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PRESIDENT'S ACT NO. 31 OF 1976.*

THE TAMIL NADU DEBT RELIEF ACT, 1976.

[Received the assent of the President on the 29th July 1976, first published in the Tamil Nadu Government Gazette Extraordinary on the 29th July 1976 (Adi 14, Nala (2007-Tiruvalluvar Andu).]

Enacted by the President in the Twenty-seventh Year of the Republic of India.

¹[An Act to provide relief to landless agricultural labourers, rural artisans and small farmers in the State of Tamil Nadu from the usurious practices of pawnbrokers, money-lenders and other non-institutional sources of credit and to give relief from the debts due to such pawnbrokers, money-lenders and other non-institutional sources of credit.

Whereas it is expedient to provide relief to landless agricultural labourers, rural artisans and small farmers in the State of Tamil Nadu from the usurious practices of pawnbrokers, money-lenders and other non-institutional sources of credit and to give relief from the debts due to such pawnbrokers, money-lenders and other non-institutional sources of credit ;]

In exercise of the powers conferred by section 3 of the Tamil Nadu State Legislature (Delegation of Powers) Act, 1976 (41 of 1976), the President is pleased to enact as follows :—

1. (1) This Act may be called the Tamil Nadu Debt Relief Act, 1976.

(2) It extends to the whole of the State of Tamil Nadu.

¹ This long title and preamble were substituted for the following long title by section 2 of the Tamil Nadu Debt Relief (Amendment) Act, 1979 (Tamil Nadu Act 39 of 1979), which was deemed to have come into force on the 29th July 1976 :—

"An Act to provide relief from indebtedness to landless agricultural labourers, rural artisans and small farmers in the State of Tamil Nadu."

* For Reasons for the enactment, see *Tamil Nadu Government Gazette* Extraordinary, dated the 29th July 1976, Part IV—Section 2, Page 258.

Short title,
extent and
commence-
ment.

(3) It shall come into force at once.

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

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

(a) 'agriculture' includes,—

(i) horticulture ;

(ii) the raising of crops (including plantation crops), grass or garden produce ;

(iii) dairy farming ;

(iv) poultry farming ;

(v) breeding of livestock ;

(vi) grazing ;

but does not include the cutting of wood only ;

(b) 'agricultural land' means land used for purposes of agriculture ;

¹[(c) "annual household income" means the aggregate of the gross annual income from all sources of all the members of a family during the year ending on the 31st December 1975 ;]

(d) 'creditor' means a person from or in respect of whom the debtor has borrowed or incurred a debt and includes the heirs of such person ;

(e) 'debt' means any liability in cash or in kind, whether secured or unsecured and whether decreed or not, but does not include arrears of taxes due to the Central Government or a State Government or a local authority ;

(f) 'debtor' means—

(i) a landless agricultural labourer ; or

(ii) a rural artisan ; or

(iii) a small farmer,

¹ This clause was substituted for the following clause by section 3 of the Tamil Nadu Debt Relief (Amendment) Act, 1979 (Tamil Nadu Act 39 of 1979), which was deemed to have come into force on the 29th July 1976 :—

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

who has borrowed or incurred any debt before the commencement of this Act ;

(g) 'family', in relation to a person, means the individual, the wife or husband, as the case may be, of such individual and their unmarried minor children.

Explanation.—For the purpose of this clause "minor" means a person who has not completed his or her age of eighteen years ;

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

(i) 'landless agricultural labourer' means a person who does not hold, whether as owner, tenant or mortgagee with possession, or partly in one capacity and partly in another, any agricultural land and whose principal means of livelihood is manual labour on agricultural land and whose annual household income does not exceed two thousand and four hundred rupees ;

(j) 'person' means an individual or a family ;

(k) 'rural artisan' means a person who does not hold, whether as owner, tenant or mortgagee with possession, or partly in one capacity and partly in another, any agricultural land and whose annual household income does not exceed two thousand and four hundred rupees and —

(i) 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, or

(ii) who normally earns his livelihood by practising any craft either by his own labour or by the labour of the members of his family in any rural area.

Explanation.—For the purpose of sub-clause (ii) of this clause, “rural area” means any area not being the City of Madras or the City of Madurai or the area comprised in a municipal town or a township constituted under any law for the time being in force;

(1) ‘small farmer’ means a person whose principal means of livelihood is income derived from agricultural land and who holds, whether as owner, tenant, or mortgagee with possession, or partly in one capacity and partly in another,—

(i) not more than two units of land, in a case where such person is a member of any of the Scheduled Tribes; and

(ii) not more than one unit of land, in any other case.

Explanation I.—For the purpose of this clause, “Scheduled Tribes” shall have the meaning assigned to it in clause (25) of article 366 of the Constitution.

Explanation II.—Where any person holds as aforesaid more than one category of land referred to in clause (c), then, for the purpose of calculating the extent of land held by him, two hectares of unirrigated land shall be deemed to be equal to—

(i) half hectare of land having facilities for growing one irrigated crop;

(ii) half hectare of land used for growing any plantation crop or grapes or coconut or arecanut or mulberry;

(iii) quarter hectare of land having perennial irrigation facilities, or having facilities for growing more than one irrigated crop in a year.

Explanation III.—In this clause and in clause (c),—

(a) “irrigated” means irrigated from any source, whether Government or private;

(b) “plantation crop” means cardamom, cinchona, coffee, rubber or tea;

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

(n) 'transferee of the creditor' means any person [including an institution referred to in clause (g) of section 13] to whom—

(i) the creditor has pledged the movable property pledged to him by the debtor and includes any subsequent transferee to whom such transferee has pledged such movable property and also includes any person in possession of the property pledged; or

(ii) the creditor has transferred or otherwise assigned his interest in the property mortgaged by the debtor and includes any subsequent transferee to whom such transferee has transferred or otherwise assigned his interest in the property mortgaged and also includes any person in possession of the property mortgaged;

(o) 'unit of land' means—

(i) two hectares of unirrigated land; or

(ii) half hectare of land having facilities for growing one irrigated crop; or

(iii) half hectare of land used for growing any plantation crop or grapes or coconut or arecanut or mulberry; or

(iv) quarter hectare of land having perennial irrigation facilities, or having facilities for growing more than one irrigated crop in a year.

