

**ANDHRA PRADESH AGRICULTURAL INDEBTEDNESS (RELIEF)  
ACT, 1977**

**7 of 1977**

**[30th April, 1997]**

CONTENTS

**CHAPTER 1 :- Preliminary**

1. Short title, extent and commencement
2. Declaration
3. Definitions

**CHAPTER 2 :- Relief from indebtedness**

4. Discharge of debts and relief to debtors
5. Creditors to file statement in cases of property pledged
6. Debtors to apply in certain cases
7. Appeals

**CHAPTER 3 :- Miscellaneous**

8. Constitution of Tribunals and Appellate Tribunals
9. Powers of Tribunals and Appellate Tribunals
10. Execution of order or decision of Tribunals and Appellate Tribunals
11. Penalty
12. Offences by companies
13. Burden of proof
14. Bar of jurisdiction of Civil Courts
15. Protection of action taken in good faith
16. Power to make rules
17. Effect of other laws
18. Power to remove difficulties
19. Repeal of Ordinance 25 of 1996

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An Act to provide relief from indebtedness to agricultural labourers,

rural artisans and small farmers in the State of Andhra Pradesh and for matters connected therewith Be it enacted by the Legislature of the State of Andhra Pradesh in the Twenty eighth Year of the Republic of India as follows

## CHAPTER 1

### Preliminary

#### **1. Short title, extent and commencement :-**

(1) This Act may be called the Andhra Pradesh Agricultural Indebtedness (Relief) Act, 1997

#### **2. Declaration :-**

It is hereby declared that this Act is for giving effect to the policy of the State towards securing the principles specified in Article 46 of the Constitution

#### **3. Definitions :-**

In this Act, unless the context otherwise requires,

(b) 'agricultural labourer' means a person who does not hold any agricultural land and whose principal means of livelihood is by manual labour on agricultural land, in the capacity of a labourer on hire or on exchange, whether paid in cash or in kind or partly in cash and partly in kind;

(c) 'agricultural land' means land used for purposes of agriculture and which is assessed by the Government to land revenue, but not being land appurtenant to a residential building situate within a Municipality or Cantonment;

(d) 'annual household income' means the aggregate of the annual income from all sources of all the members of a family;

(e) 'appellate tribunal' means the Appellate Tribunal constituted under sub section (2) of section 8;

(f) 'bank' means a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949, (Central Act, 10 of 1949) and includes the State Bank of India constituted under the State Bank of India Act, 1955 (Central Act 23 of 1955), a subsidiary bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959, (Central Act 38 of 1959), a corresponding new bank as specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, (Central Act 5 of 1970), the Agricultural Refinance and Development Corporation

established under the Agricultural Refinance and Development Corporation Act 1963, (Central Act 10 of 1963), a Regional Rural Bank established under the Regional Rural Banks Act, 1976, (Central Act 21 of 1976), any banking institution notified by the Central Government under section 51 of the Banking Regulation Act, 1949, (Central Act 10 of 1949), and any other financial institution which may be notified in this behalf by the State Government;

(g) 'co-operative society' means a co operative society including an agricultural development bank registered or deemed to be registered under the Andhra Pradesh Co-operative Societies Act, 1964 (Act 7 of 1964);

(h) 'creditor' means a person from or in respect of whom the debtor has borrowed or incurred a debt and includes his heirs, legal representatives and assigns;

(j) 'debtor' means an agricultural labourer, a rural artisan or a small farmer, who has borrowed or incurred any debt before the commencement of this Act;

(k) 'dry land' means land registered as dry, manawari, asmantari baghat or garden land, or special rate dry land, in the land revenue accounts of the Government or assessed as such; and includes any other agricultural land excluding wet land;

(l) 'family' in relation to a person, means the individual, the wife or husband, as the case may be, of such individual and their unmarried minor children; Explanation: For the purpose of this clause minor means a person who has not completed his or her age of eighteen years:

(m) 'Government' means the State Government;

