

MEGHALAYA ACT 5 OF 1976
THE MEGHALAY RURAL INDEBTEDNESS RELIEF ACT, 1975.

(As passed by the Assembly)

[Received the assent of President on the 18th March, 1976]

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An

Act

to provide for relief of rural indebtedness in Meghalaya.

Be it enacted by the Legislature of Meghalaya in the Twenty-sixth Year of the Republic of India as follows:-

Short title, extent and commencement.

- (i) (1) This Act may be called the Meghalaya Rural Indebtedness Relief Act, 1975.
- (2) It shall extend to the whole of Meghalaya.
- (3) It shall come into force at once.

Definitions.

- (ii) In this Act, unless there is anything repugnant in the subject or context –
 - (a) “agriculture” includes horticulture, dairy farming, pisciculture, forestry, sericulture, bee-keeping, piggery, poultry farming and growing of fruits, vegetables and the like;

- (b) “agriculture labourer” means a person who follows any one or more of the following agricultural occupations in the capacity of a labourer on hire or exchange, whether paid in cash, in kind or partly in cash and partly in kind:-
- i. Farming including cultivation and tillage of soil, etc.;
 - ii. Dairy farming;
 - iii. Productions, cultivation, growing and harvesting of any horticultural commodity;
 - iv. Raising of livestock, bees or poultry; and
 - v. Any practice performed on a farm as incidental to or in conjunction with farm operations (including any forestry or timbering operations) and preparation for market and delivery to storage or to market or to carriage for transportation of farm products.
- (c) “bank” means a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 (Act 10 of 1949) and includes the State Bank of India Act, 1955 (Act 23 of 1955), a subsidiary bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959 (Act 38 of 1959), a corresponding new bank as defined in the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (Act 5 of 1970) and includes any other financial institution which may be notified in this behalf by the State Government;
- (d) “debt” includes all liabilities owing to a creditor in cash or in kind, secured or unsecured, payable under a decree or order of a civil court or otherwise and subsisting on the date of commencement of this Act, whether due or not due, but does not include the following, namely:-
- (i) any debt or sum due to the Central Government or any State Government ;
 - (ii) any debt or sum due to a bank, a co-operative society including a co-operative bank ;

- (iii) any debt or sum due to an Agricultural Refineries Corporation, a Corporation constituted under the Agricultural Refinance Corporation Act , 1963 (Act 10 Of 1963);
- (iv) any debt or sum recoverable as a public demand under the Meghalaya Public Demands Recovery act (Bengal Act 3 of 1913 as adapted by Meghalaya);
- (v) any debt or sum due to a Municipality, a Town Committee constituted or established under any law or a statutory authority including a District Council ;
- (vi) any debt which represents the price of goods purchased by a debtor ;
- (vii) any liability arising out of breach of trust or tortious liability ;
- (viii) any liability in respect of maintenance whether under a decree of a court or otherwise ;
- (ix) any liability in respect to wages or remuneration due as salary or otherwise of service rendered ;
- (x) any rent due in respect of any property let out to a debtor.

Explanation.- Any liability incurred by a debtor on or after the commencement of this Act, which is in fact , a substitution of a liability previously incurred by him shall be deemed to be debt within the meaning of this Act.

(e) “debtor” means a person who is resident outside an area included in a municipality or a cantonment and who belongs to any of the following categories, namely:-

- (i) agriculture labourer,
- (ii) Marginal farmer,
- (iii) Rural artisan,
- (iv) Small farmer,

(f) “farmer” means a person who is engaged in agriculture ;

(g) “loan” means an advance, whether of money or in kind, made on condition of repayment with interest and includes any transaction which is in substitute a loan;

(h) “marginal farmer” means a farmer who owns land measuring not more than half hectare of irrigated or one hectare of unirrigated land and who cultivates personally such land and shall also include a farmer who cultivates as a tenant or share cropper of land measuring not more than half hectare of irrigated land or one hectare of unirrigated land ;

(i) “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 also a person who normally earns his livelihood by practising a craft either by his own labour or by the labour of the members of his family in the rural area ;

(j) “small farmer” means a farmer who owns land measuring more than half hectare of irrigated or one hectare of unirrigated land but less than one hectare of irrigated or two hectares of unirrigated land and shall also include a farmer who cultivates as a tenant or a share cropper of land measuring more than half hectare of irrigated or one hectare of unirrigated land but less than one hectare of irrigated or two hectare of unirrigated land ;

(k) “member of Scheduled Tribe” means a person belonging to any of the Scheduled Tribes pertaining to Meghalaya and as specified in the Constitution (Scheduled Tribe) Order,1950 as amended from time to time.

Explanation:- In case where a farmer is a member of Scheduled Tribe, the words “half -hectare”, “one hectare” and “two hectares” wherever occurring in clauses (h) and (j) of this section shall be read as “one hectare”, “two hectares” and “four hectares” respectively, for the purposes of the said clauses.

Moratorium on the recovery of debt and stay of suits.

3. (1) Notwithstanding anything contained in any other law for the time being in force or in any contract, customs or usage to the contrary, the recovery of debt advanced before the commencement of this Act to a debtor shall stand suspended for a period of one year from the date of commencement of this Act and –

- (i) no civil court shall entertain any suit, application or proceeding against a debtor in respect of any debt incurred by him or for the recovery of the debt suspended during the period of such suspension ;
- (ii) any suit, application or application or execution proceeding in relation to recovery of a debt pending before a civil court shall be stayed during the said period;
- (iii) no decree or a civil court in relation to the recovery of a debt which was passed before the commencement of this Act shall be executed during the aforesaid period ;

(2) The State Government may, by notification in the official Gazette, extend the period referred to in sub-section (1) from time to time but such extension shall not exceed a period of one year at a time.

Extension of period of Limitation.

4. Notwithstanding anything contained in any other law for the time being in force when the period of limitation is calculated for any suit, proceeding or application, or for execution of a decree, the period during which any person was debarred from institution such suit or proceeding or making such application or executing such decree shall be excluded.

Remission of interest.

5. A debtor shall not be liable to pay interest upon any loan during the period for which no suit or proceeding could be instituted or application made for recovery of the loan or for execution of a decree in relation thereto or for which a suit, application or proceeding for recovery of the loan was stayed.

Explanation: - For the purposes of sections 3 and 4 and this section, "Suit" includes appeal.