Relief from
indebtedness.

4. Notwithstanding anything contained in the Tamil Nadu Agriculturists Relief Act, 1938 (Tamil Nadu Act IV of 1938), the Tamil Nadu Pawn Brokers Act, 1943 (Tamil Nadu Act XXIII of 1943), the Tamil Nadu Money-lenders Act, 1957 (Tamil Nadu Act XXVI of 1957), the Tamil Nadu Debt Relief Act, 1972 (Tamil Nadu Act 38 of 1972), the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976), the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976), or in any other law for the time being in force or in any contract or instrument having force by virtue of any such law and save as otherwise expressly provided in this Act, with effect on and from the commencement of this Act,—

(a) every debt advanced or incurred before the commencement of this Act (including interest, if any,) and payable by the debtor to the creditor shall be deemed to be wholly discharged ;

(b) no Civil Court shall entertain any suit or other proceeding against the debtor for the recovery of any amount of such debt (including interest, if any) :

Provided that where any suit or other proceeding is instituted jointly against the debtor and any other person, nothing in this section shall apply to the maintainability of such suit or proceeding in so far as it relates to such other person ;

(c) all suits and other proceedings (including appeals, revisions, attachments or execution proceedings) pending at the commencement of this Act against any debtor for the recovery of any such debt (including interest, if any,) shall abate :

Provided that nothing in this clause shall apply to the sale, in respect of any such debt, of—

(i) any movable property held and concluded before the commencement of this Act ;

(ii) any immovable property confirmed before such commencement ;

(d) every debtor undergoing detention in a civil prison in execution of any decree for money passed against him by a Civil Court in respect of any such debt (including interest, if any,) shall be released ;

(e) every movable property pledged by a debtor shall stand released in favour of such debtor and the creditor shall be bound to return the same to the debtor forthwith ;

(f) every mortgage executed by the debtor in favour of the creditor shall stand redeemed and the mortgaged property shall be released in favour of such debtor.

Explanation.—Nothing in this section shall be construed as entitling any debtor for refund of any part of any debt repaid or interest paid already by him or recovered from him before the commencement of this Act.

Creditors
to file
statement, etc.

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

(2) A debtor referred to in clause (e) of section 4 may also make an application to the Tahsildar having jurisdiction over the area where his creditor has his ordinary place of business for an order for the return of the movable property pledged by the debtor:

¹[Provided that no application shall be made under this sub-section after the 13th day of December 1979 and every application for an order for the return of the movable property shall be made in accordance with, and within the time specified in, sub-section (2-A).]

²[(2-A) (a) Every debtor referred to in clause (e) of section 4, shall, notwithstanding anything contained in sub-section (1) or in sub-section (2) and whether or not his creditor has furnished a statement under sub-section (1) in respect of such debtor, make an application in such form and containing such particulars as may be prescribed to the Tahsildar having jurisdiction over the area where his creditor has his ordinary place of business.

¹ This proviso was added by section 2 (1) of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979.

² These sub-sections were substituted for the following sub-section (3) by section 2 (2), *ibid*:—

“(3) On receipt of a statement under sub-section (1) or an application under sub-section (2), and after such inquiry conducted in the manner prescribed, the Tahsildar shall, by order, determine—

(i) where a statement has been furnished by the creditor under sub-section (1), which of the persons who have pledged movable property with him are entitled to relief under section 4; and

(ii) where an application has been made by the debtor under sub-section (2), whether the debtor is entitled to relief under section 4,

and direct the creditor to produce on or before the date specified in the order the movable property pledged by such persons or debtor.”.

(b) Every such application shall be,--

(i) supported by an affidavit, which shall be in such form and be sworn or affirmed before such officer or authority as may be prescribed and which shall state that the debtor is entitled to relief under section 4; and

(ii) accompanied by a certificate from the prescribed authority,--

(A) in the case of a landless agricultural labourer or a rural artisan, as to the annual household income of such debtor; and

(B) in the case of a small farmer, as to the extent of land held by him (whether as owner, tenant or mortgagee with possession) and that his principal means of livelihood is income derived from agricultural land.

(c) Every such application shall be made before the expiry of the period of ¹[twelve months] from the 13th day of December 1979 (hereafter in this section referred to as the said date):

Provided that the Tahsildar may, in his discretion, allow further time not exceeding one month for making any such application, if he is satisfied that the debtor had sufficient cause for not making the application in time, but no application shall be made after the expiry of ²[thirteen months] from the said date.

(3) (a) On receipt of an application under subsection (2-A), the Tahsildar, after giving a reasonable opportunity to the creditor concerned and the debtor to make their representations and if he is satisfied,--

(i) that the debtor is entitled to relief under section 4, shall pass an order for the return of the movable property pledged by the debtor and direct the creditor

¹ These words were substituted for the words "six months" by section 3(1) (i) (a) of the Tamil Nadu Pawnbrokers and Debt Relief Laws (Amendment) Act, 1980 (Tamil Nadu Act 35 of 1980), which was deemed to have come into force on the 13th June 1980.

² These words were substituted for the words "seven months" by section 3(1) (i) (b), *ibid.*

to produce on or before the date specified in the order, the movable property pledged by such debtor with the creditor; or

(ii) that the debtor is not entitled to relief under section 4, shall pass an order dismissing the application :

Provided that the Tahsildar may, if he deems fit, hold a summary enquiry before passing an order under this sub-section.

(b) An order under clause (a) shall be communicated to the creditor concerned and the debtor within such period as may be prescribed.

(3-A) (a) The Tahsildar shall, as soon as may be, after the expiry of¹[thirteen months] from the said date publish in such form and in such manner as may be prescribed a list of debtors who have made applications under sub-section (2-A).

(b) Upon publication under clause (a) of the list of debtors, it shall be lawful for the creditors to dispose of, in accordance with the provisions of the Tamil Nadu Pawnbrokers Act, 1943 (Tamil Nadu Act XXIII of 1943) or any other law for the time being in force relating to the sale of pledged articles, the movable properties pledged with the creditors by persons other than those whose names are published in the list referred to in clause (a).

