

The Bihar and Orissa Natural Calamities Loans Rules, 1934

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Rule

THE-BIHAR-AND-ORISSA-NATURAL-CALAMITIES-LOANS-RULES-1934 of 1934

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The Bihar and Orissa Natural Calamities Loans Rules, 1934Published vide Notification No. 690-R. D., dated the 19th March, 1934, in the Bihar and Orissa Gazette, 1934, Part 2, page 179Notification No. 690-R. D., dated the 19th March, 1934]. - In exercise of the powers conferred by Section 9 of the Bihar and Orissa Natural Calamities Loans Act, 1934 (Bihar and Orissa Act I of 1934), the Government of Bihar and Orissa are pleased to make the following Rules:These Rules may be called the Bihar and Orissa Natural Calamities Loans Rules, 1934.In these Rules-(a) "Form" means a form appended to these rules; and(b) "the Act" means the Bihar and Orissa Natural Calamities Loans Act, 1934.

1. Application.

- Application for loans shall be presented to the Collector in Form A-1 or A-2 annexed to these rules, copies of which shall be supplied free of charge to intending applications.

2. Procedure to be followed by the Collector before granting any loan.

- If the Collector considers that the grants of a loans to any applicant is prima facie desirable, he shall, as early as possible, make an enquiry or cause an enquiry to be made by a responsible Government servant or by any non-official agent whom he considers reliable for the purpose of verifying the particulars mentioned on the reverse of Form A-1 or A-2.

3. Cost of enquiry.

- The cost of making the enquiries under Rule 2 shall ordinarily be borne by Government, but the Collector may in special cases, before making an enquiry or causing an enquiry to be made, require the the applicant to pay the estimated cost of such enquiry, including the fee ordinarily charged for a search in the registration office, when enquiry involves such a search.

4. Consideration of applications.

- Before granting a loan the Collector shall determine-(a)whether the application is an affected owner;(b)whether the need for the loan is established;(c)whether the security is sufficient;(d)what amount should be advanced;(e)in what instalments (if there are to be more than one instalment) the loan is to be advanced;(f)what period is to be allowed before repayment is to commence;(g)the number of instalments in which the loan is to be repaid.

5.

In deciding the points mentioned in clauses (b), (d) and (e) of the preceding Rule, the Collector shall have regard to the circumstances of the borrower, the approximate value of the building which has been destroyed or damaged by the natural calamity, and the extent of the damage, in the case of a damaged building the cost of the proposed building or of the necessary repairs to the damaged building and the date on which the proposed building or repairs is likely to be completed. He shall satisfy himself that the advance is sufficient to cover so much of the total outlay required for the construction of the proposed building or repairs as the borrower is unable to provide out of his own resources and the borrower is likely to be able to repay the loan.

6. The Collector may lay down as a conditions of a loan.

(a)The type of building to be constructed and the minimum cost to be spent on it,(b)the exact site on which the building shall be constructed.

7. Procedure.

(a)Before granting a loan the Collector shall cause the order form (Form B) to be filled up.(b)The order form (Form B) shall be signed by the applicant or, if the applicants are a body of co-sharers applying jointly by all the applicants.(c)When the sureties, if any, give any immovable property as security for the repayment of a loan they shall sign that portion of Form B which relates to the particulars of security given by sureties.(d)When an applicant gives a security for the repayments of a loan any immovable property (other than a damaged building or the land on which it stands or a building to be constructed or the land on which it will be constructed) he shall sign that portion of Form B which provides for the particulars of security given by an applicant.(e)After the applicant or applicants and the sureties, if any, have signed Form B, it shall be signed by the Collector.

8.

When the Collector has signed an order in Form B granting a loan he shall deliver to the applicant a copy of the said order and a payment order in Form C, together with a notice in Form D, and shall explain the contents of the said notice to the applicant. In the case of a loan to be disbursed by instalments, similar payment order shall be given to the applicant as each instalment becomes due, but the notice in Form D shall be given only with the payment order for the last instalment.

9. Statements made by applicant and sureties to be correct.

- Every applicant and every surety shall be bound to state correctly all material facts entered in the application and the order, granting the loan.

