

## **Madhya Bharat Zamindari Abolition Act, Samvat, 2003**

**13 of 1951**

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**Madhya Bharat Zamindari Abolition Act, Samvat, 2003**

**13 of 1951**

An Act to provide for the public purposes of the improvement of agriculture and financial condition of agriculturists by abolition and acquisition of the rights of proprietors in village, muhals, chak or blocks settled on zamindari system which is only a system of keeping an intermediary between the State and the tenants injurious to the betterment of agriculture as well as the agriculturists in Madhya Bharat and for other matters connected therewith. Be it enacted as follows :- 1. Having been reserved by the Raj Pramukh under Article 31 (4) of the Constitution of India, for the consideration of Hon'ble the President, Received his assent on 5th June, 1951.

**CHAPTER 1**

**PRELIMINARY**

**1. Title, Extent And Commencement :-**

(1) This Act may be called the Madhya Bharat Zamindari Abolition Act, Samvat 2003.

(2) It extends to the whole of Madhya Bharat region.

(3) It shall come into force on and from such date<sup>1</sup> as may be notified by the Government in this behalf.

1. W.e.f. 25-06-1951; vide Notfn. No. 3250 (2) D.A. dated 25-06-1951, Revenue Department; published in M.B. Govt. Gazette, Extraordinary, dated 25-06-1951.

**2. Definitions :-**

In this Act, unless there is anything repugnant in the subject or context :-

(a) "Proprietor" means, as respects a village, muhal or land settled on Zamindari system, a person owning whether in trust or for his own benefit such village, muhal or land and includes :-

(1) a Malguzar as defined in sub-clause (12) of Section 2 of Qanoon Mal, Gwalior State, Samvat 1983; and

(2) as respect a chak or block, a chakdar or blockdar whose lease

granted to him by the Government under any Act, Rule or Circular relating to chaks and blocks, includes also amongst its other conditions, a condition that he shall acquire the proprietary rights in respect of that chak or block when the conditions of the lease are fulfilled;

(3) the heirs and successors-in-interest of a proprietor;

(b) "Land" means land held or occupied for purposes connected with agriculture, horticulture, pasture or animal husbandry;

(c) "Khud-kasht" means land cultivated by the Zamindar himself or through employees or hired labourers and includes sir land;

(d) In respect of enclaves from Madhya Pradesh "Sir land" shall have the same meaning as assigned to it in clause (17) of Section 2 of the Central Provinces Land Revenue Act, 1917;

(e) "Pacca tenant" means Pacca tenant as defined in clause (vii) of Section 54 of the United State of Gwalior, Indore and Malwa (Madhya Bharat) Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007;

(f) "Occupied land" means land held immediately before the date of vesting of proprietary right in the State under Section 3, in exproprietary, Pukhta Maurusi, Mamuli Maurusi or Gair Maurusi tenure or land held by sub-tenants or tenants of a sub-tenant or land held as khud-kasht or land comprised in a dwelling house together with any courtyard, attached garden, tree standings in such courtyard, attached garden, trees standings in such courtyard and out-buildings and includes any out-building used for purposes connected with agriculture or horticulture and any tank appurtenant to such dwelling-house;

(g) "Gazette" means the Gazette of Madhya Pradesh;

(h) "Deputy Compensation Officer" means a Deputy Compensation Officer appointed under Section 10 of this Act;

(i) "Claims Officer" means a Claims Officer appointed under Section 17 of this Act;

(j) "Compensation Officer" means a Compensation Officer appointed under Section 14 (1) of this Act;

(k) "Compensation Commissioner" means a Compensation Commissioner appointed under Section 14 (2) of this Act;

(l) "State" means the Madhya Bharat region.

(m) "Government" means the State Government;

(n) "Prescribed" means prescribed by the rules made under this Act;

(o) Words and expressions used in this Act but not defined in this Act, shall have the same meanings as assigned to them in "Qanoon

Mal, Gwalior State, Samvat 1983";

(p) "Home-stead" means a dwelling-house together with any courtyard attached garden or bari trees standing in such courtyard and out-building, and includes any out-building used for purposes connected with agriculture or horticulture and any tank or well appertaining to such dwelling house.

## CHAPTER 2

### VESTING OF PROPRIETARY RIGHTS IN THE STATE

#### **3. Vesting Of Proprietary Rights In The State :-**

(1) Save as otherwise provided in this Act and subject to the provisions of Section 8, on and from a date to be specified by a notification by the Government in this behalf (hereinafter referred to as the date of vesting) all proprietary rights in a village, muhal, land, chak or block in Madhya Bharat vesting in a proprietor of such village, muhal, land, chak or block as the case may be, or in a person having interest in such proprietary right through the proprietor shall pass from such proprietor of such other person, to and vest in the State free of all encumbrances.

(2) After issue of a notification under sub-section (1) no right shall be acquired in or over the land to which the said notification relates except by succession or under a decree or order of a Court or under a grant or contract in writing made or entered into by or on behalf of the Government; and no fresh clearings for cultivation or for any other purpose shall be made in such land except in accordance with such rules as may be made by the Government in this behalf.

(3) The Government may by notification published in the Gazette vary the date specified under sub-section (1) at any time before such date.

#### **4. Consequence By The Vesting Of An Estate In The State :-**

(1) Save as otherwise provided in this Act when the notification under Section 3 in respect of any area has been published in the Gazette, then, notwithstanding anything contained in any contract, grant or document or in any other law for the time being in force, the consequences as hereinafter set forth shall from the beginning of the date specified in such notification (hereinafter referred to as the date of vesting) ensue, namely :-

(a) all rights, title and interest of the proprietor in such area, including land (cultivable, barren or Bir), forest, trees, fisheries, wells (other than private wells), tanks, ponds, water channels,

ferries, pathways village-sites, hats, and bazars and mela-grounds and in all sub-soil, including rights, if any, in mines and minerals, whether being worked or not shall cease and be vested in the State free from all encumbrances;

(b) all grants and confirmation of title of or to land in the property so vesting or of or to any right or privilege in respect of such property or land revenue in respect thereof shall, whether liable to presumption or not, determine;

(c) all rents and cesses in respect of any holding in the property so vesting for any period after the date of vesting which, but for such vesting would have been payable to the proprietor, shall vest in the State and be payable to the Government and any payment made in contravention of this clause shall not be a valid discharge of the person liable to pay the same;

Explanation.-The word "Holding" shall for the purpose of this clause be deemed to include also land given, on behalf of the proprietor, to any person on rent for any purpose other than cultivation;

(d) all arrears of revenue, cesses or other dues in respect of any property so vesting and due by the proprietor for any period prior to the date of vesting shall continue to be recoverable from such proprietor and may, without prejudice to any other mode of recovery, be realised by deducting the amount from the compensation money payable to such proprietor under Chapter V;

(e) the interest of the proprietor so acquired shall not be liable to attachment or sale in execution of any decree or other process of any Court, civil or revenue, and any attachment existing at the date of vesting or any order for attachment passed before such date shall, subject to the provisions of Section 73 of the Transfer of Property Act, 1882, cease to be in force;

(f) every mortgage with possession existing on the property so vesting or part thereof on the date immediately preceding the date of vesting shall, to the extent of the amount secured on such property or part thereof be deemed without prejudice to the rights of the State under Section 3, to have been substituted by a simple mortgage.