(c) Where the Tahsildar has passed an order under sub-section (3) dismissing any application, the creditor may, subject to the provisions of sub-section (3) of section 8, dispose of in accordance with the provisions of the Tamil Nadu Pawnbrokers Act, 1943 (Tamil Nadu Act XXIII of 1943) or any other law for the time being in force relating to the sale of pledged articles, the movable property for the return of which the said application was made.

(d) Where any debtor referred to in clause (e) of section 4, has not made any application in accordance with the provisions of, and within the time specified in, sub-section (2-A), then, such debtor shall not be entitled to relief under this Act.]

¹ These words were substituted for the words "seven months" by section 3 (1) (ii) of the Tamil Nadu Pawnbrokers and Debt Relief Laws (Amendment) Act, 1980 (Tamil Nadu Act 35 of 1980), which was deemed to have come into force on the 13th June 1980.

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

(5) If the creditor fails to produce the movable property as directed in the order under sub-section (3),—

(a) ¹[the Tahsildar may, with the previous approval in writing of the Revenue Divisional Officer concerned, enter any premises] of the creditor or of the transferee of the creditor [other than an institution referred to in clause (g) of section 13] and search and seize the said property ; and

(b) where the movable property is in the possession of any of the institutions referred to in clause (g) of section 13, the Tahsildar shall,—

(i) by an order, direct the said institution to deposit, on or before the date specified in the order, the movable property with the Tahsildar together with a statement specifying the amount due to the said institution in respect of the said property and simultaneously issue a certificate to the said institution to the effect that the amount due to the said institution in respect of the said property shall be recovered from the creditor as if it were an arrear of land revenue and paid to the said institution ; and

(ii) on the said institution depositing the said property with the Tahsildar, acknowledge in writing the receipt of the movable property and proceed to recover from the creditor such amount as is due to the said institution in respect of the said property as if it were an arrear of land revenue, and on such recovery pay the same to the said institution.

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

¹ These words were substituted for the words "the Tahsildar may enter any premises" by section 4(1) of the Tamil Nadu Debt Relief (Amendment) Act, 1979 (Tamil Nadu Act 39 of 1979), which was deemed to have come into force on the 29th July 1976.

(7) Pending ¹[the passing of an order under sub-section (3) in respect of an application made under sub-section (2-A)], no creditor or the transferee of the creditor shall sell or pledge or otherwise dispose of any movable property pledged by the debtor.

(8) Notwithstanding anything contained in sub-section (5) or in the Tamil Nadu Pawnbrokers Act, 1943 (Tamil Nadu Act XXIII of 1943), the Tahsildar—

(a) ²[may, with the previous approval in writing of the Revenue Divisional Officer concerned, enter any premises] of the creditor or of the transferee of the creditor [other than an institution referred to in clause (g) of section 13] and search and seize the movable properties pledged by debtors and arrange for their safe custody ;

(b) shall proceed to determine which of the movable properties so seized are to be released to the debtors and pass orders accordingly.

³[(8-A) The Revenue Divisional Officer shall not give his approval under sub-section (5) and sub-section (8) unless he is of opinion that there is sufficient cause for effecting search and seizure.]

(9) The provisions of sections 100 and 165 of the Code of Criminal Procedure, 1973 (2 of 1974), relating to search and seizure shall, so far as may be, apply to searches and seizures under sub-sections (5) and (8).

¹ This expression was substituted for the expression "determination of the question under sub-section (3)" by section 2(3) of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979.

² These words were substituted for the words "may enter any premises" by section 4 (2) of the Tamil Nadu Debt Relief (Amendment) Act, 1979 (Tamil Nadu Act 39 of 1979), which was deemed to have come into force on the 29th July 1976.

³ This sub-section was inserted by section 4 (3) of the Tamil Nadu Debt Relief (Amendment) Act, 1979 (Tamil Nadu Act 39 of 1979), which was deemed to have come into force on the 29th July 1976.

¹[5-A. Notwithstanding anything contained in this Act or in any other law for the time being in force relating to the sale of pledged articles, where any debtor has pledged any movable property with the creditor, the creditor or the transferee of the creditor shall not sell or otherwise dispose of, in any manner whatsoever, any such movable property during the period up to and, inclusive of the date of publication of the list of debtors under clause (a) of sub-section (3-A) of section 5 and, in the case of debtors whose names are so published in the said list, the creditor or the transferee of the creditor shall not sell or otherwise dispose of, in any manner whatsoever, the movable properties pledged by such debtors until final orders (including orders on appeal) are passed on the applications made by them.]

Ban on the sale of movable properties pledged by debtors.

6. (1) A debtor referred to in clause (f) of section 4 may make an application to the Tahsildar having jurisdiction over the area within which such debtor ordinarily resides, for an order releasing the mortgaged property and for the grant of a certificate of redemption:

Debtors to apply in certain cases.

²[Provided that no application shall be made under this sub-section after the 13th day of December 1979 and every application for an order releasing the mortgaged property and for the grant of a certificate of redemption shall be made in accordance with, and within the time specified in, sub-section (1-A).]

³[(1-A) (a) Every debtor referred to in clause (f) of section 4 shall, notwithstanding anything contained in sub-section (1), make an application in such form and containing such particulars as may be prescribed to the Tahsildar having jurisdiction over the area within which such debtor ordinarily resides.

¹ This section was inserted by section 3 (2) of the Tamil Nadu Pawnbrokers and Debt Relief Laws (Amendment) Act, 1980 (Tamil Nadu Act 35 of 1980).

² This proviso was added by section 3 (1) of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979.

³ This sub-section was inserted by section 3 (2), *ibid.*

(b) Every such application shall be,—

(i) supported by an affidavit, which shall be in such form and be sworn or affirmed before such officer or authority as may be prescribed and which shall state that the debtor is entitled to relief under section 4 ; and

(ii) accompanied by a certificate from the prescribed authority,—

(A) in the case of a landless agricultural labourer or a rural artisan, as to the annual house-hold income of such debtor ; and

(B) in the case of a small farmer, as to the extent of land held by him (whether as owner, tenant or mortgagee with possession) and that his principal means of livelihood is income derived from agricultural land.

