

KARNATAKA NON-AGRICULTURAL LOANS ACT, 1958

26 of 1958

[December 25, 1958]

CONTENTS

1. Short title and extent
2. Purpose for which loans may be granted
3. Period for repayment of loans
4. Security for loans
5. Recovery of loans
6. Power to make rules
7. Repeal and savings

KARNATAKA NON-AGRICULTURAL LOANS ACT, 1958

26 of 1958

[December 25, 1958]

An Act to provide for the grant of loans by Government for certain non-agricultural purposes and for the recovery of such loans. Whereas, it is expedient to provide for the grant of loans for certain non-agricultural purposes and for the recovery of such loans; Be it enacted by the Karnataka State Legislature in the Ninth Year of the Republic of India as follows.

1. Short title and extent :-

(1) This Act may be called the Karnataka Non-agricultural Loans Act, 1958.

(2) It extends to the whole of the State of Karnataka.

2. Purpose for which loans may be granted :-

Subject to such rules as may be made under Section 6 , loans may be granted to any person under this Act, by such officers as may be prescribed, for erecting, rebuilding or repairing houses, for building or repairing boats or for the relief of distress: Provided that no loan for relief of distress shall be granted to any person to whom a loan for such purpose can be granted under ¹[the Karnataka Agriculturists Loans Act, 1963].

2 [Explanation : x x x x x]

1. Substituted for the words "the Agriculturists Loans Act" by Act No. 17 of 1963.
2. Explanation omitted by Act No. 17 of 1963

3. Period for repayment of loans :-

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

4. Security for loans :-

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

5. Recovery of loans :-

The loans granted under this Act, together with interest payable thereon, and costs, if any, incurred in making 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 a defaulter's moveable or immoveable property other than the land on which that revenue is due;
- (d) if the loan is for erecting, rebuilding or repairing a house, out of such house, as if it were arrears of land revenue due in respect of the land on which the house stands.

6. 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 nature of the security, if any, to be taken for the due application and repayment of the money;

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

(e) the instalments by which and the mode in which loans shall be repaid.

7. Repeal and savings :-

The Bombay Non-Agriculturists Loans Act, 1928 (Bombay Act No. III of 1928), as in force in the Bombay Area is hereby repealed:

Provided that the provisions of S.6 of the Karnataka General Clauses Act, 1899, shall be applicable in respect of the repeal of the said enactment and Section 24 of the said Act shall be applicable as if the said enactment had been repealed and re-enacted.