(2) Notwithstanding anything contained in sub-section (1), the proprietor shall continue to remain in possession of his Khud-kasht land, so recorded in the annual village papers before the date of vesting.

(3) Nothing contained in sub-section (1) shall operate as bar to the recovery by the outgoing proprietor of any sum which becomes due to him before the date of vesting in virtue of his proprietary rights.

## **5. Private Wells, Trees, Buildings, House Sites, And Enclosures :-**

(a) All open enclosures used for agricultural or domestic purposes and in continuous possession (which includes possession of a former proprietor) for twelve years immediately before the 1st of January, 1951, all open house sites purchased for consideration, all buildings, places of worship, wells, situated in and trees standing on lands included in such enclosures of house-sites or land appertaining to such buildings or places of worships within the limits of a village-site belonging to or held by the outgoing proprietor or any other person shall continue to belong to or be held by such proprietor or other person as the case may be, and the land thereof, with the areas appurtenant thereto shall be settled with him by the Government on such terms and conditions as it may determine.

(b) All private wells and buildings on occupied land belonging to or held by the outgoing proprietor or any other person shall continue to belong to or be held by such proprietor or other person.

(c) All trees standing on land comprised in a Khudkasht or homestead and belonging to or held by the outgoing proprietor or any other person shall continue to belong to or be held by such proprietor or other person.

(d) All trees standing on occupied land other than lands comprised in Khudkasht or home-stead and belonging to or held by a person other than the outgoing proprietor shall continue to belong to or be held by such person.

(e) All tanks situate on occupied land and belonging to or held by the outgoing proprietor or any other person shall continue to belong to or be held by such proprietor or other person.

(f) All groves wherever situate and recorded in village papers in the name of the outgoing proprietor or any other person shall continue to belong to or be held by such proprietor or such other person and the land under such grove shall be settled with such proprietor or such other person by the Government on such terms and conditions as it may determine.

## **6. Suba To Take Possession Of Property Vesting In The State :-**

On the date of vesting, the Suba shall take charge of all lands other than occupied lands and home-steads and of all interests vesting in

the State under Section 3.

#### CHAPTER 3

#### ASSESSMENT OF COMPENSATION

### **7. Definition :-**

For the purposes of this Chapter, the expression "proprietor" shall not include Mustajar Supurdgidar, mortgagee and the ex-zamindars whose rights to acquire zamindari have ceased.

### **8. Duty To Pay Compensation :-**

(1) Subject to other provisions of this Act, the Government shall pay to every proprietor who is divested of proprietary rights, compensation which shall be determined in accordance with the principles laid down in Schedule I annexed hereto.

(2) Such compensation shall be deemed to be payable from the date of vesting and simple interest at the rate of 2-1/2 per cent. per annum shall be payable on it from the date of vesting to the date of payment but no interest shall be payable on such amount of compensation as may remain unpaid for default of the proprietor or his agent.

### **9. Interim Payment :-**

Where within a period of twelve months from the date of vesting, the compensation payable to a proprietor is not determined, the Government shall, subject to such conditions and restrictions in respect of security and indemnity as may be prescribed, direct the payment to each such proprietor of interim compensation which shall be equal to one-tenth of the estimated amount of compensation. The payment of such interim compensation shall be made within 18 months from the date of vesting and any amount so paid shall be adjusted against the whole amount of compensation determined under this Act.

### **10. Appointment Of Deputy Compensation Officer :-**

The Government shall for the purpose of assessment of compensation to be paid in accordance with Section 8 (1), appoint for any specified area one or more 1[Deputy Compensation Officers] 2[x x x]

1. Substituted by M.B. Act No. 23 of 1952.

2. Omitted by M.B. Act No. 23 of 1952.



### **11. Submission Of Statement Of Claims :-**

(1) Every proprietor who is divested of proprietary rights by virtue of a notification issued under Section 3 shall within thirty days from the date of vesting, file a statement of claim in the prescribed form to the Deputy Compensation Officer having jurisdiction within the area and specify therein the following particulars, namely :-

- (i) name of the outgoing proprietor;
  - (ii) the extent of share of each proprietor where there are more pro-proprietors than one;
  - (iii) the amount of income and expenditure;
  - (iv) such other particulars as may be prescribed;
- (2) Every such statement shall be signed and verified in accordance with Order VI, Rule 15 of the Code of Civil Procedure.

### **12. Determination Of Compensation :-**

(1) On receipt of the statement of claims under Section 11 or if into such claim is received within the prescribed period, the Deputy Compensation Officer shall, after making such enquiry as he thinks fit and giving an opportunity to the claimant to be heard, decide the amount of compensation due to the claimant and record in a statement in the prescribed form the details of the land, the proprietary rights of which have vested in the State and such other details as may be prescribed.

(2) Where superior and inferior proprietary rights exist in relation to any village, muhal or land, the Deputy Compensation Officer shall distribute the compensation in the proportion in which superior or inferior proprietary profits are shared.

(3) An extract of the statement recorded by the Deputy Compensation Officer under sub-section (1) shall be supplied to every concerned proprietor free of cost.

### **13. Questions Of Title :-**

(1) If during the course of an inquiry by the Deputy Compensation Officer, any question is raised regarding the proprietary right in any property divested under Section 3 and such question has not already been determined by a Court of competent jurisdiction, the Deputy Compensation Officer shall refer the matter for decision to the Claims Officer and the Claims Officer shall proceed to enquire summarily into the merits of such question and pass such orders as

he thinks fit.