(c) Every such application shall be made before the expiry of the period of ¹(twelve months) from the 13th day of December 1979 (hereafter in this section referred to as the said date) :

Provided that the Tahsildar may, in his discretion, allow further time not exceeding one month for making any such application, if he is satisfied that the debtor had sufficient cause for not making the application in time, but no application shall be made after the expiry of ²(thirteen months) from the said date.]

(2) ³[(a) On receipt of an application under sub-section (1-A), the Tahsildar after giving a reasonable opportunity to the creditor concerned and the debtor to make their representations and if he is satisfied—

¹ These words were substituted for the words "six months" by section 3 (3) (i) (a) of the Tamil Nadu Pawnbrokers and Debt Relief Laws (Amendment) Act, 1980 (Tamil Nadu Act 35 of 1980), which was deemed to have come into force on the 13th June 1980.

² These words were substituted for the words "seven months" by section 3 (3) (i) (b), *ibid*.

³ This clause was substituted for the following clause (2) by section 3 (3) of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979 :—

"(a) On receipt of such application and after such enquiry conducted in the manner prescribed, the Tahsildar shall pass an order releasing the mortgaged property and grant a certificate of redemption in the prescribed form which shall be admissible as evidence of such redemption in any proceeding before any court or other authority;"

(i) that the debtor is entitled to relief under section 4, shall pass an order releasing the mortgaged property and grant a certificate of redemption in the prescribed form which shall be admissible as evidence of such redemption in any proceeding before any court or other authority ; or

(ii) that the debtor is not entitled to relief under section 4, shall pass an order dismissing the application :

Provided that the Tahsildar may, if he deems fit, hold a summary enquiry before passing an order under this clause.

An order under this clause shall be communicated to the creditor concerned and the debtor within such period as may be prescribed.]

(b) The Tahsildar shall also direct the creditor or the transferee of the creditor—

(i) to deliver possession of the mortgaged property to the debtor on or before the date specified in the order, if the debtor is not already in possession of the mortgaged property ; and

(ii) to produce on or before the date specified in the order, the mortgage deed or other document and the Tahsildar shall make an endorsement of redemption on the mortgage deed or other document.

¹[(2-A) (a) The Tahsildar shall, as soon as may be after the expiry of ²(thirteen months) from the said date, publish in such form and in such manner as may be prescribed a list of debtors who have made applications under sub-section (1-A).

(b) Where any debtor referred to in clause (f) of section 4 has not made any application in accordance with the provisions of, and within the time specified in, sub-section (1-A), then, such debtor shall not be entitled to relief under this Act.]

¹ This sub-section was inserted by section 3 (4) of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979.

² These words were substituted for the words "seven months" by section 3 (3) (ii) of the Tamil Nadu Pawnbrokers and Debt Relief Laws (Amendment) Act, 1980 (Tamil Nadu Act 35 of 1980), which was deemed to have come into force on the 13th June 1980.

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

(4) Where the mortgaged property has been transferred or any right therein has been assigned to any of the institutions referred to in clause (g) of section 13 by the creditor, the Tahsildar shall recover from the creditor such amount as is due to such institution in respect of the said mortgaged property, as if it were an arrear of land revenue, and shall pay the same to the said institution.

Finality of
orders passed
under this Act.

7. Every order of the Tahsildar under section 5 or section 6 shall, subject to appeal under section 8, be final and shall not be called in question in any court.

Appeal.

8. (1) Any person aggrieved by an order made by the Tahsildar under this Act may, within such period and in such manner as may be prescribed, appeal to such authority as may be specified by the State Government in this behalf.

(2) In deciding the appeal, the authority specified under sub-section (1) shall follow such procedure as may be prescribed and the decision of such authority on such appeal shall be final and shall not be called in question in any court.

¹[(3) Pending disposal of an appeal under this section in respect of an order made by the Tahsildar,—

(a) under section 5, any movable property pledged by any debtor who is a party to such appeal, shall not be either returned or disposed of under this Act ; and

(b) under section 6,—

(i) the Tahsildar shall not order the release of the mortgaged property or grant a certificate of redemption ; and

¹ This sub-section was added by section 4 of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979.

(ii) the creditor or the transferee of the creditor shall not transfer, or otherwise assign his interest in, or exercise his right of foreclosure in respect of, the property mortgaged by the debtor.]

9. No party to any proceeding under this Act shall be entitled to be represented by a legal practitioner.

Legal practitioner not to appear.

Explanation.—In this section, “legal practitioner” shall have the meaning assigned to it in section 2 of the Advocates Act, 1961 (25 of 1961).

10. (1) Any person failing to furnish the statement under section 5 or to comply with the order made or direction given under section 5 or section 6¹ [or filing false affidavit under section 5 or section 6] or otherwise contravening the provisions of either of the said sections shall be liable to imprisonment for a term which shall not be less than three months but which may extend to one year and with fine which shall not be less than one thousand rupees but which may extend to five thousand rupees.

Penalty.

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

(3) Every offence punishable under sub-section (1) shall be tried in a summary way and the provisions of sections 262 to 265 (both inclusive) of the Code of Criminal Procedure, 1973 (2 of 1974), shall, as far as may be, apply to such trial.

11. (1) Where an offence under this Act has been committed by a company every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been

¹ This expression was inserted by section 5 of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979.

committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary, or other officer of the company, such director, manager, secretary or other officer of the company, shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purpose of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals ; and

(b) “director”, in relation to a firm, means a partner in the firm.

1] * * *

Certain debts and liabilities not to be affected. 13. Nothing in this Act shall apply to the following categories of debts and liabilities of landless agricultural labourers, rural artisans and small farmers, namely:—

(a) any rent due in respect of any property including agricultural land let out to a debtor ;

(b) any amount recoverable as arrears of land revenue ;

(c) any liability arising out of breach of trust or any tortious liability ;

(d) any liability in respect of wages or remuneration due as salary or otherwise for services rendered ;

(e) any liability in respect of maintenance whether under a decree of a court or otherwise ;

(f) a debt due to —

(i) the Central Government or any State Government ;

(ii) any local authority ;

¹ The following section 12 was omitted by section 6 of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980), which was deemed to have come into force on the 13th December 1979:—

“12. *Burden of proof.*—In any suit or proceeding, the burden of proving that the debtor is not entitled to the protection of this Act, shall, notwithstanding anything contained in any law for the time being in force, lie on the creditor.”

