

# THE KARNATAKA (ABOLITION OF CASH GRANTS) ACT, 1967

## ARRANGEMENT OF SECTIONS

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### STATEMENT OF OBJECTS AND REASONS

**Act 15 of 1967.-** Under section 3 of the Hyderabad Abolition of Cash Grants Act, 1952, all cash grants specified in Part A of the Schedule to that Act were discontinued with effect from 1st April 1952, and the cash grants specified in Part C of that Schedule were discontinued from the 1st July 1954. The validity of this Act was questioned before the High Court of Hyderabad and the High Court held that the abolition of cash grants without payment of compensation was illegal and that the applicants were entitled to "rusums" discontinued under section 3 of that Act. The Government of Hyderabad appealed to the Supreme Court against the orders of the High Court, but the appeal was subsequently withdrawn by the Government of Andhra Pradesh. In order to provide for the abolition of the cash grants, and payment of compensation for such abolition, the Andhra Pradesh (Abolition of Cash Grants) Act, 1959 was passed by the Andhra Pradesh Legislature. The Government of Maharashtra is also undertaking legislation for the abolition of the cash grants and payment of compensation. It is considered necessary to undertake legislation in order to abolish the system of cash grants in the Hyderabad, Karnataka Area.

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV- 2A, dated 26-7-1967, No. 155, at page 7. )

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**<sup>1</sup>[KARNATAKA]<sup>1</sup> ACT No. 15 OF 1967**

*(First Published in the <sup>1</sup>[Karnataka Gazette]<sup>1</sup> on the Twenty-first day of December, 1967)*

**THE <sup>1</sup>[KARNATAKA]<sup>1</sup> (ABOLITION OF CASH GRANTS) ACT, 1967**

*(Received the assent of the President on the Eleventh day of  
December, 1967)*

**(As on .....)**

An act to discontinue certain classes of cash grants in the <sup>1</sup>[Gulburga Area]<sup>1</sup> of the <sup>1</sup>[State of Karnataka]<sup>1</sup>.

WHEREAS it is expedient to discontinue certain classes of cash grants in the <sup>1</sup>[Gulburga Area]<sup>1</sup> of the <sup>1</sup>[State of Karnataka]<sup>1</sup> ;

BE it enacted by the <sup>1</sup>[Karnataka]<sup>1</sup> State Legislature in the Eighteenth Year of the Republic of India as follows :-

**1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.**

**1. Short title, extent and commencement** .- (1) This Act may be called the <sup>1</sup>[Karnataka]<sup>1</sup> (Abolition of Cash Grants) Act, 1967.

(2) It extends to the <sup>1</sup>[Gulburga Area]<sup>1</sup> of the <sup>1</sup>[State of Karnataka]<sup>1</sup>.

(3) It shall come into force at once.

**1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.**

**2. Definitions.**- In this Act, unless the context otherwise requires,-

(a) "Government" means the State Government ;

(b) "charitable institution" means any charitable establishment, with a 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 ;

(c) "prescribed" means prescribed by rules made under this Act ;

(d) "religious institution" means any religious establishment (such as temple, shrine, mosque or the like) with a specific location and known address which is dedicated to, or used as of right by, the public generally or any community or section thereof, as a place of public religious worship.

**3. Application of Act** .- (1) This Act shall apply to any cash grant specified in the Schedule other than those mentioned in sub-section (2).

(2) Nothing contained in this Act shall apply to any such cash grant given in the name, or for the support, of any religious or charitable institution or given to any person for the performance of any service or charity, such service or charity being of a public nature connected with any religious or charitable institution :

Provided that the payment of cash grant mentioned in this sub-section shall be made to the institution or to the person concerned only so long as the institution exists.

(3) For the removal of doubts, it is hereby declared that the provisions of section 5 of the Hyderabad Atiyat Enquiries Act, 1952 (Hyderabad Act X of 1952), as in force in the Hyderabad Area, shall apply to the cash grants continued by this Act as they apply to Atiyat grants under that Act.

(4) The Government may, by notification in the official Gazette, alter, add to or omit any of the entries in the Schedule.

**4. Abolition of certain grants and payment of compensation therefor.**- (1) Notwithstanding anything contained in any law, custom, usage, sanad or decree or order of a court or other authority and subject to the provisions of sub-section (2) all cash grants

specified in Part A of the Schedule which were payable or enforceable during the year commencing on the 1st April, 1952 or any subsequent financial year, and all cash grants specified in part B and Part C of the Schedule which were payable or enforceable during the year commencing on the 1st day of April, 1954 or any subsequent financial year, shall be discontinued and cease to have effect,-

(a) in the case of cash grants specified in Part A of the Schedule - with effect from the 30th day of July, 1952 ; and

(b) in the case of cash grants specified in Part B and Part C of the Schedule-with effect from the 1st day of July, 1954.