(2) The Orders of the Claims Officer under sub-section (1) shall not be subject to any appeal or revision, but any party may, within two months from the date of such order institute a suit in Civil Court to have the order set-aside, and the decision of such Court shall be binding on the Claims Officer but subject to the result of such suit, if any, the order of the Claims Officer shall be final and conclusive.

#### **14. Appeal, Revision And Review :-**

(1) Any person aggrieved by the decision given or the record made under sub-section (1) of Section 12 by the Deputy Compensation Officer, may appeal to the Compensation Officer to be appointed by the Government in this behalf within thirty days from the date of the supply to the proprietor of the copy of the statement under sub-section (3) of Section 12 and such Compensation Officer shall pass such order on such appeal as he thinks fit.

( 2 ) Any person aggrieved by the decision given by the Compensation Officer under sub-section (1) may appeal to the Compensation Commissioner to be appointed by the Government in this behalf within sixty days from the date of such decision and the Compensation Commissioner shall pass such order on that appeal as he thinks fit.

(3) The Compensation Officer may, at any time for the purpose of satisfying himself as to the legality or propriety of any order passed by, or as to the regularity of the proceedings of the Compensation Officer and the Deputy Compensation Officer, call for and examine the record of any case pending before or disposed of by such officer and may pass such order in reference thereto as he thinks fit :

Provided that he shall not vary or reverse any order unless notice has been given to the parties interested to appear and be heard in support of such order.

(4) The Deputy Compensation Officer, the Compensation Officer or the Compensation Commissioner may either on grounds specified in Rule 1 of Order XLVII of the Code of Civil Procedure, 1908, or on the application filed within 30 days from the date of the order by any party interested, review an order passed by himself or his predecessors in office and pass such order in reference thereto as he thinks fit :

Provided,-

(i) no order shall be varied or reversed unless notice has been given to the parties interested to appear and be heard in support of

such order;

(ii) no order from which an appeal has been made or which is the subject of any revision proceedings shall, so long such appeal or proceedings are pending, be reviewed.

(5) Except as provided in sub-sections (1), (2), (3) and (4), the decision and the record made by the Deputy Compensation Officer shall be final and conclusive in respect of the quantum of the compensation payable and other entries made in the statement of the Deputy Compensation Officer.

### **15. Injunction By Civil Court Barred :-**

Except an authority before whom an appeal under this Chapter is pending against an order of the Compensation Officer, no Court or authority shall, notwithstanding anything contained in any law for the time being in force, issue any injunction against any person in respect of any proceedings pending before the Compensation Officer under this Chapter which have the effect of staying the proceedings.

#### **CHAPTER 4**

#### **DETERMINATION OF DEBTS**

### **16. Definitions :-**

In this Chapter :-

(a) "Secured debt or secured claim" means a debt or claim subsisting on the date of vesting whether due or not due and secured by the mortgage of or a charge on the proprietary rights divested under Section 3 but shall not include land revenue or anything recoverable as land revenue or any money for the recovery of which a suit is barred by limitation;

(b) "Creditor" means a person to whom a secured debt or claim is owing and "debtor" means the person by whom such debt is owed;

(c) "excluded debt" means the secured claim due in respect of,-

(1) any liability in respect of any sum due to any society registered or deemed to be registered under the Co-operative Societies Act, for the time being in force;

(2) any liability in respect of maintenance whether under decree of Court or otherwise;

(3) any liability due to a bank or a company;

(4) any debt determined under the provision of the Gwalior Agricultural Debtors Relief Act or the Debt Conciliation Act, for the time being in force;

(5) any liability in respect of village profits or of land revenue arising between co-sharers and the lambardar, or between lambardar and Sadar lambardar, or between superior and inferior proprietors or between a proprietor and a Thekadar or a farmer of proprietary rights, or between the proprietor and a Malik-maqbuza or between co-sharers in Ijara and Jagir villages;

(6) a mortgage claim against property in the hands of a subsequent transferee who has taken the transfer in order to satisfy the mortgage;

(7) any liability arising between mortgagor and mortgagee in respect of land revenue of the mortgaged property which has been paid by the mortgagee, on behalf of the mortgagor.

### **17. Appointments Of Claims Officers :-**

The Government shall, for the purpose of determining, in the manner provided in this Chapter, the amount of secured debts or claim owed by proprietors divested of proprietary rights under this Act, appoint for any specified area, one or more 1[x x x] Claims Officers.

1. Omitted by M.B. Act No. 23 of 1952.

### **18. Applications To Claims Officer :-**

(1) Every proprietor who is divested of proprietary rights under Section 3 may, within 30 days from the date of vesting, file an application before the Claims Officer having jurisdiction specifying the amount and particulars of all secured debts and claims against him together with the names and residence of his creditors.

(2) Any creditor or a proprietor divested of proprietary rights under Section 3 may, within the period specified in sub-section (1), file an application to the Claims Officer having jurisdiction specifying therein the amount and particulars of his secured debt or claim against such proprietor.

(3) An application under sub-section (1) or (2) shall contain such further particulars as may be prescribed and shall be signed and verified in accordance with the manner prescribed by the Code of Civil Procedure, 1908, for signing and verifying plants.

### **19. Stay Of Proceedings :-**

(1) Upon receipt of an application under Section 18 if the Claims Officer finds that any suit or proceeding is pending against the

proprietor for the recovery of any amount in respect of a secured debt or claim he shall issue a notice to the Court concerned and thereupon the Court shall stay such suit or proceeding.

(2) Where the Claims Officer finds that the properties of a debtor vesting in the State under Section 3 extend over areas within the jurisdiction of more than one Claims Officer, he shall refer the case of such debtor to the Compensation Commissioner for orders as to the Claims Officer who shall deal with the case of such debtor.

(3) On receipt of such reference, the Compensation Commissioner may, after hearing the debtor, if necessary, pass an order specifying the Claims Officer who shall deal with the case and send a copy of his order to all Claims Officers concerned directing them to forward all papers of the case of the debtor to the Claims Officer specified by him.

## **20. Preliminary Proceedings :-**

(1) The Claims Officer shall fix a date for hearing and shall cause a notice of the date of hearing together with a copy of the application received to be served on the creditors and the debtor and shall cause a copy of such application to be affixed on a conspicuous place in his office.

(2) On the date fixed for hearing, any creditor may object to the proceedings on the ground that the debtor does not earn his livelihood wholly or mainly from agriculture or from rents or lease money received from agricultural land.

