

The Bihar and Orissa Natural Calamities Loans Act, 1934

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Rule

THE-BIHAR-AND-ORISSA-NATURAL-CALAMITIES-LOANS-ACT-1934 of 1934

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The Bihar and Orissa Natural Calamities Loans Act, 1934[Dated 21st March, 1934]An Act to enable the [State Government] [Substituted by ALO for 'Local Government'.] to grant loans to the owners of buildings which have been damaged or destroyed by earth-quakes or other natural calamities.Whereas it is expedient to enable the [State Government] [Substituted by ALO for 'Local Government'.] to grant loans for building to the owners of buildings which have been damaged or destroyed by earthquakes or other natural calamities;And Whereas the previous sanction of the Governor-General under sub-section (3) of Section 80-A of the Government of India Act has been obtained at the passing of this Act;It is hereby enacted as follows:

1. Short title and extent.

(1)This Act may be called the Bihar and Orissa Natural Calamities Loans Act, 1934.(2)It shall extend to the whole of [the State] [Substituted by ALO.] of Bihar [and Orissa].

2. Definitions.

- In the Act, unless there is anything repugnant in the subject of context,-(a)"affected owner" means the owner of a building which has been damaged or destroyed by an earth-quake or other natural calamity;(b)"Collector" means the Collector of a district or any officer empowered by the [State] [Substituted by ALO.] Government to discharge, in any specified area, the functions of a Collector under this Act; and(c)"prescribed" means prescribed by Rules made under this Act.

3. Application for loans.

- An affected owner who desires to obtain a loan under this Act shall submit an application in the prescribed form and manner to the Collector.

4. Power of Collector to grant loans.

- On receipt of an application under Section 3 and after proceeding in the prescribed manner, the Collector may subject to the prescribed restrictions, grant a loan to the applicant if the Collector is satisfied that the applicant is an affected owner.

5. Orders granting loans conclusive on certain points.

(1)When the Collector grants a loan to an affected owner, the Collector shall sign an order granting such loan in the prescribed form and containing the prescribed particulars and conditions and such order shall, when signed or marked or sealed by such affected owner be conclusive evidence of the loan the particulars and conditions of which are stated in the said order has been granted to such owner.(2)If any person signs such order as surety for the borrower, such order shall be conclusive evidence that the persons so signing as surety has agreed to be a surety for the repayment of the loan the particulars and conditions of which are stated in the said order and that such person has agreed to give as security for the repayment of the said loan any security stated in the said order to be given by him.

6. Duty of borrowers to comply with conditions of loans and Rules and effect of non-compliance.

(1)An affected owner to whom a loan has been granted under this Act shall be bound to comply with the conditions of such loan and with any rules made under this Act.(2)If any affected owner fails to comply with any such condition or commits a breach of any rule made under this Act, other than a condition or a Rule requiring repayment of a loan or any portion thereof on a fixed date, the Collector may, after such notice as may be prescribed, record an order stating that such non-compliance or breach has occurred, and the loan granted to such affected owner or, in the case of a loan granted in instalments, such portion as has already been advanced, shall be repayable with all interest and the prescribed charges on the date of the order and the Collector shall not in the case of a loan granted in instalments, advance any further instalments to such affected owner after the date of the said order.(3)An order of the Collector under sub-section (2) shall be final and shall not be questioned in any Civil, Criminal or Revenue Court.

7. Repayment of loans.

(1)Every loan granted under this Act together with interest and the prescribed charges shall be repayable by the prescribed instalments and within the prescribed period.(2)If an affected owner fails to pay any instalment of a loan or the interest or the prescribed charges on the date on which

such instalment, interest or charges are due, the Collector may, if he is satisfied that there is no adequate reason for the delay, order that the whole of such loan together with all interest and the prescribed charges shall become repayable on a date to be specified in such order, and such loan, interest and charges shall thereupon be repayable on the date so specified.

8. Recovery of loans.

(1) Every loan granted under this Act together with the interest and the prescribed charges shall be the first charge on any building erected or repaired with the aid of such loan and on any interest held by the borrower in the land on which such building is erected, or on which such repaired building stands, and such loan together with the interest and the prescribed charges shall be when it becomes repayable, be recoverable by the Collector-(a) from the borrower-as if it were an arrear to land revenue due by him;(b) from his surety (if any)-as if it were an arrear of land revenue due by him;(c) out of any building erected or repaired with the aid of such loan and any interest held by the borrower in the land on which such building is erected or on which such repaired building stands-according to the procedure for the realization of land revenue by the sale of immovable property other than the land on which that revenue is due;(d) out of the property comprised in the collateral security (if any)- according to the procedure for the realization of land revenue by the sale of immovable property other than the land on which that revenue is due.(2) If an affected owner to whom a loan has been granted under this Act transfers to any person any building erected or repaired with the aid of such loan or any interest in the land on which such building is erected, or on which such repaired building stands, the loan or any portion thereof together with the interest and the prescribed charges due from such affected owner may, in addition to any remedy available against such owner, be recoverable from the transferee as if it were a public demand payable by such transferee to the Collector.

9. [Provisions regarding joint application for a loan and liability of joint borrowers as among themselves (1). [Sections 9 and 10 Inserted by Bihar Act 18 of 1959.]

- A joint application for a loan under this Act may be made by several affected owners in the prescribed form and manner to the Collector.(2) When a loan is granted to affected owners on the joint application under sub-section (1) all of them shall be jointly and severally bound to the State Government for the payment of the whole amount payable in respect thereof.(3) A statement showing the portion of the amount of the loan granted which, as among themselves, each affected owner is bound to contribute shall be incorporated in the order granting the loan and shall be signed by each affected owner and by the officer making the order.(4) Such a statement as is referred to in sub-section (3) shall be conclusive evidence of the portion of the amount of the loan granted which, as among themselves, each affected owner is bound to contribute.

10. Provisions of Sections 4, 5, 6, 7 and 8 to apply to application under Section 9.

- The provisions of Sections 4, 5, 6, 7 and 8 of this Act with necessary grammatical variations therein on account of a joint application made under Section 9 shall, so far as may be, apply to such an application and such a loan.]

11. [Power of Government to make Rules. [Section 9 renumbered as Section 11 by Bihar Act 18 of 1959.]

- The [State] Government may make rules to provide for the following matters:-(a)the form a applications for loans and the manner in which such applications shall be made:(b)the procedure to be followed by the Collector before granting any loan under this Act;(c)the restrictions subject to which loans may be granted under this Act and the conditions of such loans;(d)the granting of facilities by affected owners for the inspection of buildings erected or repaired or being erected or repaired with the aid of loan granted to them under this Act:(e)the nature of the buildings to be erected in any area with the aid of a loan granted under this Act by borrowers or any class of borrowers;(f)the charges to be paid by borrowers in respect of any expenses incurred by the Collector in granting loans under this Act.(g)the instalments by which and the period in which loans granted under this Act and the interest and the charges due on such loans shall be paid:(h)the payment of additional interest or any portion of a loan or any instalment which is not paid on the due date; and(i)generally to carry out the purposes of the Act.]

12. [Certain Acts not to apply. [Section 10 renumbered as Section 12 by Bihar Act 18 of 1959.]

- Nothing in the Indian Stamp Act, 1899, or in the Indian Registration Act, 1908, shall apply to any loan granted, or charges created, under or by this Act.]