

VIDHAN SABHA SECRETARIAT
MADHYA PRADESH



REPORT
OF
THE SELECT COMMITTEE
ON THE
MADHYA PRADESH ABOLITION OF CASH GRANTS
BILL, 1962
(No. 10 of 1962)
Together with the Bill as amended by the Select Committee

X767:Z.271.N6t
k2
087562

BHOPAL
GOVT. CENTRAL PRESS,
1962.

**COMPOSITION OF THE SELECT COMMITTEE ON THE MADHYA
PRADESH ABOLITION OF CASH GRANTS BILL, 1962 (No. 10 of 1962).**

Chairman

1. Shri Jagdish Narayan Awasthi.

Members

2. Shri Kesholal Gomasta, Minister for Revenue.
3. Dr. Shankar Dayal Sharma, Minister for Education.
4. Shri Durgadas Suryawanshi.
5. Shri Gangaram Tiwari.
6. Shri Gulsher Ahmad.
7. Shri Maheshdatta Mishra.
8. Shri Vrindasahai.
9. Shri Rameshwar Prasad Sharma.
10. Shri Parashram Dhurve.
11. Shri Pandhirao Kridatta.
12. Shri Jwala Prasad.
13. Shri Shakirali Khan.
14. Shrimati Durgabai Deshmukh.
15. Shri Ramdas Agrawal.

Secretariat

1. Shri Mandan Gopal, Secretary.
2. Shri R. R. Kanhai, Under Secretary.

REPORT OF THE SELECT COMMITTEE

1. The Chairman of the Select Committee to which the Madhya Pradesh Abolition of Cash Grants Bill, 1962 (No. 10 of 1962), was referred having been authorised to submit the report on their behalf, present this Report, with the Bill as amended by the Committee annexed thereto.

2. The Bill was introduced in the Vidhan Sabha on the 26th June, 1962. The motion for reference of the Bill to a Select Committee was moved by Shri Kesholal Gomasta, Minister for Revenue, on the 26th June, 1962 and was adopted on the same day.

3. The Committee held five sittings in all.

4. In the first meeting of the Committee held on the 6th September, 1962, the Committee desired Revenue Department to make available to the Committee a list of all categories of cash Grantees in Madhya Pradesh and copies of Administrative *Sanads* of grantees for perusal.

The Committee considered the letter of the Madhya Pradesh Cash Grantees Association, Gwalior and decided that the Association may send its delegates for tendering evidence before the Committee at its next meeting fixed for the 27th September, 1962.

The Committee considered the Bill clause by clause but decided to take final decisions thereon after hearing the Madhya Pradesh Cash Grantees Association, Gwalior in the next meeting.

5. In the second meeting of the Committee held on the 27th September, 1962, the Committee heard the evidence of the Madhya Pradesh Cash Grantees Association, Gwalior. The names of the members of the Association who were present are given in the Appendix.

6. In the third meeting of the Committee held on the 6th November, 1962, the Committee perused the list of all categories of Cash Grantees in Madhya Pradesh and copies of the Administrative *Sanads* of grantees and reconsidered the Bill clause by clause and made suitable amendments.

7. The fourth meeting of the Committee held on the 11th December, 1962, was adjourned due to pressure of work of the session on the members.

8. In the fifth meeting of the Committee held on the 13th December, 1962, the Committee considered the draft of amendments and approved them. The Committee also adopted the Report.

9. The observations of the Committee with regard to the principal changes proposed in the Bill are detailed in the succeeding paragraphs.

10. Clause 2, item (1), sub-item (i).—The Committee are of the opinion that cash grants for the services and worship of public temples, mosques or churches and reading of the *Puran* and performing *Kirtan* in public temples only should be exempted. In order to make this intention clear sub-item (i) has been redrafted.

* Published in English and in Hindi in the "Madhya Pradesh Gazette", Extra-ordinary, dated the 15th and 18th June, 1962, respectively.