(g) save as otherwise provided in this Act, any liability in respect of any sum due to—

(i) (A) any banking company to which the Banking Regulation Act, 1949 (10 of 1949) applies ;

(B) the State Bank of India constituted under the State Bank of India Act, 1955 (23 of 1955) ;

(C) any subsidiary bank as defined in clause (k) of section 2 of the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959) ;

(D) any corresponding new bank as defined in clause (d) of section 2 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970) ;

(E) the Agricultural Refinance and Development Corporation, established under the Agricultural Refinance and Development Corporation Act, 1963 (10 of 1963) ;

(F) any other financial institution notified in this behalf by the State Government in the *Tamil Nadu Government Gazette* ;

(ii) any Government company within the meaning of the Companies Act, 1956 (1 of 1956) ;

4(ii-a) any company which is declared to be a Nidhi or Mutual Benefit Society under sub-section (1) of section 620-A of the Companies Act, 1956 (Central Act 1 of 1956) ;

(iii) any corporation owned or controlled by the Central Government or any State Government ;

(iv) the Life Insurance Corporation of India ;

(v) any Co-operative Society including a land development bank, registered or deemed to be registered under the Tamil Nadu Co-operative Societies Act, 1961 (Tamil Nadu Act 53 of 1961) ; * [* *]

¹ This item was inserted and was deemed always to have been inserted by section 4 of the Tamil Nadu Debt Relief Laws (Second Amendment) Act, 1978 (Tamil Nadu Act 27 of 1978)

² The word "and" was omitted and was deemed always to have been omitted by section 4 (a) of the Tamil Nadu Debt Relief Laws Amendment Act, 1976 (President's Act 46 of 1976).

(h) any debt which represents the price of property whether movable or immovable purchased by a debtor or any amount due under a hire purchase agreement.

¹(i) any liability incurred or arising under any chit, the bye-laws of which have been registered under the Tamil Nadu Chit Funds Act, 1961 (Tamil Nadu Act 24 of 1961).]

Power to make rules.

14. (1) The State Government may make rules to carry out the purposes of this Act.

(2) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette*, and unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(3) Every rule made under this Act shall, as soon as possible, after it is made, be placed on the Table of both Houses of the Legislature and if, before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Effect of other laws.

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

¹ This clause was inserted and was deemed always to have been inserted by section 4 (b) of the Tamil Nadu Debt Relief Laws Amendment) Act, 1976 (President's Act 46 of 1976).

1976: President's Act 46] Debt Relief Laws 655
(Amendment)

PRESIDENT'S ACT NO. 46 OF 1976.*

THE TAMIL NADU DEBT RELIEF LAWS (AMENDMENT) ACT, 1976.

[Received the *assent* of the President on the 29th December 1976, first published in the Tamil Nadu Government Gazette Extraordinary on the 29th December 1976 (Margazhi 15, Nat: (2007—Tiruvalluvar Andu)).]

Enacted by the President in the Twenty-seventh Year of the Republic of India.

An Act to amend the Tamil Nadu Debt Relief Laws.

In exercise of the powers conferred by section 3 of the Tamil Nadu State Legislature (Delegation of Powers) Act, 1976 (41 of 1976), the President is pleased to enact as follows:—

1. This Act may be called the Tamil Nadu Debt Relief Laws (Amendment) Act, 1976. Short title.

2. [The amendment made by this section has already been incorporated in the principal Act, namely, the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976).]

3. [The amendment made by this section has already been incorporated in the principal Act, namely, the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976).]

4. [The amendment made by this section has already been incorporated in the principal Act, namely, the Tamil Nadu Debt Relief Act, 1976 (President's Act 31 of 1976).]

* For Reasons for the enactment, see *Tamil Nadu Government Gazette Extraordinary*, dated the 29th December 1976, Part IV—Section 2, Page 354.

Exclusion of time for limitation and dissolution of stay of proceedings in respect of certain suits and applications.

5. (1) Where, on or after the 15th day of January, 1976, but before the date of publication of this Act in the *Tamil Nadu Government Gazette*, any suit for the recovery of any amount towards any liability incurred or arising under any chit, the bye-laws of which have been registered under the Tamil Nadu Chit Funds Act, 1961 (Tamil Nadu Act 24 of 1961) could have been instituted or any application for the execution of a decree passed in any such suit could have been made but for the fact that the institution of the suit or the making of the application was barred by section 3 of the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976), or by section 4 of the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976), as the case may be, then, in computing the period of limitation or limit of time prescribed for such suit or application, the period commencing on and from the 15th day of January 1976, and ending with the date of publication of this Act in the *Tamil Nadu Government Gazette* shall be excluded.

(2) Where any proceedings in any of the suits or applications of the nature mentioned in sub-section (1) were stayed by sub-section (1) of section 4 of the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976), or by sub-section (1) of section 5 of the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976), as the case may be, the stay effected in respect of such proceedings by sub-section (1) of the said section 4 or by sub-section (1) of the said section 5, as the case may be, shall stand dissolved and such suit or application shall be proceeded with from the stage which had been reached when further proceedings in such suit or application were stayed.

Removal of doubts.

6. (1) Any liability incurred or arising under any chit, the bye-laws of which have been registered under the Tamil Nadu Chit Funds Act, 1961 (Tamil Nadu Act 24 of 1961), shall be deemed never to have been discharged, every suit or other proceedings (including appeal, revision, attachment or execution proceeding) pending at the commencement of the Tamil Nadu Debt Relief Act, 1976 (President's Act 31 of 1976), (hereinafter referred to as the said Act) against any debtor for the recovery of any debt in respect of any such liability (including interest, if any) shall be deemed never to have abated, and every mortgage executed by the debtor in respect of such liability in favour

of the creditor shall be deemed never to have been redeemed and the mortgaged property shall be deemed never to have been released in favour of such debtor under section 4 of the said Act, and any suit for the recovery of any amount liable under the chit from any debtor and any application for the execution of a decree passed in any such suit may be instituted or made, as if the said Act as amended by section 4 of this Act was in force at the relevant time.

