

***The Haryana Public Money (Recovery of Dues) Act, 1979***  
***Haryana Act No. 6 of 1979***

**hl552**

*Received the assent of the Governor of Haryana on the 2nd October, 1979 and was published in the Haryana Gazette, (Extra.) Legislative Supplement, Part I, dated 24th October, 1979.*

**An Act to provide for the speedy recovery of certain classes of dues.**

Be it enacted by the Legislature of the State of Haryana in the Thirtieth Year of the Republic of India as follows :-

**1. Short title.** - This Act may be called the Haryana Public Moneys (Recovery of Dues) Act, 1979.

***Object & Reasons***

**Statement of Objects and Reasons.** - Certain industrial concerns have been defaulting in the repayment of loans advanced by the Haryana Financial Corporation resulting in accumulation of heavy arrears which have to be recovered urgently. As the procedure to recover such arrears is lengthy and time consuming, it has been decided to enact "The Haryana Public Money (Recovery of Dues) Act, 1979" to ensure quick recovery. Hence this Bill.

Published vide Haryana Gazette Extra. dated 21st August, 1979, Page 1688.

**2. Definitions.** - In this Act, unless the context otherwise requires, -

- (a) "Collector" means a Collector of the district and includes any person appointed by the State Government to perform the functions of a Collector under this Act;
- (b) "Corporation" means the Haryana Financial Corporation established under the State Financial Corporations Act, 1951, and includes any other Corporation owned or controlled by the Central Government or the State Government which the State Government may, by notification, specify;
- (c) "Defaulter" means a person who, either as principal or as surety, is a party-

- (i) to any agreement relating to a loan, advance or grant given under that agreement or relating to credit in respect of, or relating to hire-purchase of goods sold by the State Government or the Corporation, by way of financial assistance; or
  - (ii) to any agreement relating to a loan, advance or grant given under that agreement or relating to credit in respect of, or relating to hire-purchase of, goods sold by a Government company under the State-sponsored scheme; or
  - (iii) to any agreement relating to a guarantee given by the State Government or a Corporation in respect of a loan raised by an industrial concern;
  - (iv) to any agreement providing that any money payable thereunder to the State Government shall be recoverable as arrears of land revenue, any such person makes any default in repayment of the loan or advance or any instalments thereof or, having become liable under the conditions of the grant to refund the grant or any portion thereof, makes any default in the refund of such grant or portion or any instalments thereof or otherwise fails to comply with the terms of the agreement;
- (d) "financial assistance" means any financial assistance -
- (i) for establishing, expanding, modernising, renovating or running any industrial undertaking; or
  - (ii) for the purposes of vocational training; or
  - (iii) for the development of agriculture, horticulture, animal husbandry or agro-industry; or
  - (iv) for the purpose of any other kind of planned development; or
  - (v) for relief against distress;
- (e) "Government company" means a Government company as defined in Section 617 of the Companies Act, 1956;
- (f) "industrial concern" has the meaning assigned to in the State Financial Corporation Act, 1951, as amended from time to time;
- (g) "industrial undertaking" includes any undertaking for the manufacture, preservation, storage or processing of goods, or mining, or the hotel industry, or the transport of passengers or goods, or the generation or distribution of electricity or any other form of power, or

for the development of any contiguous area of land as an industrial estate.

*Explanation.* - The expression "processing of goods" includes any act or process for producing, preparing or making an article by subjecting any material to a manual, mechanical, chemical, electrical or any other like operation;

(h) "State sponsored scheme" means a scheme sponsored by way of financial assistance by the State Government under which the State Government either -

(i) advances money to a Government company for the purposes of disbursing loans, advances or grants or for the purposes of sale of goods on credit or hire purchase; or

(ii) guarantees or agrees to guarantee the repayment of a loan, advance or grant or the payment of the price of goods sold on credit or hire purchase.

**3. Recovery of certain dues as arrears of land revenue.** - (1) Where any sum is recoverable from a defaulter -

(a) by the State Government, such officer as it may, by notification, appoint in this behalf;

(b) by a Corporation or a Government company, the Managing Director thereof,

shall determine the sum due from the defaulter.

(2) The Officer or the Managing Director, as the case may be, referred to in sub-section (1), shall send a certificate to the Collector mentioning the sum due from the defaulter and requesting that such sum together with the cost of proceedings be recovered as if it were an arrear of land revenue.

(4) No civil Court shall have jurisdiction -

(a) to entertain or adjudicate upon any case;

(b) to adjudicate upon or proceed with any pending case,

relating to the recovery of any sum due as aforesaid from the defaulter. The proceedings relating to the recovery of the sums due from the defaulters, pending at the commencement of this Act in any civil Court, shall abate.

**4. Savings.** - (1) Nothing in Section 3 shall affect any interest of the State Government, a Corporation or a Government company in any property created by any mortgage, charge, pledge or other encumbrance.

(2) Where the property of any person referred to in Section 3 is subject to any mortgage, charge, pledge or other encumbrance in favour of the State Government, a Corporation or a Government company, then in every case of a pledge or hypothecation property, such property or, as the case may be, the interest of of the defaulter therein, shall first be sold in proceedings for recovery of the sum due from that person, and if the proceeds of the sale of the aforesaid property are less than the sum due, proceedings may be taken against the other property of the defaulter :

Provided that where the State Government is of the opinion that it is necessary so to do for safeguarding the recovery to the sum due to it or to the Corporation or Government company, as the case may be, it may, for reasons to be recorded, direct proceedings to be taken simultaneously for the recovery of the sum due in respect of the goods pledged or hypothecated, the immovable property mortgaged, charged or encumbered and other property of the defaulter.