
**WEST BENGAL EMPLOYMENT SCHEME LOANS (RECOVERY)
ACT, 1992**

18 of 1992

[10th September, 1992]

CONTENTS

1. Short title and extent
2. Definitions
3. Recovery of arrears amount of loan as a public demand
4. Act to override the Bengal Public Demands Recovery Act, 1913, in certain cases
5. Power to make rules
6. Repeal and saving

**WEST BENGAL EMPLOYMENT SCHEME LOANS (RECOVERY)
ACT, 1992**

18 of 1992

[10th September, 1992]

An Act to provide for the recovery, as public demand, of the loans advanced by banks, other financial institutions and the State Government to unemployed persons in West Bengal under employment programmes of the State Government for providing employment to such persons. WHEREAS it is expedient to provide for the recovery, as public demand, of the loans advanced by banks, other financial institutions and the State Government to the unemployed persons in West Bengal under employment programmes of the State Government for providing employment to such persons; It is hereby enacted as follows :

1. Short title and extent :-

(1) This Act may be called the West Bengal Employment Scheme Loans (Recovery) Act, 1992.

(2) It extends to the whole of West Bengal.

2. Definitions :-

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

context,

(a) "bank" means and includes

(i) a "bank" nationalised by the Government of India and a "bank" included in the Second Schedule to the Reserve Bank of India Act, 1934,

(ii) a "co-operative bank" as defined in the Reserve Bank of India Act, 1934,

(iii) a "corresponding new bank" as defined in the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970,

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

(v) a "subsidiary bank" as defined in the State Bank of India (Subsidiary Banks) Act, 1959;

(b) "Certificate-officer" has the same meaning as in clause (3) of section 3 of the Bengal Public Demands Recovery Act, 1913;

(c) "composite loan" means a loan advanced by a bank or a financial institution to an entrepreneur against the block capital or working capital required for activities under a scheme;

(d) "employment programme" means programmes variously described as Additional Employment Programme, Self Employment Scheme for the Registered Unemployed in West Bengal (SESRU), 1985 or any other scheme of the State Government as may be specified by the State Government by notification in the Official Gazette from time to time to provide opportunities to unemployed persons in West Bengal by assisting them to undertake bankable projects and by supporting the projects by advancing margin money assistance by way of loans or grants;

(e) "entrepreneur" means a person or a group of persons or a partnership firm or a limited company, either private or public, or a co-operative society registered under the West Bengal Co-operative Societies Act, 1983, to whom financial assistance has been given by the State Government in the form of margin money as a loan or grant and by a bank or a financial institution in terms of the employment programme for providing employment to unemployed persons and includes the legal heirs, executors, administrators, representatives and assignees of such person or group of such

persons or partnership firm or limited company or co-operative society, as the case may be;

(f) "financial institution" means

(i) a company or a body corporate or a public financial institution as defined in the Companies Act, 1956, or

(ii) a financial corporation, or

(iii) a society registered under the West Bengal Societies Registration Act, 1961, or

(iv) a Co-operative Land Development Bank as defined in the West Bengal Co-operative Societies Act, 1983, which engaged in financing activities and 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;

(g) "margin money" means a loan or grant advanced by the State Government under a scheme to an entrepreneur to meet a part of the initial investment to be made by him for obtaining further financial assistance from a bank or a financial institution for any project for generating employment;

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

(i) "scheme" means a scheme framed by the State Government under any employment programme for providing employment to unemployed persons in West Bengal under which such persons shall arrange to secure an advance from a bank or any other financial institution;

(j) "term loan" means a loan advanced by a bank or a financial institution to an entrepreneur against the block capital of fixed assets of the activities under a scheme.

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

Notwithstanding anything contained in this Act or in any other law for the time being in force or in any agreement, any amount due to a bank or a financial institution or to the State Government from an entrepreneur in respect of any loan including margin-money loan shall, apart from any other mode of recovery, be 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 by way of any 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, in certain cases :-

(1) 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 unless the appeal is filed within 30 days from the date of passing of the order to be appealed against and, in the case of an appeal by an entrepreneur, unless the appellant deposits either twenty-five per cent of the dues of the certificate or the amount admitted by him to be due, whichever is higher.

(2) The amount deposited under sub-section (1) shall be adjusted against the dues of the certificate or the amount admitted by the appellant to be due, as the case may be, and the balance, if any, shall be refunded to the appellant in such manner as the appellate authority may direct.

5. Power to make rules :-

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

6. Repeal and saving :-

(1) The West Bengal Employment Scheme Loans (Recovery) Act (W. Ben. Act 3 of 1976), is hereby repealed.

(2) Notwithstanding such repeal,

(a) anything duly done or suffered under the said Act, or

(b) any right, privilege, obligation or liability acquired, accrued or incurred under the said Act, or

(c) any investigation, legal proceeding or remedy, in respect of any such right, privilege, obligation or liability as aforesaid, shall not be affected and any such investigation, legal proceeding or remedy may be instituted, continued or enforced as if this Act had not been passed.