(2) Every proceeding instituted under the provisions of the said Act, in respect of such liability as is referred to in sub-section (1) and pending before the Tahsildar or other authority on the date of publication of this Act in the *Tamil Nadu Government Gazette* shall abate.

(3) Nothing contained in this section shall be deemed to invalidate any proceeding in which the order passed has been executed or satisfied in full before the date of publication of this Act in the *Tamil Nadu Government Gazette*.

1978: T.N. Act 27]

Debt Relief Laws
(Second Amendment)

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TAMIL NADU ACT NO. 27 OF 1978.*

THE TAMIL NADU DEBT RELIEF LAWS (SECOND AMENDMENT) ACT, 1978.

[Received the assent of the President on the 8th June 1978, first published in the Tamil Nadu Government Gazette Extraordinary on the 13th June 1978 (Vaikasi 30, Kalayukti (2009—Tiruvalluvar Andu)).]

An Act further to amend the Tamil Nadu Debt Relief Laws.

BE it enacted by the Legislature of the State of Tamil Nadu in the Twenty-ninth Year of the Republic of India as follows:—

1. This Act may be called the Tamil Nadu Debt Relief Laws (Second Amendment) Act, 1978.

2. [The amendment made by this section has been incorporated in the principal Act, namely, the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976).]

3. [The amendment made by this section has been incorporated in the principal Act, namely, the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976).]

4. [The amendment made by this section has been incorporated in the principal Act, namely, the Tamil Nadu Debt Relief Act, 1976 (President's Act 31 of 1976).]

5. (1) Where, on or after the 15th day of January 1976, but before the date of publication of this Act in the Tamil Nadu Government Gazette, any suit for the recovery of any sum due to any company which is declared to be a Nidhi or Mutual Benefit Society under sub-section (1) of section 620-A of the Companies Act, 1956 (Central Act 1 of 1956), could have been instituted or any application for the execution of a decree passed in any suit could have been made

Exclusion of time for limitation and dissolution of stay of proceedings in respect of certain suits and applications.

* For Statement of Objects and Reasons, see Tamil Nadu Government Gazette Extraordinary, dated the 31st March 1978, Part IV—Section 1, Pages 343-344.

but for the fact that the institution of the suit or the making of the application was barred by section 3 of the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976), or section 4 of the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976), as the case may be, then, in computing the period of limitation or limit of time prescribed for such suit or application, the period commencing on and from the 15th day of January 1976 and ending with the date of publication of this Act in the *Tamil Nadu Government Gazette* shall be excluded.

(2) Where any proceedings in any of the suits or applications of the nature mentioned in sub-section (1) were stayed by sub-section (1) of section 4 of the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976), or of section 5 of the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976), as the case may be, the stay effected in respect of such proceedings by sub-section (1) of the said section 4 or 5, as the case may be, shall stand dissolved and such suit or application shall be proceeded with from the stage which had been reached when further proceedings in such suit or application were stayed.

Removal of
doubts.

6. (1) Any liability in respect of any sum due to any company which is declared to be a Nidhi or Mutual Benefit Society under sub-section (1) of section 620-A of the Companies Act, 1956 (Central Act 1 of 1956), shall be deemed never to have been discharged, every suit or other proceedings (including appeal, revision, attachment or execution proceedings) pending at the commencement of the Tamil Nadu Debt Relief Act, 1976 (President's Act 31 of 1976) (hereinafter referred to as the said Act) against any debtor for the recovery of any debt in respect of any such liability (including interest, if any) shall be deemed never to have abated, every movable property pledged by a debtor in respect of such liability in favour of such company shall be deemed never to have been released in favour of such debtor and every mortgage executed by the debtor in respect of such liability in favour of such company shall be deemed never to have been redeemed and the mortgaged property shall be deemed never to have been released in favour of such debtor, under section 4 of the said Act, and any suit for the recovery of any sum due to such company from any debtor and any application for the execution of a decree passed in any such suit may be instituted, or made, as if the said Act, as amended by section 4 of this Act, was in force at the relevant time.

(2) Every proceeding instituted under the provisions of the said Act, in respect of such liability as is referred to in sub-section (1) and pending before the Tahsildar or other authority on the date of publication of this Act in the *Tamil Nadu Government Gazette* shall abate.

(3) Nothing contained in this section shall be deemed to invalidate any proceeding in which the order passed has been executed or satisfied in full before the date of publication of this Act in the *Tamil Nadu Government Gazette*.

1979 : T. N. Act 39]

Debt Relief
(Amendment)

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TAMIL NADU ACT NO. 39 OF 1979.*

THE TAMIL NADU DEBT RELIEF (AMENDMENT)
ACT, 1979.

[Received the assent of the President on the 11th June 1979, first published in the Tamil Nadu Government Gazette Extraordinary on the 13th June 1979 (Vaikasi 30, Chitharthi (2010—Tiruvalluvar Andu)).]

An Act further to amend the Tamil Nadu Debt Relief Act, 1976.

BE it enacted by the Legislature of the State of Tamil Nadu in the Thirtieth Year of the Republic of India as follows :—

1. (1) This Act may be called the Tamil Nadu Debt Relief (Amendment) Act, 1979.

Short title
and com-
mencement.

(2) Sections 2, 3 and 4 shall be deemed to have come into force on the 29th July 1976.

2. In the Tamil Nadu Debt Relief Act, 1976 (President's Act 31 of 1976) (hereinafter referred to as the principal Act), for the long title, namely, "*An Act to provide relief from indebtedness to landless agricultural labourers, rural artisans and small farmers in the State of Tamil Nadu*", the following shall be substituted, namely :—

Substitution of
long title of,
and insertion of
preamble to,
President's Act
31 of 1976.

" An Act to provide relief to landless agricultural labourers, rural artisans and small farmers in the State of Tamil Nadu from the usurious practices of pawnbrokers, money-lenders and other non-institutional sources of credit and to give relief from the debts due to such pawnbrokers, money-lenders and other non-institutional sources of credit.

