

ANDHRA PRADESH (ANDHRA AREA) ESTATES LAND (REDUCTION OF RENT) ACT, 1947

30 of 1947

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STATEMENT OF OBJECTS AND REASONS Act XXX **d9**47 It is the policy of Government to replace the Zamindari by the ryotwari system at the earliest possible date. It will, however take some time to pass the requisite legislation on the subject and to bring it into force in all the estates in this Province. 2. The agrarian situation in estates, especially in the Circars, is worsening day by day and there is a growing agitation for the reduction of the high rents which prevail now. The Government consider that some

immediate relief shold be given to ryots and the object of this Bill is to provide for the reduction of rents in estates roughly to the level of the assessment prevailing in the neighbouring ryotwari areas. After the assessment has been finally fixed the s, interest of landholders and rights in respect of the intervening period commencing with the current fasli will be suitably adjusted. AMENDING ACT IX OF 1960 The Madras Estates Land(Reduction of Rent) Act, 1947 (Madras Act XXX of 1947) applies only to estates' as defined in Section 3 (2) of the Madras Estates Land Act, 1908. In the case of every village in respect of which action under the Rent Reduction Act is proposed to the taken, the question whether the village is in estage' action under the Rent Reduction Act is taken. Instances have, however, come to the notice of the Government in which, the Act has been applied, and notifications under Section 3 (2) of that Act have been issued wrongly In respect of inam village which were not estates governed by the Estates Land Act, the fact was not an estate governed by the Estatates Land Act, the fact was not an estate governed by the Reduction Authority at the time of the enquiry held such authority before the issue of the notification. There have also been cases in which the Civil Courts have held after the rent reduction notifications were issued that the villages concerned are not estates. The Government have no power to cancel the notifications issued in these cases, as there is no provision in the Act enabling them to do so. Mistakes have also occurred in some of the notifications issued under Section 3 (2) of the Act. If the mistakes are purely clerical, errata are issued. Other mistakes cannot be corrected as the Government have no power to modify or revise the notifications. It is therefore considered that the Act should be amended so as to give power to the Government to cancel, revise or modify the notifications issued under Section 3 (2) of the Act. Clause 2 of the Bill gives effect to this object. Clause 5 of the Bill validates the order made or notifications issued cancelling or modifying orders made under Section 3 (2) of the Act before this Bill becomes law. The other clauses of the Bill make merely consequential amendments.

1. Short title and application :-

(1) This Act may be called the * [Andhra Pradesh (Andhra Area) Estates Land (Reduction of Rent) Act, 1947.

(2) It applies to all estates as defined in Section 3, Clause (2), of the * [Andhra Pradesh (Andhra Area) Estates Land Act, 1908.

<u>2.</u> Appointment of Special Officer to recommend rates of rent in estates :-

(1) The State Government may appoint a Special Officer for any estate or estates, for the purpose of recommending fair and equitable rates of rent for the ryoti lands in such estate or estates.

(2) The Special Officer shall determine in respect of each village (hereinafter in this section referred to as "principal village") in an estate :

(a) The average rate of cash rent per acreprevailing at the commencement of this Act, for each class of ryoti land in the principal village, such as wet, dry and garden

Provided that where no cash rents are prevalent in the principal village in respect of any class of land, the Special Officer shall determine the average rate of cash rent per acre prevailing at such commencement for such class of land in the nearest village in the estate in which cash rents are prevalent for such class of land and in which conditions are generally similar to those obtaining in the principal village, or where there is no such village in the estate, in the nearest village in the nearest estate in respect of which village both requirements specified above are satisfied.

(b) The average rate of assessment per acre prevailing at such commencement in respect of each of the said classes of land in the nearest ryotwari area in which conditions are generally similar to those obtaining in the principal village.

(3) The Special Officer shall then compare the average rates of cash rent as determined under Clause (a) of sub-section (2) with the average rates of assessment as determined under Clause (b) of that sub-section, and after making due allowance for any difference in the conditions prevailing in the two cases, and also, in cases falling under the proviso to Clause (a) of sub-section (2), for any difference in the conditions prevailing in the village referred to in that proviso and in the principal village, determine (i) the extent, if any, to which the rates of rent payable for each class of ryoti land in the principal village should, in his opinion, be reduced, and (ii) the rates of rent payable for each class of land after such reduction.

Explanation I :- The Special Officer shall have power only to determine that the rents payable for any class of ryoti land in the

principal village shall be reduced ; and he shall have no power to determine that such rents shall be enhanced.

Explanation II :- The extent of reduction, if any, determined by the Special Officer under this sub-section shall also apply where rent in the principal village is paid in kind or on the estimated value of a portion of the crop or at rates varying with the crop, whether in cash or in kind or partly in one or more of these ways and partly in another, or partly in one or more of these ways and partly in cash. In every such case the Special Officer shall also determine the rent payable, whether in kind or in cash or partly in kind and partly in cash as the case may be.