(ii)

Item (1), sub-item (iii) (d).—The Committee carefully considered as to whether the present provisions of the sub-item would, in effect, give a preferential treatment to the *Mansabdars* in Bhopal region by excluding the orders relating to the Jagirs issued *vide* paragraph 30 of the Bhopal *Ihekame Khusravi* from the definition of cash grants. The attention of the Committee was invited to section 45-A of the Bhopal Abolition of Jagirs and Land Reforms Act, 1955 (No. 10 of 1955), a study of which and connected provisions convinced the Committee that the *Mansabdars* will not receive any preferential treatment under the present definition of Cash Grants. However, the Committee thought it better to make the provision more clear by adding a reference to the relevant provision of the Bhopal Abolition of Jagirs and Land Reforms Act, 1955.

The sub-item has been amended accordingly.

11. Clause 3, sub-clause (1).—The Committee are of the opinion that it would cause hardship to widows, minors, persons above the age of 60 years or persons subject to physical disability or mental infirmity if their cash grants were discontinued at once and therefore, these persons should be given an option to continue to receive cash grants till the widow remains so, a male minor till he attains 21 years of age, a female minor till her marriage or until she attains 21 years of age whichever is earlier, a person above the age of 60 years till his or her death and a person subject to physical disability or mental infirmity during his or her life time.

Sub-clause (1) has been amended accordingly.

12. Clause 4.—The changes made in this clause are consequential to the amendments made in clause 3.

13. Clause 5.—The changes effected in this clause are only consequential.

14. Clause 7.—The Committee observed that under the present Law, the question of title of a grantee to a cash-grant is determined not only by a competent Court but also by the State Government and other competent authorities. The provisions of the Bill, however, leave the question to be determined only by a Court of competent jurisdiction. In order to make the provision more specific, sub-clause (1) has been amended to include the State Government and other authorities also.

The Committee further feel that provision should also be made in respect of mutation proceedings pending before any court or authority immediately before the coming into force of this Act for being transferred to a competent authority to be disposed of by it as if they were proceedings under this clause. Sub-clause (1-A) has, therefore, been added to meet the purpose.

15. Clause 9.—The Committee feel that the manner of payment of compensation in accordance with the scale specified in this clause may result in discrimination and may not be considered to accord with Article 14 of the Constitution in view of the judgement of the Supreme Court in W. P. Nos. 114 and 115 of 1961 delivered on the 5th December, 1961. The Committee are, therefore, of the view that differentiation should be confined to the compensation payable to hereditary cash grantees and life cash grantees. In the opinion of the committee a sum equivalent to six times and four times, of the amount payable annually to the hereditary and life cash-grantees respectively would be fair and adequate compensation and would also meet the ends of justice.

(iii)

The clause has been amended accordingly.

16. **Clause 10.**—The Committee feel that the maximum limit of nine instalments provided for payment of the balance of the compensation is on the high side and should be reduced to the limit of six instalments. Item (b) of sub-clause (1) has been amended accordingly.

17. **Clause 11.**—The amendments made in this clause are consequential to the amendments made in clauses 3 and 9.

18. Other amendments made by the Committee are of minor or consequential nature and are self explanatory.

19. The Committee recommend that the Bill, as amended, be passed.

APPENDIX

(See paragraph 5)

Delegates of the Madhya Pradesh Cash Grantees Association, Gwalior.

1. Colonel Rao Bahadur Bapurao Pawar, President.
2. Sardar Ranoji Rao Kaka Saheb Shinde, Secretary.
3. Sardar S. R. Fadnis, Advocate.
4. Sardar Colonel Anna Saheb Apte.
5. Shri B. K. Kadam, Joint Secretary.
6. Shri Ramchandra Rao Patankar, Member.
7. Shri Baxi Saheb, Member.
8. Shri M. P. Pawar (Dewas).
9. Shri G. N. Chitnis (Indore).
10. Shri R. M. Kashikar (Dewas).

BHOPAL:

Dated the 13th December, 1962.

JAGDISH NARAYAN AWASTHI,
Chairman, Select Committee.

(As amended by the Select Committee)

MADHYA PRADESH BILL

NO. 10 OF 1962

THE MADHYA PRADESH ABOLITION OF CASH GRANTS BILL, 1962.

TABLE OF CONTENTS

Clauses.