Whereas it is expedient to provide relief to landless agricultural labourers, rural artisans and small farmers in the State of Tamil Nadu from the usurious

* For Statement of Objects and Reasons, see *Tamil Nadu Government Gazette Extraordinary*, dated the 17th April 1979, Part IV—Section 1, Page 96.

practices of pawnbrokers, money-lenders and other non-institutional sources of credit and to give relief from the debts due to such pawnbrokers, money-lenders and other non-institutional sources of credit ;”.

Amendment of
section 3,
President's Act
31 of 1976.

3. In section 3 of the principal Act, for clause (c), the following clause shall be substituted, namely:—

“(c) “annual household income” means the aggregate of the gross annual income from all sources of all the members of a family during the year ending on the 31st December 1975 ;”.

Amendment of
section 5,
President's
Act 31 of 1976.

4. In section 5 of the principal Act,—

(1) in sub-section (5), in clause (a), for the words “the Tahsildar may enter any premises”, the words “the Tahsildar may, with the previous approval in writing of the Revenue Divisional Officer concerned, enter any premises” shall be substituted ;

(2) in sub-section (8), in clause (a), for the words “may enter any premises”, the words “may, with the previous approval in writing of the Revenue Divisional Officer concerned, enter any premises” shall be substituted ;

(3) after sub-section (8), the following sub-section shall be inserted, namely :—

“(8-A) The Revenue Divisional Officer shall not give his approval under sub-section (5) and sub-section (8) unless he is of opinion that there is sufficient cause for effecting search and seizure.”.

Removal of
doubts.

5. (1) Where any person who was a debtor as defined in¹section 3(f) of the principal Act as in force immediately before the date of the publication of this Act in the *Tamil Nadu Government Gazette* has ceased to be a debtor after such publication by virtue of the amendments made by this Act to the principal Act, any debt due from such person shall be deemed never to have been discharged, every suit or other proceeding (including appeal, revision, attachment or execution proceeding) in relation to such debt pending at the commencement of the principal Act

¹ This expression was substituted for the expression “section 2 (f)” by section 9 of the Tamil Nadu Debt Relief (Amendment) Act, 1980 (Tamil Nadu Act 5 of 1980).

against the debtor for the recovery of any such debt (including interest, if any) shall be deemed never to have been abated, and every mortgage executed by the debtor in respect of such debt in favour of the creditor shall be deemed never to have been redeemed and the mortgaged property shall be deemed never to have been released in favour of such debtor under section 4 of the principal Act, and any suit for the recovery of any amount liable in respect of such debt from the debtor and any application for the execution of a decree passed in any such suit may be instituted or made, as if the principal Act as amended by this Act was in force at the relevant time.

(2) Every proceeding instituted under the provisions of the principal Act, in respect of such debt as is referred to in sub-section (1) and pending before the Tahsildar or other authority on the date of the publication of this Act in the *Tamil Nadu Government Gazette* shall abate.

(3) Nothing contained in this section shall be deemed to invalidate any proceeding in which the order passed has been executed or satisfied in full before the date of the publication of this Act in the *Tamil Nadu Government Gazette*.

6. (1) Where, on or after the 15th day of January 1976, but before the date of the publication of this Act in the *Tamil Nadu Government Gazette*, any suit for the recovery of any amount towards any debt as is referred to in sub-section (1) of section 5 could have been instituted or any application for the execution of a decree passed in any such suit could have been made but for the fact that the institution of the suit or the making of the application was barred by section 3 of the Tamil Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976), or section 4 of the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976), as the case may be, then, in computing the period of limitation or limit of time prescribed for such suit or application, the period commencing on and from the 15th day of January 1976 and ending with the date of the publication of this Act in the *Tamil Nadu Government Gazette* shall be excluded.

Exclusion of time for limitation and dissolution of stay of proceedings in respect of certain suits and applications.

(2) Where any proceedings in any of the suits or applications of the nature mentioned in sub-section (1), were stayed by sub-section (1) of section 4 of the Tamil

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*Debt Relief
(Amendment)*

[1979 : T. N. Act 39

Nadu Indebted Agriculturists (Temporary Relief) Act, 1976 (President's Act 15 of 1976) or by sub-section (1) of section 5 of the Tamil Nadu Indebted Persons (Temporary Relief) Act, 1976 (President's Act 16 of 1976), as the case may be, the stay effected in respect of such proceedings by sub-section (1) of the said section 4 or sub-section (1) of the said section 5, as the case may be, shall stand dissolved and such suit or application shall be proceeded with from the stage which had been reached when further proceedings in such suit or application were stayed.

TAMIL NADU ACT NO. 5 OF 1980*.
THE TAMIL NADU DEBT RELIEF (AMENDMENT)
ACT, 1980.

[Received the assent of the President on the 6th March 1980,
 first published in the Tamil Nadu Government Gazette
 Extraordinary on the 7th March 1980 (Masi 24, Chit-
 tarthi-2011-Tiruvalluvar Aandu).]

*An Act further to amend the Tamil Nadu Debt Relief Act,
 1976.*

BE it enacted by the Legislature of the State of Tamil Nadu
 in the Thirty-first Year of the Republic of India as
 follows:—

Short title and
 commencement.

1. (1) This Act may be called the Tamil Nadu Debt
 Relief (Amendment) Act, 1980.

(2) This Act except section 9 shall be deemed to
 have come into force on the 13th day of December, 1979.

2-6. [The amendments made by these sections have
 already been incorporated in the principal Act, namely,
 the Tamil Nadu Debt Relief Act, 1976 (President's Act
 31 of 1976).]

Pending proceed-
 ings to abate,
 etc.

7. (1) Every proceeding taken by the Tahsildar under
 the principal Act in respect of any statement furnished
 by a creditor under sub-section (1) of section 5 of the
 principal Act or any application made by a debtor under
 sub-section (2) of the said section or under sub-section (1)
 of section 6 and pending before any officer or authority
 on the 13th day of December 1979 shall abate.

