

KARNATAKA AGRICULTURISTS LOANS ACT, 1963

17 of 1963

[2nd May, 1963]

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An Act to provide for the grant of loans to agriculturists for purposes connected with agricultural objects not specified in the Karnataka Land Improvement Loans Act, 1963. Whereas, it is expedient to provide for the grant of loans to agriculturists for purposes connected with agricultural objects not specified in the Karnataka Land Improvement Loans Act, 1963. Be it enacted by the Karnataka State Legislature in the Fourteenth Year of the Republic of India as follows:-

1. Short title, extent and commencement :-

- (1) This Act may be called the Karnataka Agriculturists' Loans Act, 1963.
- (2) It extends to the whole of the State of Karnataka.
- (3) It shall come into force on such date as the State Government

may, by notification in the Official Gazette, appoint.

2. Definition :-

In this Act, unless the context otherwise requires, "Deputy Commissioner" means such officer as the State Government may by notification appoint to perform the functions of a Deputy Commissioner under this Act in such area as may be specified in the notification, and if no such officer is appointed, the Deputy Commissioner of the District.

3. Purpose for which loans may be granted :-

Subject to such rules as may be made under Section 9, loans may be granted to owners and occupiers of arable land for the relief of distress or indebtedness, the purchase of seed, cattle, agricultural implements or manure or any other purpose not specified in the Karnataka Land Improvement Loans Act, 1963, but connected with agricultural objects.

4. Application for grant of loans :-

Every application for grant of loan under this Act shall be in writing and shall contain true information regarding the particulars to be furnished in such application.

5. Prohibition of utilisation of loan for purposes other than that for which it is granted :-

No person who has been granted a loan under this Act shall utilise the amount for a purpose other than that for which it was granted.

6. Period of repayment of loans :-

The loans granted under this Act shall be repayable in such manner and at such times as the State Government may prescribe by rules made under this Act.

7. Security for loans :-

In respect of every loan granted under this Act, the borrower shall furnish such security as may be prescribed by rules.

8. Recovery of loans :-

The loans granted under this Act together with interest payable thereon, and costs, if any, incurred in granting or recovering the same shall be recoverable at the discretion of the Deputy Commissioner in any one or more of the following modes, namely.

(a) from the borrower, as if they were arrears of land revenue due by him;

(b) from his surety, if any, as if they were arrears of land revenue due by him;

(c) out of the assets left by a deceased borrower or surety; or out of the property comprised in the collateral security, if any, according to the procedure for the realisation of land revenue by the sale of the defaulter's immovable property other than the land on which that revenue is due.

9. Power to make rules :-

(1) The State Government may by notification in the official Gazette, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for.

(a) the manner of making applications for loans;

(b) the officers by whom loans may be granted;

(c) the manner of conducting inquiries in respect of applications for loans, and the powers exercisable by officers conducting such inquiries;

(d) the nature of the security, if any, to be taken for the due application and repayment of the loan;

(e) the rate of interest at which and the conditions under which the loans may be granted and the manner and time of granting loans;

(f) the instalments by which and the mode in which loans, the interest to be charged on them, and the costs incurred in the granting thereof, shall be paid;

(g) the manner of keeping and auditing the accounts in respect of loans granted and recovered.

(3) 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.

10. Penalty :-

Whoever knowingly furnishes any untrue information in any application under Section 4 or contravenes the provisions of Section 5, shall, on conviction, be punished with fine which may extend to one hundred rupees.

11. Repeal and savings :-

The Agriculturists' Loans Act, 1884 (Central Act XII of 1884), as in force in the Bombay Area and Coorg District, the Agriculturists' Loans Act, 1884 (Central Act XII of 1884), as in force in the Madras Area and Bellary District, the Hyderabad Agriculturists' Loans Act, 1950 (Hyderabad Act No. II of 1950), as in force in the Hyderabad Area, and Section 194 of the Karnataka Land Revenue Code, 1888 (Karnataka Act No. IV of 1888), as in force in the Karnataka Area except Bellary District, are hereby repealed: Provided that the provisions of Section 6 of the Karnataka General Clauses Act, 1889 (Karnataka Act III of 1889), shall be applicable in respect of the repeal of the said enactments and Sections 8 and 24 of the said Act shall be applicable as if the said enactments had been repealed and re-enacted by this Act.

12. Amendment of Karnataka Act No. 26 of 1958 :-

In the proviso to Section 2 of the Karnataka Non-Agricultural Loans Act, 1958.

(i) for the words "the Agriculturists' Loans Act", the words and figures "the Karnataka Agriculturists' Loans Act, 1963", shall be substituted;

(ii) the explanation shall be omitted.