(n) 'interest' means any amount or other thing paid or payable in excess of the principal sum borrowed or pecuniary obligation incurred, or where anything has been borrowed in kind in excess of what has been so borrowed, by whatsoever name such amount or thing may be called, and whether the same is paid or payable entirely in cash or entirely in kind or partly in cash and partly in kind and whether the same is expressly mentioned or not in the document or contract, if any;

(o) 'notification' means a notification published in the Andhra

Pradesh Gazette: and the word notified shall be construed accordingly:

(p) 'person' means an individual or a family:

(q) 'prescribed' means prescribed by rules made by the Government under this Act:

(r) 'rural artisan' means a person who does not hold any agricultural land and whose principal means of livelihood is production or repair of traditional tools, implements and other articles or things used for agriculture or purposes ancillary thereto, and includes a \* [fisherman and any] person who normally earns his livelihood by practising a craft either by his own labour or by the labour of all or any of the members of his family in rural area:

(s) 'scheduled tribes' shall have the meaning assigned to it in clause (25) of Article 366 of the Constitution

(u) 'Tahsildar' includes a Deputy Tahsildar in independent charge of a taluk or sub taluk and any other officer of the Revenue Department not below the rank of a Deputy Tahsildar empowered by the Government to exercise the powers and perform the functions of Tahsildar under this Act;

(v) 'transferee of the creditor' includes any subsequent transferee or an assignee or any person in possession of the property pledged or mortgaged;

(w) 'Tribunal' means a tribunal constituted under sub section (1) of section 8;

(x) 'wet land' means land registered as wet, single crop wet, double crop wet, compounded double crop wet or special rate wet land, in the land revenue accounts of the Government or assessed as such

## CHAPTER 2

Relief from indebtedness

### **4. Discharge of debts and relief to debtors :-**

(1) Notwithstanding anything in the Andhra Pradesh (Andhra Area) Agriculturists Relief Act, 1938 the Andhra Pradesh (Telangana Area) Money Lenders Act, 1949F, the Andhra Pradesh (Andhra Pradesh (Andhra Area) Pawn Brokers Act, 1943, the Andhra Pradesh (Telangana Area) Agricultural Debtor Relief Act, 1956, the Andhra Pradesh (Scheduled Area) Money Lenders Regulation, 1960, the

Andhra Pradesh Indebted Agriculturists, Landless Labourers and Artisans (Temporary Relief) Act, 1996 or any other law for the time being in force or any contract or other instrument having the force of law and save as otherwise provided in this Act with effect on and from the commencement of this Act, every debt, including interest, if any, owing to any creditor by an agricultural labourer, a rural artisan or a small farmer shall be deemed to be wholly discharged

**5. Creditors to file statement in cases of property pledged :-**

(1) Every creditor referred to in clause (a) of sub section (3) of section 4 shall, within such period as may be prescribed, furnish to the Tribunal having jurisdiction over the area where such creditor has his ordinary place of business, a statement in such form as may be prescribed containing the names of all persons who have pledged movable property with him, the nature and description of such property, the amount advanced and due as on the commencement of this Act, the rate of interest and such other particulars as may be prescribed

(2) A debtor referred to in clause (a) of sub section (3) of section 4 may also make an application to the Tribunal having jurisdiction over the area where his creditor has his ordinary place of business for an order for the delivery of the movable property pledged by the debtor

(4) Where the movable property pledged by the debtor is in the possession of any transferee of the creditor, the creditor shall redeem the said property from such transferee and produce it on or before the date specified in the order referred to in sub section (3)

(6) After such production or recovery or deposit of the movable property pledged, the Tribunal shall deliver the said property to the debtor

(7) Pending determination of the question under sub section (3) no creditor or the transferee of the creditor shall sell or pledge or otherwise dispose of any movable property pledged by the debtor

(9) The provisions of sections 100 and 165 of the Code of Criminal Procedure, 3, relating to search and seizure shall, so far as may be, apply to searches and seizures under sub sections (5) and (8)

**6. Debtors to apply in certain cases :-**

(1) A debtor referred to in clause (b) of sub section (3) of section 4

may make an application to the Tribunal having jurisdiction over the area within which such debtor ordinarily resides, for an order releasing the mortgaged property and for the grant of a certificate of redemption