(4) Where the conditions in a group of two or more villages in an estate are generally similar, the Special Officer may perform the functions under sub-sections (2) and (3) in respect of such group of villages as a whole, instead of separately in respect of each village in the group.

<u>3.</u> Power of State Government to reduce rates of rent after considering Special Officers recommendations :-

(1) After completing his work in any estate, the Special Officer shall submit his recommendations to the State Government, through the Board of Revenue, specifying (i) the extent, if any, to which the rents for each class of ryoti land in each village or group of villages in the estate should, in his opinion, be reduced ; and (ii) the rate of rent payable for each such class after such reduction

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Provided that, with the approval of the Board of Revenue, recommendations may be made under this sub-section separately, in respect of portions of an estate.

(2) After considering the recommendation of the Special Officer and the remarks of the Board of Revenue thereon, the State Government shall, by order published in the Andhra Pradesh Gazette, fix the rates of rent payable in respect of each class of ryoti land in each village in the estate :

Provided that where the rate of rent so fixed in respect of ryoti land of any class exceeds the rate of rent payable in respect thereof at the commencement of this Act, only the latter rate of rent shall be payable in respect of such land. 2A Notwithstanding anything contained in sub-section (2) where the rate of rent payable in respect of ryoti land of any class, whether in virtue of the or of the second paragraph of that subsection, is wholly in kind or partly in kind and partly in cash and the aggregate money value of the rate of rent so payable exceeds the highest rate of ryotwari assessment payable for any land of the same class in the revenue district in which such ryoti land is situated, then only the latter rate shall be payable in respect of the land.

(3) An order under sub-section (2) shall take effect from the commencement of the Fasli year 1357.

(4) After such on order has taken effect in respect of any estate or portion of an estate, the rents due in respect of ryoti lands in such estate or portion with effect from the commencement of the Fasli year 1357 as well as the rents which have fallen or may fall due in respect of such lands for any Fasli subsequent to Fasli 1357 until the commencement of the Fasli year in which the estate may be finally taken over by the State Government * [and any interest payable on such rents under sub-sec. (6)] shall be recovered by the State Government as if such rents * [and interest] were arrears of land revenue due to them ; and the amount so recovered in respect of each Fasli, after deducting thereform the cost of such recovery as determined in accordance with such rules as may be made by the State Government in that behalf and also the peshkash, cesses, other moneys due from the landholder to the State and Government and constituting a charge on the estate shall be paid to the landholder.

Explanation : The provision of this sub-section shall apply to an estate, whether the * [Andhra Pradesh (Andhra Area) Estates (Abolition and Conversion into Ryotwari) Act, 1948] applies to it or not.

(5) Any rents recoverable by the State Government under subsection (4) for any Fasli year shall be payable in instalments in that Fasli year, according to the kistbandi fixed for the collection of land revenue in the ryotwari areas in the district in which the estate or portion of the estate is situated.

(6) Any rents recoverable by the State Government under subsection (4) for any Fasli year shall, until they are paid, bear simple interest at the rate of six per cent per annum from the commencement of the succeeding Fasli year or of the Fasli year succeeding that in which the order under sub-section (2) is made in respect of the estate or portion of the estate, whichever is later: and notwithstanding anything contained in the * [Andhra Pradesh (Andhra Area) Estates Land Act, 1908,] no interest shall be payable in respect of any period before such commencement.

(7) The landholder shall not be entitled to collect, and the provisions of Chapters V and VI of the * [Andhra Pradesh (Andhra Area)] Estates Land Act, 1908,] shall cease to apply to, any rents or interest recoverable by the State Government under sub-section (4).

<u>3A.</u> Cancellation of orders made under Section 3(2) :-

(1) If the State Government are satisfied that any village or area in respect of which an order is or has been made under sub-section (2) of Section 3, is not an estate or a portion of an estate or that order is vitiated by any other mistake, they may cancel such order by another order published in the Andhra Pradesh Gazette, and the cancellation shall, subject to the provision of sub- sections (2), (3) and (4), be deemed to have taken effect from the commencement of the Fasli year 1357.

(2) After the publication of such an order under sub-section (1), the person who would have been entitled to recover the rents of the village or area but for the order made under sub-section (2) of Section 3 (hereinafter called the landowner) shall be entitled to the payment of all amounts recovered by the State Government under sub-section (4) of Section 3 upto the date of publication of the order under sub-Section (1) after deducting therefrom any amounts which may have been already paid to him in pursuance of sub-section (4) of section 3, and also any moneys due from him to the State Government, but not deducting any sum towards the cost of recovery of the said amounts.

(3) If the amount paid or payable to the land-owner under subsection (2) falls short of an amount equal to twice the annual rent which would have been payable by the tenant but for the order made under sub-section (2) of section 3, the tenant shall pay the balance to the land-owner in two equal annual instalments within a period of two years from the date of publication of the order under sub-section (1).