10. Closure of loans on failure to take instalments due.

(1) In the case of a loan granted by instalments, if the borrower, after taking one or more instalments, fails to apply for any other instalment within six weeks from the date on which he is entitled to it, the Collector may declare the loan closed. (2) If the Collector declares a loan to be closed then, notwithstanding anything contained in the order in Form B granting the loan, the instalments paid to the borrower before the date of such declaration shall constitute the loan which shall be treated as having been fully paid on the date on which the last instalment was actually taken, and the borrower shall be bound to repay the loan in such instalments as the Collector may decide.

10A.

The Collector shall before he passes an order under Section 6 (2) of the Act issue notice on the affected owner stating the condition or rule which has been broken. The Collector shall cause the notice to be served personally on the affected owner, fixing a date for hearing him. If by the exercise of the diligence the notice cannot be served personally, it may be served by publication for fifteen days on the Collector's notice board.

11.

Out of every payment made by an affected owner, all interest due shall first be satisfied, and the balance, if any, shall then be credited to the principal of the loan.

12. Interest of loans.

(1) The rate of interest to be charged on loans shall be fixed by the local Government, and the rate or rates so fixed shall be published in the Gazette. (2) In calculating interest a period of half a month or less shall be disregarded, and any period exceeding half a month shall be taken as one month. (3) The interest due on each date of repayment shall be calculated on the whole amount of the loan, or

where any portion of the loan has already been repaid, on the whole amount of the loan less that portion.(4)When an instalment of principal is paid after the date on which it is due-(a)if it is paid within the financial year in which it falls due in addition to the interest due on the outstanding balance of the loan under clause (3), interest shall be realized on such instalment from the date on which it fell due up to the date on which it is paid at the rate fixed for the loan;(b)if it is paid after the close of the financial year in which it fell due, in addition to the interest due on the outstanding balance of the loan under clause (3), interest shall be realized, on such instalment, from the date on which it fell due up to the date on which it is paid, at the rate of two pies per rupee per month for each complete month between the date on which the instalment fell due and the date on which payment was made.(5)When a loan becomes repayable under Section 6(2) or Section 7 (2) of the Act the Collector may order that the balance outstanding of the loan shall bear interest from the date on which the loan is repayable in accordance with the provisions of either of the said sub-sections to the date of payment at such rate as he thinks fit not exceeding 2 pies per rupee per months for each complete month.

13. Repayment of loans in advance.

- (i) An affected owner may repay a loan or any portions thereof in advance of the date fixed for repayment, but such advance payments shall only be accepted when accompanied by the interest due on the outstanding amount of the loan up to the date of the payment of the advance payment. The amount of principal paid in advance shall not include a fraction of a rupee.(ii)The interest levied on the occasion of an advance payment shall be calculated on the number of whole month [a month being interpreted in accordance with sub-rule (2) of Rule 12 intervening since the date of the last payment.(iii)In cases in which advance payments are made, the interest levied at the time of the next payment shall be limited to the amount accruing on the portion of the loan left outstanding after the advanced payment.

14. Interest for intervening period when a loan is advanced in more than one instalment.

- Where a loan is advanced in more than one instalment, the interest due on each previous instalment calculated of the number of whole month from the date on which such instalment was taken shall be deducted from the amount of the last instalment at the time when such instalment is paid to the borrower. The whole loan will then be considered to have been made on the date on which the last instalment was advanced to the borrower.

15.

(i)The Collector may show leniency in the realisation of instalments of loans in cases of real hardship and may grant suspension of instalments of loans in such cases either by general order relating to a specific area on account of failure of crops or any other exceptional calamity, or by special order on account of circumstances beyond the control of borrowers which would render the payment of the instalment unduly burdensome. All such general orders shall be reported to the

Commissioner at the time that they are made, and the total sums covered by the special orders shall also be reported to the Commissioner.(ii)No interest shall be charged for the period of suspension, and the payment of each remaining instalment due in respect of the loan, shall be postponed to the date of the next instalment and a new date fixed for the last instalment.

