex.-Ord., dated 2.5.1957). 1957 (Rajasthan Act 28 of 1957) the State Government does hereby appoint the 15th day of February, 1958 as the date on which the said Act shall come into force. [Published in Rajasthan Gazette Ex.-Ord., Part IV-C, dt. 16.1.1958 P. 919.] No. F. 1(1681) Rev. 1) 157 dated February 11, 1958. In exercise of the powers conferred by sub-section (3) of section 1 of the Rajasthan Relief of agricultural Indebtedness Act. 1957 (Rajasthan Act 28 of 1957), read with section 23 of the Rajasthan General Clauses Act 1955 (Rajasthan Act No. 8 of 1955), The State Government is hereby pleased to rescind the Notification bearing even number, dated the 18th December, 1957. whereby the 15th February, 1958, was appointed as the date on which the

aforesaid Act shall come into the force.[Published in Rajasthan Gazette Part IV-C dated 6.2.1958 at page 965].No. F. 1(681) Rev. 1)/57. dated May 2, 1958. In exercise of the powers conferred by sub-section (3) of section 1 of the Rajasthan Relief of Agricultural Indebtedness Act, 1957 (Rajasthan Act 28 of 1957) the State Government does hereby appoint the 15th day of May, 1958, as the date on which the said Act shall come into force.[Published in Rajasthan Gazette Ex.-Ord., Part IV-C, Dated 2.5.1958 at page 37.]Notification No. F 7 (80) Rev./D/61 Dated 31.3.1962. In exercise of the powers conferred by section 2A of the Rajasthan Relief of Agricultural Indebtedness Act, 1957 (Rajasthan Act No. 28 of 1957) the State Government hereby appoint the first day of April 1962 as the date from which the provisions of the said Act, shall apply to all members of the Scheduled Castes and the Scheduled Tribes, wherever residing in the State of Rajasthan in the Same manner as they apply to the agriculturists.