

## CHAPTER X

## [PROVISIONS OF LOANS]

160. The Authority may advance loans for the purposes of <sup>2</sup>[purchase of any land developed by the Authority, or of purchase, on such terms as the Authority may, with the approval of the State Government, determine, of any building or tenement therein constructed by the Authority, or of construction of houses on land developed by the Authority, or of improvement, renovation or carrying out any extension to any house or hut constructed on any Authority premises] to,—

Advance  
loans by  
Authority.XXI of  
1860.  
Bom.  
XXIX  
of  
1950.

- (i) Co-operative societies ;
- (ii) societies registered under the Societies Registration Act, 1860 ;
- (iii) public trusts registered under the Bombay Public Trusts Act, 1950 ;
- (iv) local authorities ;
- (v) companies or occupiers of factories registered under any law for the time being in force, for housing the employees of the company or workers of <sup>3</sup>[factories ; or]
- <sup>4</sup>[(vi) any individual.]

161. Loans under section 160 may be advanced on such terms and conditions as may be determined by regulations.

Terms and  
conditions  
for advancing  
of loans.

162. Notwithstanding anything contained in this Act, there shall be a separate reserve fund maintained by the Authority called the Loans Advance Reserve Fund for the purposes aforesaid. This fund shall be operated in such manner as the Authority may with the previous approval of the State Government from time to time determine.

Loan  
Advance  
Reserve  
Fund.

163. Whenever any sum of money has been borrowed by the Authority for the purposes of advance of loans, no portion thereof shall be applied to any other purposes without the previous sanction of the State Government.

Money  
borrowed  
for advancing  
loans  
not to be  
utilised for  
other  
purposes.

<sup>5</sup>[163A. (1) In order to enable the Authority to carry out any of its proposals, plans, schemes or projects, the Authority may, on receipt of an application to that effect, assist co-operative housing societies or members thereof or individual allottees, as the case may be, in obtaining loans from a Co-operative Bank or a Scheduled Bank or from a finance institution for the purposes of purchase of any land developed by the Authority, or of purchase of any building or a tenement therein constructed by the Authority or of construction of houses on land developed by the Authority or for improvement, renovation or carrying out any extension to any house or hut constructed on any authority premises or provision of any common amenities or facilities to the members of co-operative societies.

Assistance  
for obtaining  
loans from  
banks or  
finance  
institutions.

<sup>1</sup>This heading was substituted by Mah. 12 of 1989, s.14.

<sup>2</sup>This portion was substituted for the words "construction of houses on lands developed by it" by Mah. 4 of 1985, s. 4(a)

<sup>3</sup>These words were substituted for the words "the factories," *ibid.*, s.4(b).

<sup>4</sup>Clause (vi) was added, *ibid.*, s. 4(c).

<sup>5</sup>Section 163A was inserted by Mah. 12 of 1989, s. 15.

(2) Assistance by the Authority to obtain a loan under sub-section (1) shall, in addition to the usual terms and conditions laid down by a Co-operative Bank or a Scheduled Bank or a finance institution in that behalf, also be subject to such additional terms and conditions as may be determined by regulations.

(3) The terms and conditions of the grant of loan and of the mortgage deed to be executed by the borrower in favour of the creditor Bank or the finance institution for the purposes of loan shall be in consonance with the terms and conditions determined by regulations as provided under sub-section (2) and any terms and conditions inconsistent with the terms and conditions so determined shall be deemed to be void and in operative.

(4) For avoidance of doubt, it is hereby declared that nothing in this section shall preclude the creditor Bank or the finance institution to take any action available to it under the provisions of any other law for the time being in force for the recovery of its dues under this section and that the provisions of this section in that respect shall be in addition to and not in derogation of such other provision of law.

*Explanation.*—For the purposes of this section, the expressions—

(a) "purchase of land" shall include obtaining land on lease on payment of any premium or any other consideration ;

(b) "Scheduled Bank" means a bank included in the Second Schedule to the Reserve Bank of India Act, 1934 ;

II of  
1934.

(c) "finance institution" means any public finance institution such as Housing and Urban Development Corporation, Housing Development Finance Corporation, Life Insurance Corporation of India and General Insurance Corporation of India, which provide loans to any individual or any co-operative housing society.