16. Officer empowered under Section 7 of the Act to recover loans.

- The following officers are empowered to discharge the functions of a Collector for the recovery of loans under Section 8 of the Act:-(i)All Sub-divisional Officers in the province of Bihar and Orissa.(ii)All certificate officers appointed in accordance with clause (3) of Section 3 of the Bihar and Orissa Public Demands Recovery Act, 1914 (Act IV of 1914).

17.

The Collector may at any time after giving reasonable notice inspect or depute any officer to inspect any building constructed or repaired or in course of being so constructed or repaired with the aid of a loan taken under the Act and the affected owner shall be bound to give all facilities for such inspection.

18.

The borrower shall not transfer by sale or mortgage the house or the land on which it stands, or any interest in the house or the land on which it stands, or any interest in the house or the land without the previous consent in writing of the Collector.

19.

A joint application for loan by several affected owners binding themselves to the State Government jointly and severally for the repayment of the whole amount of the loan shall be presented to the Collector either direct, or through any subordinate officer specified by the Collector by a written order, in Form A-3, annexed to these Rules, copies of which shall be supplied free of charge to intending joint applicants.

20.

(a)Before granting a loan, the Collector shall cause the order form (Form F) to be filled up.(b)No other security or surety other than the personal security of the applicants shall be required, provided the applicants execute a bond in Form F.

21.

The provision of Rules 1 to 18 shall apply to a joint application for loan under Rule 19 and such a loan mutatis mutandis.Form A-1Application for loan for construction of buildings

Name, father's name, residence, etc. of the affected owner	Amount of loan required	Number of instalment in which required and amount of each instalment	Nature of security, if other than the building itself	Encumbrances on the damaged house and on the land on which it stands
1	2	3	4	4-A
Nature of the proposed building and the estimated cost	Situation of the land on which the building is to be constructed	Applicant's right in the land	The period proposed for repayment	Nature of the destroyed building and its approximate value before destruction
5	6	7	8	9

Signature or thumb-impression of affected owner. *For urban area where there has been no survey, the holding and ward number shall be given. I/we declare that I am/we are the owner(s) of the building described in this application valued approximately at Rs.....which has been destroyed or damaged by the natural calamity to the extent of approximately Rs. Signature or thumb-impression of affected owner I/we declare that the statements made by me/us in the above application are true to the best of my/our knowledge and belief. Signature or thumb-impression of affected owner I/we agree to stand surety-sureties for the above loan in the manner shown in Column 4..... Signature of Surety/Sureties Note: Column 1. - aliases if any are to be entered. The enquiring officer should as far as possible enquire into the statements made as to encumbrances and record the result of enquiries on the reverse of this Form. Column 2. - In figures as well as in words. Column 4. - Security may be in one of the following forms, or a combination of two or more of the following forms:-(1) Buildings other than the building to be constructed. (2) Land other than that on which the building is proposed to be built. (3) Personal. In the case of immovable property, state if the property is free from encumbrances and if registered, the number and date of the registered deed and the name of registry office. Column 5. - Whether shop, residence combined shop and residence, workshop or other building whether pucca or katcha building. Column 6. - Reference to the plot number in the record of rights (if any) in which the lands are contained or to the holding number in municipal areas shall be given. Reverse of Form A-1 Particulars to be filled in by Enquiring Officer I. Mauza with thana number or mohalla and thana, plot number or holding number ward number and area of land on which the house will be built. II. Status of applicant i.e. proprietor or tenant; whether the destroyed building was or whether the proposed building will be occupied jointly with other co-sharers and if so whether all the co-sharers responsible for the loan have joined in the application. Right of applicant in the building or land. III. Name of surety (if any). IV. Security-(i) If the land on which the building is to be constructed the nature and value of the applicant's interest in it, and the nature and extent of encumbrances, if any. (ii) If immovable property other than the land itself its nature, value and nature and extent of pre-existing encumbrances, if any. (iii) If personal the names and status of the co-sureties. (iv) If any property belonging to a surety the nature of the property and interest of the surety in it. Note. - Under Section 8 (1) of the Act the repayment of the loan is made a first charge on the building to be repaired or constructed and the applicant's interest in the site of such building. Immoveable property been as

security should be property other than such building or land.V. Name and probable cost of the original building.VI. Probable cost of new building:(If an estimate has been prepared the estimated cost should be given).VII. Repayment-(i)Suitable date for first instalment with reference to Clause VI.(ii)Proposed instalments and period of repayment.IX. Date on which the loan or any instalment thereof should be received by the applicant.X. Recommendations of the Enquiries Officer.