(4) Notwithstanding anything in any law, contract, judgment,

decree or order of a Court, the payment of any balance under subsection (3), and if there is no balance to be paid, the payments of the amounts referred to in sub-section (2) shall operate as a complete discharge of all arrears of rent due from the tenant to the land-owner in respect of all prior faslis including interest and costs, if any.

(5) Where, after the cancellation of an order made in respect of any village or area under sub-section (1), an order is again made in respect of that village or area under sub-section (2) of Section 3, consequent on its having become an estate by virtue of the * [Andhra Pradesh (Andhra Area) Estates Land (Andhra Amendment) Act, 1956 (Andhra Act XXXV of 1956)], all arrears of rent due from such ryot in respect of all prior fasli years, including interest and costs, if any, shall be deemed to have completely discharged if the royt has paid before the date of the order, or pays within two years of that date, an amount equal to twice the annual rent which would have been payable by the royt but for the order made under subsection (2) of Section 3; and the provisions of this sub-section shall have effect notwithstanding anything in sub-section (2) of Section 11 of the * [Andhra Pradesh (Andhra Area) Estates Land (Andhra Amendment) Act, 1956] (Andhra Act XXXV of 1956).

<u>3B.</u> Correction of orders made under section 3(2) :-

(1) If the State Government are satisfied that in any order made by them under sub-section (2) of Section 3, there is any error which does not vitiate the order but requires correction, they may, by order published in the Andhra Pradesh Gazette, correct such error, and the correction shall unless the State Government otherwise direct, be deemed to have taken effect from the commencement of the fasli year 1357.

(2) Where in consequence of a correction under sub-section (1) additional rent becomes recoverable in respect of any land under sub-section (4) of section 3, such rent shall be paid before the commencement of the fasli year immediately succeeding that in which the correction is published.

<u>3C.</u> Power of State Government to issue supplemental, incidental and consequential orders :-

Where the State Government make an order under Section 3-A or Section 3-B, cancelling or correcting an order made under subsection (2) of Section 3, they shall have power, whether by the same or by a subsequent order, to make such supplemental, incidental and consequential orders as may be deemed necessary or proper.

4. Ryot to pay the rent fixed by State Government :-

Where an order is published under Section 3, sub-section (2), in respect of any estate or portion of an estate, a ryot shall not be bound to pay rent for any ryoti land held by him in such estate or portion, * [at a rate exceeding that payable under that sub-section or under Section 3, sub-section (2-A), as the case may be,] notwithstanding anything contained in the Andhra Pradesh (Andhra Area) Estates Land Act, 1908.

Provided that nothing in the section shall affect in any way the operation of sections 3-A, 3-B and 3-C.

5. State Government to make good income lost by religious, educational or charitable institution :-

(1) Where by reason of the foregoing provisions, the net income derived by any religious, educational or charitable institution from any estate or part of an estate belonging to it in the Fasli year 1357 or in any subsequent Fasli year until the commencement of the Fasli year in which the estate may finally be taken over by the State Government, becomes less than the average net income derived by the institution from such estate or part during the five Fasli years preceding the Fasli year 1357 or during that portion of those Fasli years in which the estate or part was in the ownership of the institution, as the case may be, the State Government shall make good the loss sustained by the institution by paying to it at the end of the Fasli year in question the amount of the difference between the net income derived by the institution in such Fasli year and the average net income aforesaid.

(2) The average net income aforesaid and the net income derived in each of the Fasli years beginning with the Fasli year 1357 shall, for the purposes of sub-section (1), be determined by such authority, and in such manner, as may be laid down in rules made by the State Government.

(3) In determining the net income or the average net income aforesaid, all amounts which accrued due to the institution concerned during the relevant Fasli year or years shall be taken into account, whether the amounts were actually collected or not.

<u>6.</u> Lessees of religious, educational or charitable institutions not to have their rents reduced :-

Notwithstanding anything contained in any other law for the time being in force, in any inam village belonging to religious, educational or charitable institution which was not an estate before the commencement of the * [Andhra Pradesh (Andhra Area) Estates Land (Third Amendment) Act, 1936,] but became an estate by virtue of that Act, the lessee of any land situated in the estate shall not be entitled to the benefit of any reduction of rent under this Act, if the lease was executed after 1st November, 1933.

7. Power to make rules :-

The State Government may make rules to carry out the purposes of this Act.

8. Validity of certain orders and proceedings not to be questioned :- The validity of the following orders and proceedings shall not be liable to be questioned in any Court of Law :-

(i) any order made under Section 3, sub-section (2);

(ii) any recovery of rent effected by the State Government under Section 3, sub-section (4), or any payment made by them to the landholder under the same sub-section ;

(iia) any order made under Section 3-A, Section 3-B or Section 3-C

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(iii) any determination of net income or average net income made under Section 5, sub-section (2).

9. Power to remove difficulties :-

any difficulty arises in giving effect to the provisions of this Act, the State Government may, as occasion may require, by order, do anything which appears to them necessary for the purpose of removing the difficulty.