(3) The Claims Officer may, after such enquiry as he thinks fit, pass an order rejecting or allowing the objection.

(4) If the objection is allowed, nothing hereinafter contained in this Chapter except Section 33 shall apply to the secured debts or claims against any such debtor.

(5) If no objection is made, under sub-section (2) or if an objection is made and decided, the jurisdiction of the Claims Officer to proceed in accordance with the provisions of this Chapter shall not be questioned in any Civil Court.

## **21. Submission Of Claims By Creditors :-**

(1) When the Claims Officer orders that the proceedings shall continue he shall fix a date not earlier than one month and on or before such date every creditor shall file a written statement of his claim signed and verified in the manner prescribed by Rule 15 of Order VI of the Code of Civil Procedure, 1908. Such statement shall

be submitted in person or by an agent authorised in writing or by registered post and every claim not so submitted shall be deemed for all purposes and all occasions to have been discharged as against such debtor :

Provided that if a creditor files a statement of claim within a further period of two months and satisfies the Claims Officer that such creditor was for good and sufficient cause unable to file the same before the date fixed for hearing, the Claims Officer may revive the claim.

(2) On the date on which the case is fixed for hearing, the 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 an adjourned hearing fixed for this purpose by the Claims Officer, the Claims Officer may declare such claim to be discharged for all purposes and all occasions against such debtor or debtors :

Provided that if the Claims Officer is satisfied that any creditor was, for good and sufficient cause, unable to produce such documents or statement, he may require them to be produced on a date fixed for the purpose and may revive the claim.

## **22. Power Of Claims Officer To Require Proof Of Validity And Subsisting Character Of Debts :-**

(1) On the date fixed for the hearing of the case, or on any subsequent day to which the hearing may be adjourned, the Claims Officer shall require proof of the validity and subsisting character of the secured debt or claim.

(2) Where the debtor objects to the claim preferred by any creditor on the ground that the debt was not incurred or that it is not binding on the debtor, the Claims Officer shall not determine the amount due on any such claim and nothing contained in Sections 23 to 26 shall apply to any such claim.

## **23. Calculating Of Interest In All Transactions :-**

(1) The Claims Officer shall, notwithstanding anything contained in any other enactment for the time being in force, reopen all transactions made within twelve years before the last transaction and, as far as may be, ascertain in respect of each loan the date on

which it was originally advanced. He shall, notwithstanding the provisions of any agreement or law, calculate the interest due at six per cent per annum or such lower rate of interest as may have been agreed upon between the parties, but in no case the amount of interest shall be greater than the principal amount. After adding to the principal amount, the interest so calculated and deducting therefrom the amount paid by the debtor, the balance shall be determined by the Claims Officer as payable by the debtor.

Explanation.-The amount of the sum total of the loan originally advanced and the interest thereof re-advanced as a loan shall not be deemed to be the principal amount.

(2) The amounts determined due shall not carry any interest after the date of determination.

(3) Nothing in sub-section (1) shall apply to excluded debts. The amount due to for such debts shall be determined in accordance with the terms of the contract between the parties or any law for the time being in force.

#### **24. Priority Amongst Creditors :-**

The Claims Officer shall, where there are two or more creditors, settle the order in which each creditor shall be entitled to receive the amount due to him. In doing so, he shall, as far as may be guided by the appropriate provisions of the Transfer of Property Act, 1882, and any other enactment relating to Co-operative Societies and Co-operative Banks for the time being in force in Madhya Bharat region.

#### **25. Distribution Of Compensation Amount Among The Creditors :-**

(1) The amount determined payable to creditors shall be rateably payable in as many instalments as may be fixed for the payment of compensation to the proprietor under the provisions of this Act.

(2) The compensation payable to the proprietor under Chapter III shall be distributed between the creditors in the order of their priority and if there are more than one such creditor holding the same order of priority, it shall be distributed rateably between them in proportion to the amounts determined due.

#### **26. Order Regarding Unpaid Amount Of Claim :-**

If the Claims Officer finds that the amount of compensation is not

sufficient to satisfy the claims determined under Section 23, he shall record an order specifying :-

- (1) the amount remaining unpaid in respect of each claim;
- (2) the name of the creditor to whom it is due; and
- (3) the particulars of other property in respect of each claim remaining encumbered by the claim.

## **27. Recoveries Of Unpaid Amount :-**

Any creditor in whose favour an order under Section 26 has been passed may within one year apply to the Civil Court for the sale of encumbered property mentioned in Section 26 (3) and the Civil Court shall accordingly pass a preliminary decree for sale fixing such time for payment as it may deem fit.

## **28. Court-Fees :-**

- (1) A creditor who applies to a Civil Court under Section 27 shall be liable to pay such Court-fees upon the amount declared as due as he would be liable to pay upon a plaint filed for the recovery of the same and Civil Court shall not proceed with the application until such Court-fees have been paid :

Provided that no Court-fees shall be payable if Court-fees have already been paid in respect of a debt.

- (2) The amount of Court-fees paid by the creditor shall form costs of the proceeding and be recoverable from the debtor.

## **29. Appeal Against Orders Of Claims Officers :-**

1[Any person aggrieved by an order of a Claims Officer may, within forty-five days of such order, file an appeal before the Board of Revenue which may, after hearing the parties, pass such orders as it may think fit.]

1. Substituted by M.P. Act No. 23 of 1952.

## **30. Review :-**

The Claims Officer or Board of Revenue passing an order in appeal may on grounds specified in sub-rule (1) of Rule 1 of Order XLVII of the Code of Civil Procedure on an application from any person interested made within thirty days of the passing of an order, review an order passed by himself or his predecessor in office and pass such order in reference thereto as he thinks fit :

Provided that no order shall be varied or reversed unless notice has



been given to the person interested to appear and be heard in support of such order.

### **31. Finality Of Decisions :-**

The decision of the appellate authority and where no appeal has been preferred, the decision of Claims Officer shall, subject to the provisions of Section 30 be final and conclusive.

### **32. Bar Against Jurisdiction For Courts In Certain Matters :-**

The jurisdiction of the Civil Courts shall, except as otherwise provided in this Act, be barred in respect of :-

- (1) any matter pending before a Claims Officer;
- (2) the claim for any secured debt or claim which has been discharged or deemed to have been discharged under Section 21;
- (3) the recovery of any secured debt or claim determined under Section 23 except in the manner provided for in Section 27.

