

Assam Recovery Of Loans Act, 1976

12 of 1976

[02 August 1976]

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PREAMBLE

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Act

to provide for recovery, as public demands, of Loans advanced by banks and other financial institutions to persons for providing opportunities for employment or for assisting agricultural or industrial activities and purposes

Whereas it is expedient to provide for recovery, as public demands, of Ions advanced by banks and other financial institutions to persons under schemes framed and/or approved by the Government of Assam for providing opportunities for employment or for assisting agricultural or industrial activities and purposes;

It is hereby enacted in the Twenty-seventh Year of the Republic of India as follows :--

1. Short title, extent and commencement :-

- (1) This Act may be called the Assam Recovery of Loans Act, 1976.
- (2) It extends to the whole of Assam.
- (3) It shall come into force at once.

2. Definitions :-

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

(a) "agricultural activity and purpose" includes making land fit for cultivation, cultivation of land, improvement of land including development of sources of irrigation, raising and harvesting of crops, planting and farming and cattle breeding, seed farming, apiculture, sericulture animal husbandry, horticulture, pisciculture, dairy farming, poultry farming, forestry, piggery, bee-keeping, growing of fruits, vegetables and the like; raising of crops, grass or garden produce, keeping or breeding of livestock, grazing and such other allied activities including marketing of agricultural products, their storage and transport and the acquisition of implements and machinery in connection with any such activity.

(b) "bank" means and includes--

(i) a bank included in the Second Schedule to the Reserve Bank of India Act, 1934(2 of 1934);

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

(iii) a subsidiary bank as defined in the State Bank of India (Subsidiary banks) Act, 1959(38 of 1959):

(iv) a corresponding new Bank as defined in the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970(5 of 1970):

(v) a co-operative bank as defined in the Reserve Bank of India Act, 1934(2 of 1934);

(c) "Certificate Officer" has the same meaning as in clause (3) of Section 3 of the Bengal Public Demands Recovery Act, 1913(Ben. Act III of 1913);

(d) "financial institution" means--

(i) a company or a body corporate as defined in the Companies Act, 1956(1 of 1956); or

(ii) a financial corporation, or

(iii) a society registered under the societies Registration Act, 1860(Act XXI of 1860),

which, is engaged in financing activities or has been constituted by any law for the time being in force and which is either owned by or in which the majority shares are held by the State Government;

(e) "industrial activity and purpose" includes any activity or purpose for providing goods or services;

(f) "person" includes group of persons or a partnership firm or a limited company, either private or public, or a co-operative society

registered under the Assam Co-operative Societies Act, 1949(1 of 1950)"

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

(h) "Scheme" means a scheme framed and/or approved for the purposes of this Act by the State Government for providing opportunities for employment or for assisting agricultural or industrial activities and purposes;

(i) "State Government" means the State Government of Assam.

3. Recovery of arrears of loan as a public demand :-

Notwithstanding anything contained in any law for the time being in force or in any agreement, any amount due to a bank or a financial institution from any person in respect of any amount advanced or granted under any scheme shall, apart from any other mode of recoverable as an arrear of land revenue under the Bengal Public Demands Recovery Act, 1913.

Explanation--The provisions of this section shall also apply to any amount advanced or granted by way of any such loan before the date on which this Act comes into force and remaining unpaid on such day.

4. Act to override the Bengal Public Demands Recovery Act, 1913(Ben. Act III of 1913) in certain cases :-

Notwithstanding anything contained in the Bengal Public Demands Recovery Act, 1913, no appeal under section 51 of the Bengal Public Demands Recovery Act, 1913, against an order made by a Certificate Officer for recovery of any loan as a public demand shall be admitted by the appellate authority unless the appellant deposits either fifty per cent of the dues of the certificate or the amount admitted by the appellant to be due, whichever is higher.

5. Power to make rules :-

(1) The State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) Any rule framed under this section may be given retrospective effect from a date not earlier than the date of coming into force of this Act.

(3) Every rule made under this Section shall as soon as may be after it is made be placed before the Assam Legislative Assembly while it is in session for a total period of fourteen days which may

be comprised in one or in two successive sessions, and if, before the expiry of the sessions in which it is so placed or the sessions immediately following the Assam Legislative Assembly agree in making any modification in the rule or the Assam Legislative Assembly 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.