(2) Nothing contained in this Act shall be deemed to
 invalidate any proceeding in which the order passed has
 been executed or satisfied in full before the 13th day of
 December 1979.

Repeal and
 saving.

8. (1) The Tamil Nadu Debt Relief (Second Amend-
 ment) Ordinance, 1979 (Tamil Nadu Ordinance 24 of
 1979) is hereby repealed.

(2) Notwithstanding such repeal, anything done or
 any action taken under the principal Act as amended by
 the said Ordinance, including any rules made shall be
 deemed to have been done or taken under the principal
 Act as amended by this Act.

9. [The amendment made by this section has already
 been incorporated in the principal Act, namely, the Tamil
 Nadu Debt Relief (Amendment) Act, 1979 (Tamil Nadu
 Act 39 of 1979).]

*For Statement of Objects and Reasons, see *Tamil Nadu Govern-
 ment Gazette Extraordinary*, dated the 4th February 1980, Part IV
 —Section 1, page 18.

96 *Pawnbrokers and Debt Relief Laws (Amendment)* [1980: T.N. Act 35]

TAMIL NADU ACT NO. 35 OF 1980.*

THE TAMIL NADU PAWNBROKERS AND DEBT RELIEF LAWS (AMENDMENT) ACT, 1980.

[Received the assent of the President on the 13th October 1980, first published in the Tamil Nadu Government Gazette Extraordinary on the 23rd October 1980 (Aippasi 7, Rowthiri-2011-Thiruvalluvar Aandu).]

An Act further to amend the Tamil Nadu Pawnbrokers Act and the Debt Relief Laws in force in the State of Tamil Nadu.

BE it enacted by the Legislature of the State of Tamil Nadu in the Thirty-first Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Pawnbrokers and Debt Relief Laws (Amendment) Act, 1980.

(2) Clauses (1) and (3) of section 3 shall be deemed to have come into force on the 13th day of June 1980 and the rest of this Act shall come into force at once.

Amendment of Tamil Nadu Act XXIII of 1943.

2. In the Tamil Nadu Pawnbrokers Act, 1943 (Tamil Nadu Act XXIII of 1943), in section 12-A, in sub-section (1), for clause (ii), the following clause shall be substituted, namely:—

“(ii) (a) where any debtor to whom the provisions of the Tamil Nadu Debt Relief Act, 1976 (President’s Act 31 of 1976) are applicable, has pledged any article with any pawnbroker, the pawnbroker shall not sell or otherwise dispose of, in any manner whatsoever, any such pledged article during the period upto and inclusive of the date of publication of the list of debtors under clause (a) of sub-section (3-A) of section 5 of the said Act and, in the case of debtors whose names are so published in the said list, the pawnbroker shall not sell or otherwise dispose of, in any manner whatsoever, the articles pledged by such debtors until final orders (including orders on appeal) are passed on the applications made by them;

*For Statement of Objects and Reasons, see *Tamil Nadu Government Gazette Extraordinary*, dated the 16th July 1980, Part IV-Section 1, pages 154-155.

1980 : T.N. Act 35] *Pawnbrokers and Debt Relief* 97
Laws (Amendment)

(b) where any debtor who is entitled to have the debt scaled down under section 8 of the Tamil Nadu Debt Relief Act, 1979 (Tamil Nadu Act 40 of 1979), has pledged any article with any pawnbroker, the pawnbroker shall not sell or otherwise dispose of, in any manner whatsoever, any such pledged article during the period upto and inclusive of the expiry of the last day of the eighteenth month immediately following the date of publication of the Tamil Nadu Pawnbrokers and Debt Relief Laws (Amendment) Act, 1980, in the *Tamil Nadu Government Gazette*, and the period of one week thereafter ;

(c) where any debtor to whom the provisions of the Tamil Nadu Debt Relief Act, 1980 (Tamil Nadu Act 13 of 1980), are applicable, has pledged any article with any pawnbroker, the pawnbroker shall not sell or otherwise dispose of, in any manner whatsoever, any such pledged article during the period upto and inclusive of the date of publication of the list of debtors under clause (a) of subsection (3) of section 5 of the said Act and, in the case of debtors whose names are so published in the said list, the pawnbroker shall not sell or otherwise dispose of, in any manner whatsoever, the articles pledged by such debtors until final orders (including orders on appeal) are passed on the applications made by them.”.

3. [The amendment made by this section has already been incorporated in the principal Act, namely, the Tamil Nadu Debt Relief Act, 1976 (President's Act 31 of 1976).]

4. [The amendment made by this section has already been incorporated in the principal Act, namely, the Tamil Nadu Debt Relief Act, 1979 (Tamil Nadu Act 40 of 1979).]

5. [The amendment made by this section has already been incorporated in the principal Act, namely, the Tamil Nadu Debt Relief Act, 1980 (Tamil Nadu Act 13 of 1980).]

6. (1) Notwithstanding anything contained in any law for the time being in force, every proceeding for the execution of a decree (other than the making of an application for the execution of a decree) including proceedings consequent on orders or decrees made in appeals, revision petitions or applications for review, for the recovery of any

Stay of certain
proceedings.

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Relief Laws (Amendment)*

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amount of debt (including interest, if any) which has been scaled down in accordance with the provisions of the Tamil Nadu Debt Relief Act, 1979 (Tamil Nadu Act 40 of 1979) (hereafter in this section referred to as the said Act), pending on the date of publication of this Act in the *Tamil Nadu Government Gazette* (hereafter in this section referred to as the said date), against any person who is a debtor within the meaning of the said Act, shall, subject to the next succeeding sub-section, stand stayed until the expiry of six months from the said date and where an application has been made by the judgment-debtor under sub-section (2) of section 10-A of the said Act, until the final disposal of the said application :

Provided that nothing in this sub-section shall apply to the sale, in respect of any such debt, of—

(i) any movable property held and concluded before the said date;

(ii) any immovable property confirmed before the said date :

Provided further that, nothing in this sub-section shall apply to any proceeding in respect of any debt secured by any mortgage of the description referred to in sub-section (1) of section 9 of the said Act.

(2) Nothing contained in this section shall be deemed to invalidate any proceeding in which the order passed has been executed or satisfied in full before the said date.