

# THE RAJASTHAN REHABILITATION LOANS ACT, 1951

(Act No. V of 1951)

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## THE RAJASTHAN REHABILITATION LOANS ACT, 1951

(Act No. V of 1951)

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*(Made by His Highness the Rajpramukh on the 23rd day of February. 1951)*

### **An Act to provide for the giving of financial assistance to displaced persons.**

WHEREAS it is expedient to provide for the giving of financial assistance to displaced persons in <sup>1</sup>[the State of Rajasthan] It is hereby enacted as follows-

#### **1. Short title, and commencement.-**

- (1) This Act may be called the Rajasthan Rehabilitation Loans Act. 1951.
- (2) <sup>1</sup>(it extends to the whole of the State of Rajasthan).
- (3) It shall come into force on the date of its publication in the <sup>1</sup>[Official Gazette.]

#### **2. Definitions.-**In this Act. unless there is anything repugnant in the subject, or context

(a) "loan" includes any financial assistance, whether in money, property or otherwise, given by the <sup>1</sup>[State Government] to a displaced person whether before or after the commencement of this Act, for his rehabilitation in the <sup>1</sup>(State of Rajasthan):

(b) "Borrower" means a displaced person individually or a company, association or body of displaced persons whether incorporated or not, to whom or to which a loan has been advanced:

(c) "displaced person" means any person who on account of the setting up of the Dominions of India and Pakistan or on account of civil disturbances or fear of such disturbances in any area now forming part of Pakistan has been displaced from, or has left his place of residence in such area, after the 1st day of March, 1947, and who has subsequently been residing in state <sup>1</sup>[State of Rajasthan]:

<sup>1</sup> Substituted by Rajasthan Act No. 27 of 1957.

2. Omitted by Rajasthan Act No 27 of 1957.

(d) <sup>2</sup>[X X X]

(e) "prescribed" means prescribed by rules or regulations made under this Act.

**3. Advance of loans.**-(1) The <sup>1</sup>[State Government] may within prescribed limits advance loans to displaced persons individually or to any company, association or body of displaced persons, whether incorporated or not.

(2) For the purpose of advancing any loan under sub-section (1) <sup>1</sup>(the State Government) may call for such information, as may be necessary.

(3) The Government shall charge interest from the borrower at such rate not exceeding 6 per cent per annum as may be specified by it.

(4) The period within which a loan shall be repayable shall not exceed thirty years.

(5) The loan may be advanced in such installments as the [State Government] may prescribe.

(6) The assets created from the loan, shall, notwithstanding any law or usage to the contrary, be deemed to be mortgaged to the (State Government] for the repayment of the loan together with interest thereon and the amount or value of the loan and the interest thereon shall be the first charge of such assets.

(7) The '[State Government] may also take such further security for any loan as it may consider necessary.

**4. Power to call for re-payment before agreed period.**- Notwithstanding any agreement to the contrary, the (State Government) may, by causing a notice to be served on the borrower, all upon him to repay forthwith or within such time as may be fixed in the notice, the entire amount or value of the loan then due—

(a) if it appears to the <sup>3</sup>[State Government] that false and misleading information in any material particular was given by the borrow for obtaining the loan or while furnishing any information under section 6, or

(b) if the borrower has failed to comply with the terms of the contract with the <sup>4</sup>[State Government] in the matter of the loan, or

(c) if there is a reasonable apprehension that the borrower is unable to. pay his debts or that insolvency proceedings or proceedings for liquidation maybe commenced against him, or

(d) if for any other reason it is necessary in the opinion of the <sup>5</sup>[State Government] to protect the interest of the <sup>6</sup>[State Government].

**5. Mode of recovery.**-If the amount or value of the loan or any installment thereof or interest thereon, which is due in accordance with the terms of the contract or under the provisions of section 4, has not been repaid the <sup>7</sup>[State Government] may:-

(a) without prejudice to any other remedy provided by law, recover such loan, installment or interest as arrears of land revenue in accordance with the law for

1 Substituted by Rajasthan Act No. 27 of 1957.

2. Omitted by Rajasthan Act No 27 of 1957.

the time being in force in <sup>8</sup>[The State of Rajasthan] for the recovery of such arrears, or

(b) take charge of the business or industry of the borrower on such terms and conditions as it may deem fit.

## **6. Power of inspection.-**

(1) The <sup>9</sup>[State Government] or any officer authorised by it in writing in this behalf may by order, require any borrower to furnish such information or to produce such books of accounts and other documents for inspection at such time and place as may be specified in the order and the borrower shall comply with such order.

(2) The '[State Government] or such officer may inspect such books of accounts or documents produced and take extracts therefrom.

(3) The <sup>1</sup>[State Government] or the officer making the inspection or any person working under his order shall not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the borrower.

(4) If any person contravenes the provision of sub-section (1) or sub-section (3), he shall be punishable with imprisonment of either description which may extend to six months or with fine which may extend to five thousand rupees or with both.

**7. Power to make rules.-**(1) The "[State Government] may, from the time to time, make rules, consistent with this Act, for the purpose of carrying out generally the provisions thereof and regulating in particular all matters there under which require to be prescribed or In respect of which rules are required to be made.

(2) All rules made under this section shall be published in the <sup>1</sup>[Official Gazette].

8. <sup>2</sup>[Omitted]

9. <sup>2</sup>(Omitted]

1 Substituted by Rajasthan Act No. 27 of 1957.

2. Omitted by Rajasthan Act No 27 of 1957.