1. Short title, extent and commencement.
2. Definitions.
3. Abolition of certain cash grants.
4. Submission of statement of claims by grantee.
5. Determination of compensation.
6. Appeal, revision and review to be in accordance with Madhya Pradesh Act 20 of 1959.
7. Question of title.
8. Injunction by Civil Court barred.
9. Payment of compensation.
10. Manner of payment of compensation.
11. Power to make rules.
12. Power to remove difficulties.

(As amended by the Select Committee)

MADHYA PRADESH BILL

No. 10 OF 1962

[Omissions made by the Select Committee are enclosed in square brackets and additions and alterations made by it are sidlined or underlined.]

THE MADHYA PRADESH ABOLITION OF CASH GRANTS BILL, 1962

A Bill to provide for the discontinuance of cash grants in Madhya Pradesh and to make provision for other matters connected therewith.

BE it enacted by the Madhya Pradesh Legislature in the Thirteenth Year of the Republic of India as follows :—

1. (1) This Act may be called the Madhya Pradesh Abolition of Cash Grants Act, 1962. Short title, extent and commencement.
- (2) It extends to the whole of Madhya Pradesh.
- (3) It shall come into force on such date as the State Government may, by notification, appoint.

In this Act, unless the context otherwise requires— Definitions.

- (1) "cash grant" means a grant of money which is enforceable by the grantee against the State Government on the date of the coming into force of this Act but does not include—
 - [(i) a grant of money for services or worship of temples, mosque or church or for reading *Puran* or performing *Kirtan* in temples;]
 - (i) a grant of money for—
 - (a) services of public temples, mosque or church; or
 - (b) worship of public temples, mosque or church; or
 - (c) reading *puran* in public temples; or
 - (d) performing *Kirtan* in public temples;
 - (ii) a grant of money to charitable or religious institutions
 - (iii) a grant of money or pension or annuity or special or perpetual annuity sanctioned under—
 - (a) section 5 of the Central Provinces and Berar Revocation of Land Revenue Exemptions Act, 1948 (XXXVII of 1948);
 - (b) section 77 or section 81-A of the Madhya Pradesh Abolition of Proprietary Rights (Estates, Mahals, Alienated Lands) Act, 1950 (I of 1951);

- (c) section 41 of the Vindhya Pradesh Abolition of Jagirs and Land Reforms Act, 1952 (XI of 1952);
- (d) the orders relating to Jagirs in Bhopal "Inkam Khusravi, 1949, para 30" read with section 45-A of the Bhopal Abolition of Jagirs and Land Reforms Act, 1953 (No. X of 1953); and
- (e) sub-section (2) of section 160 of the Madhya Pradesh Land Revenue Code, 1959 (20 of 1959);
- (a) "charitable institution" means any charitable establishment with specific location and known address, which is dedicated to, or for the benefit of, or used as of right by, the public generally or any community or section thereof, for any pious, charitable or philanthropic purpose;
- (3) "competent authority" means the Collector or such other Revenue Officer not below the rank of a Tahsildar as may be authorised by him in this behalf;
- (4) "grantee" means a person to whom cash grant is payable;
- (5) "religious institution" includes any place, by whatever name known, which is used as a place of religious worship or which is dedicated to, or used as of right by, the public generally or any community or section thereof, for the performance of any religious service.

Abolition of certain cash grants.

3. (1) Notwithstanding anything contained in any law, custom, usage, *sanad* or a decree or order of a Court or other authority whatsoever, all cash grants shall be discontinued and cease to have effect from the commencement of this Act :

Provided that where the grantee is a person specified in column (1) of the Table below, the cash grant may, at the option of the grantee exercised in such manner, within such period and in such form as may be prescribed, be continued subject to the conditions and during the period mentioned in the corresponding entry in column (2) of the said Table:—

TABLE

(1)	(2)
(i) A widow.	So long as she remains a widow.
(ii) A minor—	
(a) in the case of a male,	Till the date he attains 21 years of age.
(b) in the case of a female.	Till the date of her marriage or till she attains 21 years of age, whichever is earlier

- (iii) A person above the age of 60 years. During his life time.
- (iv) A person subject to physical disability or mental infirmity owing to which he is incapable of earning his livelihood. During his life time.

(2) Upon the discontinuance of a cash grant under sub-section (1), it shall not be obligatory on the grantee to perform the function or discharge the duty, if any, attached to such grant.

