

The Agricultural Debtors Act, 1935

(ACT NO. VII OF 1936)

¹♣An Act to provide for relief of indebtedness of agricultural debtors in Bangladesh.

WHEREAS it is expedient to provide for the relief of indebtedness of agricultural debtors and to amend the law governing the relations between agricultural debtors and their creditors;

[* * *]

It is hereby enacted as follows:-

**Short title,
extent and
commencement**

1. (1) This Act may be called the ²[* * *] Agricultural Debtors Act, 1935.

(2) It extends to the whole of Bangladesh.

(3) It shall come into force in such areas on such dates as the Government may, by notification, direct.

Definitions

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

(1) "agriculture" includes horticulture and dairy farming and the use of land for any purpose of husbandry inclusive of the keeping or breeding of livestock, poultry or bees and the growing of fruits, vegetables and the like;

(2) "amount payable under an award" means an amount included under clause (d) of sub-section (1) of section 25 in an award as payable by a debtor in respect of any debt, or any part of such amount which remains unpaid, together with any interest on such amount or part thereof which is due under the award;

(3) "Appellate Officer" means an officer appointed under section 40;

(4) "award" means an award as made by a Board under sub-section (2) of section 19 or sub-section (6) of section 22 or sub-section (5) of section 37A, or as confirmed or modified by an Appellate Officer under sub-section (5) of section 40 or under section 40A;

(5) "Board" means a Debt Settlement Board established under sub-section (1) of section 3, and includes an officer or the Collector authorised under the proviso to section 4;

(6) "Certificate-officer" means a Certificate-officer as defines in the Public Demands Recovery Act, 1913;

³[(6A) "Civil Court" means a Civil Court within the meaning of the ⁴[Civil Courts Act, 1887], and includes any Court exercising appellate or revisional jurisdiction over any such Court.]

(7) "Collector" includes any officer appointed by the Government to exercise any of the powers of a Collector under this Act;

(8) "debt" includes all liabilities incurred prior to the first day of January, 1940 of a debtor in cash or in kind, secured or unsecured, whether payable under a

decree or order of a Civil Court or otherwise, and whether payable presently or in future, but does not include the following:-

(i) any amount the liability for the payment of which is only contingent;

(ii) any rent not due at the time when a Board determines the amount of debts under section 18;

(iii) any share of the produce of land on payable on account of land cultivated under the system known as adhi, barga or bhag;

(iv) any amount recoverable as a public demand, except

(a) an amount referred to in sub-section (1) of section 28;

(b) arrears of rent payable on account of the use or occupation of land held by a tenant; and

(c) any sum referred to in Article 12A of Schedule I to the Public Demands Recovery Act, 1913 or any sum ordered by a liquidator under any Act of ⁵[Parliament], for the time being in force, relating to co-operative societies, to be recovered as a contribution to the assets of a co-operative society or as the cost of liquidation thereof;

(v) any amount a suit or application for the recovery of which is barred by limitation, or which is otherwise irrecoverable under the law;

(vi) any debt due to any bank for the time being included in the list of banks maintained under ⁶[Clause (1) of Article 37 of the Bangladesh Bank Order, 1972].

(9) "debtor" means a debtor whose primary means of livelihood is agriculture and who

(a) is a raiyat or an under-raiyat, or

(b) cultivates land himself or by members of his family or by hired labourers or by adhiars, bargadars or bhagdars;

and includes a group of persons who join in making an application under the provisions of sub-section (1) of section 9 and any person who, by virtue of the provisions of sub-section (7) of section 37A shall be deemed to be a debtor;

(10) "loan" means loan whether of money or in kind, and includes any transaction which is, in the opinion of a Board, in substance a loan;

(11) "notification" means a notification published in the official Gazette.

⁷[(11A) "original principal" means the loan as originally borrowed, excluding any amount of interest on such loan which may at any time have been included as principal;]

(12) "prescribed" means prescribed by ruled made under this Act;

(13) "settlement" includes an amicable settlement and a settlement or adjustment made by order of a Board;

(14) "supplementary income" means any income derived by the debtor from any source other than agriculture;

⁸[(14A) "tout" means a person who habitually frequents the precincts of the office of a Board except-

(a) for the purpose of his own proceedings before such Board, or

(b) as an agent of a party permitted to represent such party under section 46;]

(15) the expressions "landlord", "raiyat", "under-raiyat" and "rent" have the same meanings as in the Bengal Tenancy Act, 1885.

**Establishment
of Debt
Settlement
Boards**

3. (1) The Government may, by notification, establish one or more Debt Settlement Boards for any local area specified in the notification.

(2) Each Board shall consist of a Chairman and of not more than four other members, to be appointed by the Government.

**Power of
Government
to cancel
appointment
of
Chairman
and
members
of, or to
dissolve, a
Board**

4. The Government may, at any time, for reasons to be recorded in writing, cancel, by notification, the appointment of the Chairman or any other member of a Board or dissolve any Board:

Provided that if, when a board is dissolved, the Government does not consider the appointment of another Board to be necessary or desirable, it may authorise any Government Servant to exercise such of the powers of the Board in connection with the making of awards as it may specify and the Collector to exercise all or any of the other powers of the Board.

**Delegation
of power to
Commissioner**

5. The Government may, by notification, delegate its powers under sections 3 and 4 to the Commissioner.

**Tenure of
office**

6. The Chairman and the other members of a Board shall be appointed for a term of not more than three years, but shall be eligible for reappointment.

**Government
may invest
Boards with
certain
powers**

7. The Government may, by notification, from time to time, empower a Board to exercise all or any of the powers under sub-section (2) or (3) of section 9, sub-section (2) of section 13, clause (b) or clause (c) of sub-section (1) of section 19, section 21, or sub-section (1) of section 22, and unless so empowered a Board shall not exercise any such powers.

**Application
for
settlement
of debts**

8. (1) Subject to the provisions of section 9, a debtor may make an application for the settlement of his debts to a Board established for the local area within which he ordinarily resides within eleven years after the first Board is established under sub-section (1) of section 3 for that local area.

(2) Unless the debtor has already made an application under sub-section (1) any of his creditors may make an application to a Board to which the

(3) If applications are made to more than one Board in respect of the debts of the same debtor, such applications shall, subject to rules made under this Act, be transferred to and dealt with by one Board.

(4) No objection as to the place of presentation of the application shall be allowed by the Appellate officer unless such objection was taken, at the earliest opportunity, before the Board to which the application was made and unless there has been a consequent failure of justice.

(5) Notwithstanding anything contained in sub-section (1), a Board may for good and sufficient reason entertain a further application in respect of any debt incurred before the date of a first application under sub-section (1) or sub-section (2) whether such application was made to it or to any other Board, except when such application under either of the said sub-sections has been dismissed under sub-section (3) or section 13 or under clause (b) (ii) of sub-section (1) or sub-section (2) of section 17.

(6) A board shall not entertain any further application for the settlement of any debt which has been incurred by a debtor (including any rent which has become due) after the date of application under sub-section (1) or sub-section (2).

**Application
for
settlement
of join
debts**

9.(1) An application may be made under sub-section (1) of section 8 for the settlement of-

(a) an ancestral debt for which two or more persons are jointly liable if one of such persons is a debtor within the meaning of this Act, and they all join in making such application, or

(b) a debt for which two or more persons are jointly liable if all such persons are debtors within the meaning of this Act and they all join in making such application,

and the Board may pass orders under this Act regarding any debt to which such application relates.

(2) If a debtor within the meaning of this Act is jointly liable with other persons for any debt other than a debt for arrears of rent such debtor may