

Command Areas Development Act, 1980

Chapter VII - Credit Facilities

(1) For taking up land development in the lands in the possession of ineligible persons, the Authority may raise loans on their behalf from a credit agency on such terms and conditions as may be mutually agreed upon between the Authority and the credit agency concerned for the purpose of meeting the cost of carrying out such development as may be provided for in the scheme approved:

Provided that the loans so raised shall be deemed to have been raised with the consent of the ineligible persons concerned.

Explanation.- For the purposes of this section subject to such rules as may be prescribed, the cost of land development includes such cost of survey, supervision, and any other amount as may be determined by the Authority.

(2) Notwithstanding anything in any law for the time being in force, the loan referred to in sub-section (1), shall be a first charge on the lands in the possession of ineligible persons concerned.

(3) The amount to be recovered from each ineligible person shall be the entire cost of work as determined under sub-section (1), and the same shall be recovered with interest at such rate and in such annual installments as may be fixed by the Authority and if not recovered in the usual course, shall be recovered as arrears of land revenue.

(4) The Authority shall be liable to repay the loan borrowed under sub-section (1) from the credit agency as per the terms and conditions of repayment as agreed upon at the time of borrowing.

Section 21 - Alterations of extent or boundaries of mortgaged land under the approved scheme for land development

Where, on the implementation of the approved scheme for comprehensive land development, the extent or the boundaries of the mortgaged land gets altered, such altered land shall alone form the substituted security for the loan.