4. (1) Every grantee whose grant stands discontinued under sub-section (1) of section 3 shall, within a period of three months from the date appointed under sub-section (3) of section 1, file a statement of claim before the competent authority in the prescribed form and specify therein the following particulars, namely:—

- (i) name of the grantee;
- (i-a) whether—
- (a) a minor,
 - (b) a widow,
 - (c) a person above 60 years of age,
 - (d) a person subject to physical disability or mental infirmity owing to which he is incapable of earning his livelihood;
- (i-b) full particulars about age and physical disability or mental infirmity referred to in (i-a) above;
- (ii) the extent of share of each grantee where there are more grantees than one;
- (iii) full particulars of the cash grant payable;
- (iv) full particulars of pending litigation, if any, respecting such cash grant or part thereof;
- (v) such other particulars as may be prescribed:

Provided that in case of a grantee who is a minor or mentally infirm, such statement shall be filed by the next friend of the minor or the person mentally infirm, within the meaning of Order XXXII, Rule 1 or Order XXXII, Rules 1 and 15, as the case may be, of the Code of Civil Procedure, 1908 (V of 1908).

- (1-a) Every statement made by a grantee specified in sub-section (1) shall be accompanied by a certified copy of—
- (a) the proof in support of the fact that the grantee falls under any of the categories specified in the proviso to sub-section (1) of section 3; and

(b) the Form indicating the option, if exercised, under the proviso to sub-section (1) of section 3.

(2) Every such statement shall be signed and verified in accordance with Order VI, Rule 15 of the Code of Civil Procedure, 1908 (V of 1908).

Determination of compensation.

5. (1) On receipt of a statement of claims, or if no such claim is received within the period specified in sub-section (1) of section 4, the competent authority shall, after making such enquiry as it thinks fit and giving an opportunity to the grantee or grantees, if there are more than one grantees for such cash grant, to be heard, decide the amount of compensation due to the grantee and record in a statement in the prescribed form, the details of the cash grant discontinued in lieu of the payment of such compensation or the continuance of such cash grant in accordance with the proviso to sub-section (1) of section 3, as the case may be, and such other particulars, as may be prescribed.

(2) [The competent authority] Except where the cash grant is continued in accordance with the proviso to sub-section (1) of section 3, the competent authority shall assess the amount of compensation payable for the whole cash grant and then determine the amount due to each claimant in accordance with sub-section (3).

(3) Where there are co-sharers, the amount of compensation shall be distributed between them in proportion to the shares held by them.

(4) A copy of the statement recorded by the competent authority under sub-section (1) shall be supplied free of cost to each grantee.

Appeal, revision and review to be in accordance with Madhya Pradesh Act, 20 of 1959.

6. The provisions of Chapter V of the Madhya Pradesh Land Revenue Code, 1959 (20 of 1959) relating to appeal, revision and review shall apply to an order passed by a competent authority under section 5 as they apply to an order passed by a Collector under the said Code.

Question of title.

7. (1) If during the course of an enquiry by the competent authority, any question is raised regarding the title of any grantee and such question has not already been determined by a court of competent jurisdiction or the State Government or any other authority competent to determine the question, as the case may be, the competent authority shall proceed to enquire summarily into the merits of such question and pass such orders as it thinks fit.

(1-A) All proceedings in respect of mutations pending before any court or authority whatsoever immediately before the commencement of this Act shall, on such commencement, stand transferred to the competent authority and shall thereupon be disposed of by the competent authority as if they were proceedings arising under sub-section (1).

(8) The order of the competent authority under sub-section (1) or sub-section (1-A) 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 the Civil Court to have the order set aside, and the decision of such court shall be binding on the competent authority, but subject to the result of such suit, if any, the order of the competent authority shall be final and conclusive.

8. Except an authority before whom an appeal or revision under section 6 is pending against an order of the competent authority, 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 competent authority under section 5 which shall have the effect of staying the proceedings. Injunction by Civil Court barred.

[9. The State Government shall pay to every grantee whose cash grant is discontinued under section 3, compensation determined in accordance with the scale specified below: Payment of compensation.