### **33. Limitation :-**

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

## **CHAPTER 5**

### **PAYMENT OF COMPENSATION**

### **34. Payment Of Compensation :-**

(1) If in any case, the decision of the Deputy Compensation Officer in regard to the amount of compensation payable to a proprietor is modified in appeal, after the disposal of such appeal and in any other case after the time for appeal is over, such officer shall forward to the Compensation Officer to whom he is subordinate or if any proceedings for determination of debt have been started under Chapter IV, to the Compensation Officer of the district where such proceedings are continuing, all papers of the enquiry together with the statement showing the final amount of compensation payable to the proprietor.

(2) The Compensation Officer shall then ascertain, if any proceedings for the determination of debt is pending against the proprietor before the Claims Officer and, if so, shall await his

decision.

(3) After the amount of compensation payable to a proprietor is decided upon and the debt owed by him, if any, determined, the Compensation Officer shall make payment of compensation to the creditors in accordance with the orders of Claims Officer under the provisions of Sections 25 (1) and 25 (2) and if there is any balance left out of the compensation money after such payment, he shall pay it to the proprietor entitled thereto, in such manner as provided in the annexed Schedule.

(4) Where the person entitled to receive the compensation, is a waqf, trust or endowment or a minor or a person suffering from legal disability, the compensation money may, subject to any general directions that the Government may give, be deposited for and on behalf of that person, with such authority or bank as may be prescribed.

(5) If any person entitled to a payment out of the compensation money refuses to accept such payment, the Compensation Officer shall keep the amount deposited.

(6) The payment of compensation under this Act to the creditors of a proprietor or to the proprietor shall be a full discharge of the Government from all liability to pay compensation for the divesting of proprietary rights but shall not prejudice any rights in respect of the said rights to which any other person may be entitled by due process of law to enforce against the person to whom compensation has been paid aforesaid.

### **35. Compensation Money To Be Placed At The Disposal Of The Court :-**

(1) On an application made in that behalf by a creditor the debt or claim owing to whom has not been determined by the Claims Officer by reason of an order under Section 20 or sub-section (2) of Section 22, the Compensation Officer shall pass an order withholding the payment of compensation to the proprietor in question for a period of three months from the date of the order.

(2) If within the said period of three months, the Compensation Officer receives any order from any Court requiring the Compensation Officer to place at its disposal the whole or part of the amount of compensation payable to the proprietor concerned, the Compensation Officer shall comply with the order of the Court.

### **36. Payment Of Compensation To Mustajar And Supurdgidar :-**

Notwithstanding anything contained in this Act, no Supurdgidar, Mustajar or any mortgagee mentioned in Section 51 shall be entitled to compensation under this Chapter :

Provided that the Mustajar and Supurdgidar shall be entitled to receive rateably in such instalments in which the compensation money is payable to the proprietor under this Act such amount of the compensation money as would, in case of restoration of zamindari to the ex-zamindar, have been payable to them by the ex-zamindar in accordance with the law under which the Mustajari or the Supurdgi was created and the balance, if any, shall be paid to the ex-zamindar.

Explanation.-For purposes of this section, a Mustajar, Supurdgidar or ex-zamindar means such Mustajar, supurdgidar or ex-zamindar whose right of acquiring or regaining the zamindar has not ceased.

#### CHAPTER 6

#### MANAGEMENT AND TENURE OF LAND

### **37. Conferral Of Pacca Tenancy Rights On Proprietor :-**

(1) Every proprietor who is divested of his proprietary rights in an estate, chak, block or Muhal shall, with effect from this date of vesting, be a pacca tenant of the khud-kasht land in his possession and the land revenue payable by him shall be determined at the rate fixed by the current settlement for the same kind of land.

(2) If there are more persons than one having interest in land held as Khud-kasht immediately before the date of vesting, any such person may apply for a partition of his share in the land to the Tahsildar who shall proceed according to the provisions of Section 69 of Madhya Bharat Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007 and in case of partition shall rateably apportion the assessed rent :

Provided that no such partition shall be made if any question of title is raised until such question has been decided by a competent Court.

Explanation.-For the purposes of the aforesaid proviso, the claim by any proprietor that he holds any land in exclusive ownership or that he had acquired any Khud-kasht land exclusively for himself shall be deemed to be a question of title.

(3) If a Tahsildar is of opinion that for preventing multiplicity of proceedings, or for any other reason it would be just and convenient to join as parties all persons who held shares in the

estate or Muhal before the date of vesting he may order all such persons to be joined as parties.

### **38. Conferral Of Pacca Tenancy Right On Tenant And Sub-Tenants :-**

(1) Subject to the provisions of this section, every tenant of a proprietor shall be deemed to be a pacca tenant of the land comprised in his holding from the date of vesting.

(2) Every sub-tenant or tenant of a sub-tenant who deposits with the Tahsildar within the period specified in sub-sections (3) and (4) the following amount to be paid to be proprietor or tenant or sub-tenant as his case may be, shall be deemed to be a pacca tenant of the land comprised in his holding. Till amount is deposited, his former status shall continue. The right of becoming a pacca tenant by depositing money shall firstly be that of the tenant of the sub-tenant, if any, and if he fails to deposit money shall be that of the sub-tenant :-

(a) In case of sub-tenant of Gair Marusi tenant.-An amount equal to the double of the net annual income of that land of the Gair Marusi tenant.

(b) In the case of a sub-tenant of a Marusi or Sakitulkalkiat tenant.-An amount equal to six times the net annual income of that land of the Marusi or Sakitulkalkiat tenant.

(c) In the case of a sub-tenant of the Khud-kasht or Sir of the proprietor.-An amount equal to six times the net annual income of that land of the proprietor.

(d) In the case of a tenant of a sub-tenant :-

(1) If he is a tenant of a sub-tenant in the Khud-kasht or Sir of the proprietor.-An amount equal to six times the net annual income of that land of the proprietor, out of which 85% shall be given to the proprietor and 15% to the sub-tenant.

(2) In case of any other tenant of a sub-tenant.-An amount equal to eight times the net annual income of that land of the original tenant out of which 8% shall be given to the original tenant and 15% to the sub-tenant.