(2) The grantee whose cash grant is abolished under sub-section (1) shall be paid compensation as follows :-

(i) in the case of a cash grant specified in Part A of the Schedule, a sum equivalent to four times the annual amount payable to the grantee ;

(ii) in the case of a cash grant specified in Part B of the Schedule, a sum equivalent to six times the annual amount payable to the grantee ; and

(iii) in the case of a cash grant specified in Part C of the Schedule, a sum equivalent to four times the annual amount payable to the grantee :

Provided that in respect of each of the cases specified in column (1) of the Table below, the cash grant specified in Part C shall be continued subject to the conditions specified in each case during the period mentioned in column (2), namely :-

**TABLE**

(1)	(2)
(1) Where the age of the grantee, whether male or female, was not less than 60 years on the 1st day of April, 1954	Till the date of the death of the grantee
(2) Where the age of the grantee was less than 60 years on the 1st day of April, 1954 ,-	
(i) in the case of a male or an unmarried woman, if the grantee is incapable of earning a livelihood on account of being blind, deaf, dumb and mute, mentally deranged, crippled or paralytic ;	From the date of abolition till the date of the death of the grantee.
(ii) in the case of a widow .	So long as she remains a widow.
(3) Where the grantee is a minor,-	
(i) in the case of a male if such cash grant is his only source of income	From the date of abolition till the date of attainment of 18 years.
(ii) in the case of a female .	From the date of abolition till the date of marriage or the date of attainment of 18 years whichever is earlier.

(3) Where the amount of cash grant received by a male minor before attainment of 18 years of age, or by a female minor before such attainment or marriage, falls short of four times the annual amount of cash grant, the deficiency shall be made good to the male minor on his attaining 18 years of age, and to the female minor on her attaining 18 years of age or her marriage, whichever is earlier.

(4) Where a cash grant to which this Act applies is subject to the rendering of any service, the grantee shall, with effect from the date of discontinuation of the grant, stand relieved of the liability to render that service.

(5) The compensation payable under sub-section (2) for the cash grants specified in Part A and Part C of the Schedule shall be paid to the grantee in such manner and in such installments as may be prescribed ; and the compensation payable for the cash grant specified in Part B of the Schedule shall be paid to him either in full or in annual installments not exceeding twelve.

**5. Power to make rules .-** (1) The Government may, by notification in the official Gazette, make rules to carry out all or any of the purposes of this Act.

(2) Every rule made under this section shall be laid as soon as may be after it is made, before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions and if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the 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.

**6. Disposal of pending matters .-** All claims and all proceedings relating to cash grants pending on the date of commencement of this Act, before any authority shall, notwithstanding anything in any law, contract, decision or order of a court, be dealt with and disposed of in accordance with the provisions of this Act.

**7. Repeal .-** The Hyderabad (Abolition of Cash Grants) Act, 1952 (Hyderabad Act XXXIII of 1952), is hereby repealed.

## **SCHEDULE**

(Part A)

Rusums payable to,-

- (1) Sardesemukhs,
- (2) Sardeshpandyas,
- (3) Deshmuks,
- (4) Deshapandyas,
- (5) Dastbandars (including mirasi-dastbandars),
- <sup>1</sup>[(6) Choudhari,
- (7)Shettigiri]<sup>1</sup>.

**1. Inserted by Notification No. RD 26 INM 81 dt. 9.2.1988.**

(Part B)

Mansab Maviza Jagir including Jagir Pension,  
Mansab Maviza (Qarza),  
Mansab Maviza Arasi,  
Mansab Maviza Abkari,  
Mansab Maviza Sair,  
Mansab Maviza Aslaha, Kutub, Dookan, Safai,  
Mansab Imtiassi,  
Mansab Nazam Mahwars,  
Mahwarat Walajahi issued in lieu of Jagirs.

(Part C)

Ordinary Mansaba, Riayeti, Khas and Mutaferiqa Muhwars, Mash, Youmia, Mamool, Saliyans, Customs Mukasas and Agraphara, Mahwarat Walajahi (other than those issued in lieu of Jagirs) Tahir Sarishtadari, Wiquai Nigari.

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#### NOTIFICATION

**Bangalore dated 9th February 1988 [No. RD 26 INM 81]**

**S.O. 654.-** In exercise of the powers conferred by sub-section (4) of section 3 of the Karnataka (Abolition of Cash Grant) Act, 1967 (Karnataka Act 15 of 1967), the Government of Karnataka hereby makes the following amendment to (Part A) of the Schedule to the said Act, namely:-

After item (5) of (Part A) of the Schedule to the Karnataka (Abolition of Cash Grants) Act, 1967 (Karnataka Act 15 of 1967) the following items shall be inserted, namely:-

- "(6) Choudhari,
- (7) Shettigiri,"

By Order and in the name of the Governor of Karnataka,

D.K.Nagarathammani  
Under Secretary to Government,  
Revenue Department

(Published in the Karnataka Gazette (Extraordinary) Part IV 2C(ii) as No 278 dated 28-4-1988.)

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