(3) Pending orders under sub section (2), no creditor or the transferee of the creditor shall transfer or otherwise assign his interest in, or exercise his right of foreclosure in respect of the property mortgaged by the debtor

(4) Where the mortgaged property has been transferred or any right therein has been assigned to any bank by the creditor, the Tribunal shall recover from the creditor such amount as is due to such bank in respect of the said mortgaged property, as if it were in arrear of land revenue, and shall pay the same to the bank

## **7. Appeals :-**

Any person aggrieved by any order or decision made by the Tribunal under section 5 or section 6 may within sixty days from the date of communication of the order or decision to him appeal to the Appellate tribunal subject to payment of such fees as may be prescribed

## **CHAPTER 3**

### **Miscellaneous**

## **8. Constitution of Tribunals and Appellate Tribunals :-**

## **9. Powers of Tribunals and Appellate Tribunals :-**

(1) The Tribunal and the Appellate Tribunal shall have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 for summoning and enforcing the attendance of any person and examining him on oath and for requiring production of any document

(2) 1 In any proceedings under this Act any party may be represented by an agent authorised in writing, except by a legal practitioner as defined in section 2 of the Advocates Act, 1961

(3) The procedure to be followed by the Tribunal or the Appellate Tribunal in any proceedings before it, shall, subject to the provisions of this Act, be in accordance with such rules as may be prescribed

## **10. Execution of order or decision of Tribunals and Appellate Tribunals :-**

The order or decision of the Tribunal or the Appellate Tribunal made under this Act shall be executed by the Civil Court having jurisdiction as if were a decree or order of that Court

**11. Penalty :-**

(1) Any person failing to furnish the statement under section 5 or to comply with the order made or direction given under that section or section 6 or otherwise contravening the provisions of either of the said sections shall be punished with imprisonment for a term which shall not be less than three months but which may extend to one year and with fine which shall not be less than one thousand rupees but which may extend to five thousand rupees

(2) Every offence punishable under sub section (1) shall be cognizable

(3) Every offence punishable under sub sec (1) shall be tried in a summary way and the provisions of sections 262 to 265 (both inclusive) of the Code of Criminal Procedure, 3, shall, as far as may be, apply to such trial

**12. Offences by companies :-**

**13. Burden of proof :-**

In any suit or proceeding, the burden of proving that the debtor is not entitled to the protection of this Act shall, notwithstanding anything in any law for the time being in force, lie on the creditor

**14. Bar of jurisdiction of Civil Courts :-**

(1) No Civil Court shall have jurisdiction in respect of any matter which the Tribunal or the Appellate Tribunal is empowered by or under this Act to determine

(2) No order passed or proceeding taken by an officer or authority under this Act shall be called in question in any court of Law

**15. Protection of action taken in good faith :-**

No suit, prosecution or other legal proceeding shall lie against any officer or authority for anything which is in good faith done or intended to be done in pursuance of this Act or any rules made thereunder

**16. Power to make rules :-**

(1) The Government may, by notification, make rules for carrying

out all or any of the purposes of this Act

(2) Every rule made under this Act shall immediately after it is made, be laid before each House of the State Legislature if it is in session and if it is not in session in the session immediately following, for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiration of the session in which it is so laid or the session immediately following both Houses agree in making any modification in the rule or in the annulment of rule, the rule shall, from the date on which the modification or annulment is notified have effect only in such modified form or shall stand annulled, 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

**17. Effect of other laws :-**

Save as otherwise provided in this Act, the provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force

**18. Power to remove difficulties :-**

(1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by general or special order, published in the Andhra Pradesh Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to them to be necessary or expedient for the removal of the difficulty: Provided that no such order shall be made after the expiration of two years from the commencement of this Act

(2) Every order passed under sub section (1) shall be laid before each House of the State Legislature

**19. Repeal of Ordinance 25 of 1996 :-**

The Andhra Pradesh Agricultural indebtedness (Relief) Ordinance, 1996 is hereby repealed