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Land Revenue and other Government dues
recoverable as arrears of Land Revenue
Recovery of ...
by purchase of defaulter's property
by Government on nominal bid.

Government of Maharashtra
Revenue and Forests Department
Circular No. REV-1070/149605-CI,
Sachivalaya, Bombay 32 Dated 31st January 1973

Read: Government Circular, Revenue & Forests Department
No. REV-1063/36034-C dated 31st July 1964,

CIRCULAR OF GOVERNMENT

In Government Circular, Revenue & Forests Department
No. REV 1063/36034-C dated 31st July 1964 orders were issued to
the effect that revenue officers should not until further
orders of Government purchase defaulter's property on behalf
of Government on a nominal bid for recovery of arrears of
Land revenue or amounts recoverable as arrears of land revenue.
These orders were issued consequent upon the supreme Court
Judgement in Civil Appeal No. 67 of 1956 (R.K. Kadam Vs. State
of Bombay & others) that there being no specific provision
in the Land Revenue Laws, the purchase on a nominal bid is void.

2 In the Maharashtra Land Revenue Code, 1966 a specific
provision has however been made under section 229 which empowers
the revenue officers to purchase defaulter's property on behalf
of Government on a nominal bid. Government has also been advised
that in view of the provisions of the Rule 13 of the Maharashtra
Realisation of Land Revenue Rules, 1967, it would be open
to collector to sell the property without fixing any upset
price when it is being sold under the provisions of section
of the Maharashtra Land Revenue Code, and when no upset
price is fixed, the question of purchasing the property below
the upset price will not arise. If the auction is subject to an

upset price then, obviously, purchase for a nominal bid is not feasible, however, in view of the provisions of section 220 of the Maharashtra Land Revenue Code, if the first auction is infructuous on the grounds stated in sections 221, nothing prevents the Collector from re-auctioning the property without a reserve price, and purchasing the said ~~price~~ property on a nominal bid. The fact that marked value has been ascertained and an auction with a reserve price was attempted earlier will not invalidate the reauction without upset price. In view of this legal position, the ~~and~~ orders issued in Government Circular, Revenue & Forests Department No. R&V/1063/36034-C dated 31st July 1964 are hereby cancelled and the Collectors are directed to take necessary action as stated above, in all cases of recovery of dues by purchase of the defaulter's property on a nominal bid.

3 There is no ban to the property being sold within 12 years of purchase on a nominal bid. If the property is purchased on nominal bid, the amount of the outstanding dues will be reduced only by the amount of the bid. There is no reason why the property should not be sold again for recovery of the balance of the amount. Only if the property is not sold it may be given on ~~some small~~ lease to a person other than the defaulter on rent equal to five times the assessment which is the maximum rent leviable under the Tenancy Act. The lease amount so collected should be credited as

"Miscellaneous Receipts" under the major head "IX-Land-Revenue"

4 It is necessary that all other avenues of recovery of the outstanding amount such as other property of the defaulter and properties of his sureties should be pursued, only after all the avenue to recover the dues are pursued,

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case should be made out to close the loan Khata of the defaulter loanee and to write off the irrecoverable dues provided that the defaulter loanee's account would be available for any consequential adjustment of Govt. dues in case recourse to the action under proviso to section 220 of Maharashtra Land Revenue Code 1966 by either party.

5 These orders issue with the concurrence of the Finance Department vide its un-official reference No.12300/1690 -F-8 dated 29 th August 1972 and the Accountant General Maharashtra State, Bombay's un official reference No.Loan IV/Gen/1773, dated 21 st October 1972.

By order and in the name of the Governor
of Maharashtra.

Sd/-

(V.R.Potdar)

Section Officer, Government of Maharashtra
Revenue & Forests Department.

To

The Settlement Commissioner & Director of Land Records, Poona.

No.L.R 761/73
Poona dt. 2-2-1973

Copy forwarded with compliments to all the Dy.D.L.Rs for information.

Copy to all S.L.Rs & D.L.Rs for information.

Copy to R.K

St. Sena
For Settlement Commissioner &
Director of Land Records, Poona.

C.17.2.67

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दिनांक ०१ FEB 1973