(e) In case of a sub-tenant or tenant of a sub-tenant of either description mentioned in (a), (b), (c) and (d), if the well situate on his holding is a private one of the proprietor or tenant or sub-tenant, as the case may be, and no land of the proprietor, tenant or sub-tenant other than the land of that holding is watered from that well.-By way of compensation so much of the amount as the

Suba may assess after considering the points mentioned in Schedule III :

Provided that a sub-tenant or tenant of a sub-tenant shall remain a sub-tenant or tenant of a sub-tenant as before in case of disability mentioned in Section 74 of Madhya Bharat Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007. He shall have no right to become a pacca tenant by depositing the amount under this sub-section.

(3) If the holding in the possession of a tenant of a sub-tenant, he may deposit the money within 1 [eight] years of the date of vesting, otherwise his right of becoming a pacca tenant shall lapse and the sub-tenant may within six months of the expiry of the said 1[eight] years deposit in the Tahsil, the amount mentioned in clauses (a), (b), (c) and (d) as the case may be, of the preceding sub-section. If he fails to deposit such amount within the said period, the proprietor or the original tenant, as the case may be, shall be deemed to be the pacca tenant of that holding.

(4) If the holding be in the possession of a sub-tenant he may deposit the money within 1[eight] years of the date of vesting. On the expiry of 1[eight] years, the original tenant or the proprietor, as the case may be, shall be deemed to be the pacca tenant of that holding.

(5) If a sub-tenant or a tenant of a sub-tenant fails to deposit the amount within the period specified in sub-sections (3) and (4) then, notwithstanding anything contained in his lease of contract, it shall be deemed that all his rights have ceased to exist and that he is a trespasser on that land, and the proprietor, tenant or sub-tenant, as the case may be, get him ejected under Section 90 of the Madhya Bharat Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007.

(6) Rent at the village rate assessed in the current settlement shall be charged from every original tenant, rent free tenant, concessional tenant, sub-tenant, or tenant of a sub-tenant deemed to be a pacca tenant under this section.

2[Explanation.-(1) The pacca tenancy rights under this section shall accrue or be acquired in respect of such land only as may be in the actual possession of the tenant, sub-tenant or tenant of a sub-tenant.]

(2) In the case of clauses (a), (b) and (d) (2) of sub-section (2), the net annual income shall be the difference between the rent which the Gair Maurusi, Maurasi or Sakitulumkiyat tenant, as the case may be, receives from his sub-tenant and the rent which he

pays to the proprietor and in the case of Khudkasht or Sir land of the proprietor mentioned in clauses (c) and (d) (1), the net annual income shall be the difference between the rent which the proprietor receives from his tenant and the rent determined in accordance with the village rate :

Provided that the rent charged from such of them including the Sakitulkimiyat tenant, who have been fully assessed in the current settlement shall continue to be the same as assessed in the said settlement, till their reassessment in the next settlement.

Explanation.-Current settlement means the settlement in force on the 1st November, 1953.

1. Substituted by MP. Act No. 26 of 1958.

2. Added by M.B. Act No. 31 of 1955.

### **38A. Appeal Against Accrual Of Pacca Tenancy Right :-**

1[(1) From every original order other than an interlocutory order in respect of any matter provided for in Section 38, an appeal shall lie :-

(i) to the Collector, if such order is passed by the Tahsildar;

(ii) to the Commissioner, if such order is passed by the Collector, and the decision in the appeal by the Collector or the Commissioner, as the case may be, shall be final.

(2) An appeal under sub-section (1) shall be preferred within 60 days :-

(a) from the commencement of the Madhya Pradesh Zamindari Abolition (Second Amendment) Act, 1959 (16 of 1959) hereinafter in this section referred to as the said Act, where the original order was passed on or after the twenty-fourth day of September, 1958, and before the commencement of the said Act;

(b) from the date of the order, where the order is passed, after the commencement of the said Act.

(3) Where before the commencement of the said Act, an appeal or revision against an order of a Tahsildar or Collector, as the case may be, in respect of any matter provided for in Section 38, is pending before any Revenue Officer or the Board of Revenue, such appeal or revision shall, on such commencement, stand transferred to the Revenue Officer who would have been competent to entertain an appeal against such order under sub-section (1) if an appeal had been filed such commencement and be disposed of by such officer.

(4) While an appeal or revision of the nature referred to in sub-section (3) has, before the commencement of the said Act, been rejected by any Revenue Officer or the Board of Revenue on the ground that such Revenue Officer or the Board has no jurisdiction to entertain the same, such appeal or revision shall, on an application made within 60 days of such commencement, be re-admitted and disposed of by the Collector or the Commissioner, as the case may be, as if it were an appeal preferred in accordance with the provisions of sub-section (1).

(5) Nothing contained in the foregoing sub-sections shall have the effect of conferring a right of appeal where an appeal or revision preferred in respect of any matter provided for in Section 38 has, before the commencement of the said Act, been decided on merits.

(6) The Court-fee payable on a memorandum of appeal shall be two rupees.]

1. Inserted by MP. Act No. 16 of 1959.

### **39. Grant Of Fresh Lease For Land Given For Purposes Other Than Agriculture :-**

A person who has taken land on lease from the proprietor for any purpose other than agriculture shall apply within six months from the date of vesting, to obtain from the Government a new lease under Section 101 (1) of Madhya Bharat Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007, and the Government may grant a lease subject to such terms and conditions for securing the rent and utility of land as may be deemed proper. From the date of vesting up to the grant of new lease the person shall be deemed to be a lessee of the Government for that land on the same conditions on which the lease was granted to him by the proprietor. If the Government does not think it proper in the public interest to grant the lease, the amount of compensation shall be paid at market value.

#### **40. Right In Trees :-**

Any person becoming a pacca tenant by virtue of Section 37 or 38 who does not have the same rights in trees in his plot of land as in the plot itself, may apply to a Tahsildar to fix the value of such right and purchase the right through him in such manner as may be prescribed.

#### **41. Tenant To Be Deemed To Be A Governments Tenant From The Date Of Vesting And Land Revenue Administration And Ryotwari Act To Apply To The Vested Land :-**

When the proprietary rights in any village, muhal, land, chak or block are vested in the State under Section 3 of this Act. Every Sakitulmilkhiyat, Pacca Maurusi, Mamuli Maurusi, Gair Maurusi tenant of such village, muhal, land, chak or block who was in possession of any holding shall, from the date of vesting, be deemed to be a tenant of the Government and the proprietor shall also likewise. In respect of the holding of his Khudkasht or Sir, be deemed to be a tenant of the Government from the date of vesting and all provisions of Part II of Madhya Bharat Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007, shall, subject to Other provisions of this Act, apply to such village, muhal, land, chak or block are similar provisions of Qanoon Mal, Gwalior State, Samvat 1983, and of other laws shall cease to apply :

Provided that all cases pending before any Revenue Court at the time of commencement of this Act shall be decided according to the

provisions of Acts and Laws heretofore in force.