SCALE

Where the amount of cash grant per annum is or works out to be—

- | | |
|---|---|
| (1) one hundred rupees or less | Ten times the amount payable annually to the grantee under the cash grant, |
| (2) more than one hundred rupees but not exceeding three hundred rupees. | Seven times the amount payable annually to the grantee under the cash grant subject to the minimum of one thousand rupees, |
| (3) more than three hundred rupees but not exceeding five hundred rupees. | Five times the amount payable annually to the grantee under the cash grant subject to the minimum of two thousand and one hundred rupees, |
| (4) more than five hundred rupees. | Four times the amount payable annually to the grantee under cash grant subject to the minimum of two thousand and five hundred rupees.] |

9. (1) The State Government shall pay, to each grantee whose cash grant is discontinued under section 3, compensation as follows:— Payment of compensation.

- (a) in the case of a hereditary cash grant, a sum equivalent to six times the amount payable annually to the grantee under the cash grant ;
- (b) in the case of a life grant, a sum equivalent to four times the amount payable annually to the grantee under the cash grant ;

Provided that where the amount of cash grant received by a grantee specified in the proviso to sub-section (1) of section 3 under the conditions specified therein, falls short of the amount of compensation payable under this section, the amount by which it falls short shall be paid to the grantee or his legal heir, as the case may be, in such manner as may be prescribed.

(2) Where the grantee is a person specified in the proviso to sub-section (1) of section 3, the total amount of cash grant payable to him during the period specified therein in respect of such grantee and the additional amount, if any, payable under the proviso to sub-section (1) of this section shall be deemed to be compensation payable to him for the discontinuance of the cash grant.

Manner of
payment of com-
pensation.

10. (1) Subject to the provisions of this Act and the rules made thereunder, the compensation payable under section 9 shall be paid in the following manner, namely:—

(a) in cash in full within nine months of the date of the order of the competent authority under section 5, where the total amount of compensation does not exceed one thousand rupees;

(b) in other cases, a sum not less than one thousand rupees shall be paid within nine months of the date of the order of the competent authority under section 5 and the balance shall be paid in equal annual instalments not exceeding [nine] six subject to the conditions that no instalment except the one that relates to final payment shall be of less than one hundred rupees, and that the instalments shall be payable on the 1st day of each of the financial year next following.

(2) If any instalment remains unpaid within the period mentioned in sub-section (1) or within a period of three months from the date on which it becomes due for payment under the said sub-section, interest shall be payable thereon at the rate of three per centum per annum for the period for which it remained unpaid from the date it becomes due:

Provided that no interest shall be payable where the instalment remains unpaid on account of a default on the part of the grantee and a notice of not less than 30 days has been given to him in the prescribed form and manner in that behalf.

(3) The payment of compensation under this Act to the grantee in accordance with the prescribed manner or where a grantee is a person specified in the proviso to sub-section (1) of section 3, the continuance of the cash grant and payment of the additional amount, if any, in accordance with the provisions of, this Act, shall be a full discharge of the State Government from all liability to pay compensation for the discontinuance of the

cash grant and no further claims for payment of compensation in respect thereof shall lie.

11. (1) The State Government may make rules for carrying out all or any of the purposes of this Act. ^{Power to make rules.}

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the matters, namely:—

(i) the manner, period and form in which option shall be exercised under the proviso to sub-section (1) of section 3;

[(i)] (i-a) (a) form in which a statement of claim shall be filed under sub-section (1) of section 4;

(b) other particulars under clause (v) of sub-section (1), of section 4;

(ii) (a) form in which statement shall be recorded by the competent authority under sub-section (1) of section 5;

(b) other particulars details whereof shall be recorded in the statement under sub-section-(1) of section 5;

(ii-2) the manner in which compensation shall be paid to the grantee or his legal heir under the proviso to sub-section (1) of section 9;

(iii) the form and the manner in which notice shall be given under the proviso to sub-section (2) of section 10;

(iv) any matter which has to be or may be prescribed.

(3) Every rule made under this section shall be laid on the table of the Madhya Pradesh Legislative Assembly.

12. If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order, make such provisions, not inconsistent with the purposes of this Act, as appears to it to be necessary or expedient for removing the difficulty. ^{Power to remove difficulties.}