

The West Bengal Employment Scheme Loans (Recovery) Act, 1976

WEST BENGAL

India

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Act 3 of 1976

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The West Bengal Employment Scheme Loans (Recovery) Act, 1976 West Bengal Act 3 of 1976 [23rd March, 1976.] Assent of the Governor was first published in the Calcutta Gazette, Extraordinary, dated the 23rd March, 1976. This Act (W.B. Act 3 of 1976) is now repealed by West Bengal Act 18 of 1992 by Section 6. An Act to provide for recovery, as public demands, of loans advanced by banks and other financial institutions to educated unemployed persons in West Bengal under schemes framed by the Government of West Bengal under its Additional Employment Programme for providing employment to such persons. Whereas it is expedient to provide for recovery, as public demands, of loans advanced by banks and other financial institutions to educated unemployed persons in West Bengal under schemes framed by the Government of West Bengal under its Additional Employment Programme 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, 1976. (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) "Additional Employment Programme" means a programme of the State Government to provide self employment opportunities to educated unemployed persons in West Bengal by assisting them to develop bankable projects and by supporting the projects by advancing margin money loans ; (b) "bank" means and includes - (i) a 'bank' included in the Second Schedule to the Reserve Bank of India Act, 1934, (ii) the 'State Bank of India' constituted under the State Bank of India Act, 1955, (iii) a

'subsidiary bank' as defined in the State Bank of India (Subsidiary Banks) Act, 1959,(iv)a 'corresponding new bank' as defined in the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970,(v)a 'co-operative bank' as defined in the Reserve Bank of India Act, 1934;(c)"Certificate Officer" has the same meaning as in clause (3) of section 3 of the Bengal Public Demands Recovery Act, 1913;(d)"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 Cooperative Societies Act, 1973, to whom financial assistance has been given by the State Government and by a bank or a financial institution in terms of a scheme and includes the legal heirs, executors, administrators, representatives and assignees of such person or persons or partnership firm or limited company or co-operative society, as the case may be;(e)"financial institution" means-(i)a company or a body corporate 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,which is 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;(f)"margin money loan" means a loan advanced by the State Government under a scheme to an entrepreneur to meet the whole or a part of the initial investment to be made by him for obtaining the financial assistance from a bank or a financial institution for any project under the Additional Employment Programme;(g)"prescribed" means prescribed by rules made under this Act;(h)"scheme" means a scheme framed by the State Government under its Additional Employment Programme for providing employment to unemployed educated persons in West Bengal under which such persons shall arrange to secure an advance from a bank or any other financial institution representing up to ninety per cent, of the total amount required for any project under the said Programme;(i)"term loan" means a loan advanced by a bank or a financial institution to an entrepreneur against the block capital or fixed assets of the activities under a scheme.

3. Recovery of arrears of term 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 an entrepreneur in respect of the term 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 term 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. -

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 term loan as a public demand shall be admitted by the appellate authority unless the appellant deposits either twenty-five 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. -

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

6. Repeal and savings. -

(1)The West Bengal Employment Scheme Loans (Recovery) Ordinance, 1976, is hereby repealed.(2)Anything done or any action taken under the West Bengal Employment Scheme Loans (Recovery) Ordinance, 1976, shall be deemed to have been validly done or taken under this Act as if this Act had commenced on the 3rd day of February, 1976.