#### **42. Appointment Of A Patel For Collection Of Land Revenue And Rent :-**

(1) Notwithstanding anything contained in Qanoon Mal, Gwalior, Samvat 1983, on and from the date of vesting, every proprietor acting as lambardar before such date in the land or patti vesting in the State under Section 3 shall cease to act as such and the Suba shall, in accordance with rules made in this behalf appoint a person as Patel for each village on such terms and conditions as may be prescribed.

(2) Every such Patel shall-

(a) collect and pay into Government Treasury land revenue and rent payable by pacca tenants, tenants and other persons in the village;

(b) perform such duties and exercise such powers as may be prescribed.

#### **CHAPTER 7**

#### **REHABILITATION GRANT**

#### **43. Rehabilitation Grant :-**

(1) There shall be paid to every proprietor who has been divested of his proprietary right under this Act and who earns his livelihood wholly or mainly from agriculture, except a Supurdgidar, Mustajar, Sabik Zamindar, and Thekadar, a rehabilitation grant as provided in Schedule 2 according to rules contained therein.

(2) Where the income of any property vesting in the State was immediately before the date of vesting being used for the maintenance or up keep of any religious, charitable or public institution, the Government may, if it considers it expedient that such institution should in public interest receive a further grant, grant an annuity determined after having regard to the following matters, namely :-

(a) the portion of the income from the property which has been generally used or applied for the purpose of institution;

(b) the income from interest or otherwise from the amount of compensation or rehabilitation grant given under this Act;

(c) the income from other properties held by the institution;

(d) the amount which would be considered reasonable for fulfilling the objects of the institution so far as they relate strictly to religious, charitable or public purposes.



Any annuity so granted may, from time to time, be revised by the Government.

**44. Date From Which The Grant Shall Be Payable :-**

The rehabilitation grant to be paid under Section 43 shall be payable from the date on which the amount of compensation in respect of all the land of the divested proprietor is determined.

**45. Every Proprietor To Be Treated As A Separate Unit :-**

For the purpose of a rehabilitation grant under this Act, every proprietor shall be treated as a separate unit :

Provided that in the case of joint Hindu family :-

(a) a father with his male lineal descendants in the male line of descent shall, as respects joint family property, be deemed to be one unit, where the father was alive on the date of vesting;

(b) all the members thereof shall, except as provided in clause (a), be treated as separate units.

Explanation.-Notwithstanding any partition made on or after the 17th January, 1949, a family shall be deemed joint.

**46. Certain Transfers Effected After 17Th January, 1949, Not To Be Recognised :-**

Notwithstanding anything contained in any law for the time being in force, any transfers, whether by way of sale or gift made by person in favour of his wife or a male lineal descended or the wife of such descendant and vice-versa on or after the 17th January, 1949, shall not for the purpose of assessment of a rehabilitation grant, be recognised and the amount of rehabilitation grant shall be assessed as if no such transfer had been made.

**47. Application For Rehabilitation Grant :-**

(1) A proprietor entitled to receive the rehabilitation grant shall apply in writing in the prescribed form giving the prescribed particulars to the 1 [Deputy Compensation Officer], for determination and payment of the grant and the application shall be verified in the manner prescribed for the verification of plants in the Code of Civil Procedure.

(2) The Deputy Compensation Officer shall, after making such inquiry as he deemed fit, determine the amount of the grant and communicate the same to the officer appointed by the Government

in this behalf, who shall make payment of the grant in the manner prescribed in Schedule 2.

1. Substituted by M.B. Act No. 29 of 1956.

**48. Bar On Seizure Or Attachment Of The Amount Of Grant :-**

No amount granted by way of rehabilitation grant shall be liable to seizure of attachment by process of any Court or other authority at the instance of the creditor or on any demand against the grantee or in execution of the decree or order of any such Court or authority.

**49. Appeal Against Order Of Deputy Compensation Officer :-**

1[Against the order of the 1[Deputy Compensation Officer] passed under Section 47, an appeal on a stamp of rupees two shall lie, within 30 days from the order, to the Compensation Commissioner and the decision of the Compensation Commissioner shall be final.

1. Substituted by M.B. Act No. 29 of 1956.

**CHAPTER 8**

**MISCELLANEOUS**

**50. Presumption About Entries In Record Of Rights Etc. :-**

Every entry in the record of rights, the annual village papers and the register of proprietary mutations in Madhya Bharat and every entry of such record maintained under any Act for the time being in force in the enclaves merging in Madhya Bharat region shall for purposes of assessment and payment of compensation be presumed to be correct.

**51. The Right Of Mortgagee To Receive Compensation, Etc. When The Mortgagors Right Of Redemption Is Extinguished :-**

Notwithstanding anything contained in this Act, the mortgagee and not the mortgagor of a village, muhal, land, chak or block in respect of which the mortgagors right of redemption has extinguished shall be deemed to be the proprietor of that village, muhal, land, chak or block and the right to receive the compensation and the rehabilitation grant under Sections 34 (3) and 43 shall also be that of the mortgagee and not of the

mortgagor.

## **52. Procedure :-**

The Deputy Compensation Officer, the Claims Officer and any authority hearing appeals from the orders of such officer shall follow the procedure applicable to proceedings under the Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007, may be, and shall have the same powers in reference to proceedings before them as a Revenue Officer has in reference to original or appellate proceedings, as the case may be, under the Revenue Administration and Ryotwari Land Revenue and Tenancy Act, Samvat 2007.

## **53. Court-Fees :-**

The fee payable on the memorandum of an appeal filed before the Compensation Officer under Section 14 (1) and the Compensation Commissioner under Section 14 (2) shall be one and two rupees respectively.

(2) Save as otherwise expressly provided in this Act, there shall be paid such Court-fees on every application or document filed in the proceedings under this Act and such fees for the issue or execution of any process as may be prescribed.

## **54. Protection Of Action Taken Under This Act :-**

(1) No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done in pursuance of this Act, or any rules made thereunder.

(2) No suit or other legal proceeding shall lie against the Government for any damage caused or likely to be caused or any injury suffered or likely to be suffered by virtue of any provisions of this Act or by anything in good faith done or intended to be done in pursuance of this Act or any rules made thereunder.

## **55. Persons Acting Under This Act To Be Deemed To Be Public Servants :-**

All persons acting in pursuance of the provisions of this Act shall be deemed to be public servants within the meaning of that expression in the Indian Penal Code.

## **56. Effect Of Provisions Of Act And Rules Inconsistent With**

## **Other Enactments :-**

The provisions of this Act and any rules made thereunder shall have effect notwithstanding anything inconsistent herewith contained in any enactment other than this Act or in any instrument having effect by virtue of any enactment other than this Act.

### **57. Punishment For False Application :-**

Any person who states in the application signed, verified and submitted by him under this Act, anything which is false or which he knows to be false or has reason to believe it to be false or does not believe it to be true, shall be deemed to have committed an offence punishable under Section 193 of Indian Penal Code.

### **58. Power To Make Rules :-**

(1) The Government may make rules to carry out all or any of the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, the Government shall have power to make rules with reference to :-

(a) the circumstances and manner in which clearings for cultivation or for any other purpose shall be made under Section 3;

(b) the management of lands vesting in the State under Section 3;

(c) the conditions and terms of security, indemnity etc., for interim payment;

(d) the form in which a statement of claim may be submitted and such further particulars that should be given in the statement of claims under Section 11;

(e) the form of and the details to be incorporated in the statement showing the amount of compensation due to the claimant under Section 12;

(f) the prescription of an authority or bank with which the compensation payable to a waqf, trust or endowment or a minor or a person suffering from legal disability may be deposited under Section 34;

(g) the appointment of a Patel, the terms and conditions of his appointment, the duties to be performed and the powers to be exercised by him under Section 42;

(h) the prescription of the form of application and particulars to be given therein for the rehabilitation grant;

(i) the prescription of the fees under Section 53 (2).

## SCHEDULE 1

### SCHEDULE I

[See Section 8]

1. Basic year.-The expression "Basic Year" means the agricultural year preceding the agricultural year in which the date of vesting falls.

2. Calculation of gross income.-The gross income a village, muhal, chak or block shall include the following :-

(a) Rent payable in cash as recorded in Jamanbandi for the basic year;

(b) the amount computed at the settlement rates for :-

(i) the land held by proprietor as defined in Section 2 (a) as Khud-kasht or Sir;

(ii) the land held by tenants for which the rent is payable in kind;

(iii) the land held by tenants for which rent payable has not been determined (rent-free land);

(iv) the land held by tenants on concessional rent;

(c) the Sivai-jama income which shall be an amount equal to one-fifth of such total income during the five agricultural years from Samvat 2000 to 2004 as recorded in the Siyaha of the village, muhal, chak or block.

3. Calculation of net income.-(1) The net income of a village, muhal, chak or block shall be calculated by deducting from the gross income the sums under the following heads, namely":-

(a) in the case of a village or muhal, the land revenue of the village or muhal, in the basic year, together with Chaukidari payable to Government and the case of a chak or block, the land revenue which may have or may become payable to Government after 25 years from the grant of the chak or block;

(b) an amount of the cost of management and realisation of rents and in lieu of irrecoverable arrears of rent ten per cent of the gross income in case when gross annual income of the village, muhal, or block exceeds Rs. 2000 and seven per cent in other cases.

(2) Notwithstanding anything contained in sub-rule (1), the net income shall in no case be less than 5 per cent of the gross income.

4. Amount of compensation money.-The compensation payable to the proprietor under Section 8 (1) shall be eight times the net income determined in accordance with the provisions hereinbefore contained :

Provided that the chakdar or blockdar who has completely fulfilled the conditions of his lease shall be entitled to the refund of the deposit money together with interest thereon deposited by him at the time of taking the lease.

5. Instalments of compensation money.-The compensation money shall be paid in instalments not exceeding a period of ten years.

## SCHEDULE 2

### SCHEDULE II

[See Section 48]

#### REHABILITATION GRANT RULES

1. Rehabilitation grant shall be paid according to the following table :-

#### TABLE

Serial No. Proprietor to whom the rehabilitation grant is to be paid The amount of rehabilitation grant which is to be paid

1. A Proprietor paying annual land revenue up to Rs. 25. 12 times of the net income

2. A proprietor paying annual land revenue exceeding Rs. 25 but not Rs. 50. 10 times of the net income

3. A proprietor paying annual land revenue exceeding Rs. 50 but not Rs. 100. 8

times of the net income

4. A proprietor paying annual land revenue exceeding Rs. 100 but not Rs. 250. 6 times of the net income

5. A proprietor paying annual land revenue exceeding Rs. 250 but not Rs. 500. 4 times of the net income

6. A proprietor paying annual land revenue exceeding Rs. 500 but not Rs. 2,000. 2 times of the net income

7. A proprietor paying annual land revenue exceeding Rs. 2,000 but not Rs. 3,500. 1 time of the net income

8. A proprietor paying annual land revenue exceeding Rs. 3,500. Nil

Explanation.-(1) For the purposes of this rule, the land revenue to be paid by the proprietor and his net income shall include land revenue and net income, as the case may be, of all his land situated in Madhya Bharat.

(2) In case of superior and inferior proprietors, the rehabilitation grant shall be payable to the inferior proprietor only.

2. For the purposes of these rules, the land revenue paid by the proprietor shall be the land revenue payable by him for the agricultural year preceding the date of vesting.

3. For the purposes of these rules the net income shall be calculated in the manner provided in Schedule I.

4. The rehabilitation grant up to Rs. 250 shall be paid in lump-sum, the remaining further sum, if any, shall be paid by instalments of not more than ten years. No interest shall be payable on rehabilitation grant.

5. On death of a proprietor, his legal heir shall be entitled to obtain the sum of the rehabilitation grant.

6. The assessment of the rehabilitation grant shall be made by the 1[Deputy Compensation Officer] within whose jurisdiction the proprietor resides and if the proprietor does not reside within the jurisdiction of any Compensation Officer, it shall be so made by the 1[Deputy Compensation Officer], within whose jurisdiction the city of Lashkar may be situated.

1. Substituted by M.P. Act No. 9 of 1959.

### SCHEDULE 3

#### SCHEDULE III

[See Section 38 (2)]

The points to be considered while determining amount of compensation with regard to wells :-

(1) The utility of a well for a holding.

(2) The amount spent over the construction of a well.

(3) Present condition of the well.

(4) The time expired since the construction of well.