Form A-2Application for loan for repairs to building

Name, father's name, residence, etc. of the affected owner	Amount of loan required	Number of instalments in which required and amount of each instalment	Nature of the building and the extent of damage by the calamity	Estimated cost of repairs
1	2	3	4	5
Situation of the building	Applicant's rights in the building and land	Number of security if any, other the building	Period proposed for repayment	Encumbrances on the damaged house and on the land on which it stands
6	7	8	9	10

I/we declare that I am/we are the owner(s) of the building described in this application, valued approximately at Rs.....which has been damaged by the natural calamity to the extent of approximately Rs. Signature or thumb-impression of the affected owner. I/we declare that the statements made by me/us in the above application are true to the best of my/our knowledge and belief. Signature or thumb-impression of the affected owner. Note-Column 1. - Aliases, if any, are to be entered. Column 2. - In figures as well as in words. Column 4. - Whether shop, residence, combined shop and residence, workshop or other building-Whether pacca or katcha. Column 8. - Security may be of the following descriptions:-(1)Buildings other than the building to be repaired.(2)Land belonging to the applicant other than the land on which the building to be repaired stands or to the surety or sureties.(3)Personal.Reverse of Form A-2Particulars to be filled in by the Enquiring OfficerI. Mauza with thana number or mohalla, thana, plot number or holding number or ward number and area of land on which the building stands.II. Status of applicant, i.e., proprietor or tenant; whether the building was or will be occupied jointly with other co-sharers and if so whether all the co-sharers responsible for the loan have joined in the application.III. Name of surety (if any).IV. Security-(i)The nature and value of the applicant's interest in the building proposed to be repaired and the nature and the extent of encumbrances, if any.(ii)If property other than the building, the nature, value and nature and extent of pre-existing encumbrances, if any.(iii)If personal, the names and status of the co-sureties.(iv)If property belonging to a surety, the nature of the property and the interest of the surety in it. Note. - Under Section 8 (1) of the Act the repayment of the loan is made a first charge on the building to be repaired or constructed, and the applicant's interest in the side of such building. Immovable property given as security should be property other than such building or land.V. Nature and probable cost of the original building and the extent of damage by the calamity.VI. Probable cost of repair.VII. Probable date of completion of repairs.VIII. Repayment-(i)Suitable date for first instalments with reference to Clause VII.(ii)Proposed instalments and period of repayment.IX. Date on which the loan or any instalment thereof should be received by the applicant.X. Recommendations of the Enquiring Officer.

Form A-3Application for

loan construction of Building

Name, father's name, residence, etc. of the affected owner	Nature and extent of damages and estimated value of the damaged building	Description of the land (Khas or rented) on which the damaged building stands	Applicant's rights in the land and the damaged building	Encumbrances on the damaged house and on the land on which it stands
1	2	3	4	5
Nature of the proposed building and the estimated cost	Description of the land (Khas or rented) on which the building is to be constructed	Applicant's right in the land on which the building is to be constructed	Amount of loan required	Number of instalments in which required and amount of each instalment
6	7	8	9	10
				11

1.2.3.4.5.

Signature or thumb-impression of affected owners. We declare that the statements made by us in the above applications are true to the best of our knowledge and belief. Signature or thumb-impression of affected owners. Form B Order under the Bihar and Orissa Natural Calamities Loans Act, 1934, and the Rules made thereunder [See Section 5(1) of the Act and Rule 7 (a)] Order Whereas.....son of.....of.....has applied for a loan under the Bihar and Orissa Natural Calamities Loan Act, 1934, now, therefore, being satisfied that the said applicant is affected owner, I hereby grant a loan under the said Act aggregating [Rs.] [In figures as well as in words.] to be advanced by the undermentioned instalments, under the said Act to the said.....on the conditions set up below for the construction/repairs of the building specified in the first schedule. Instalments

Date [Amount] [In figures as well as in words]

Particulars And Conditions A.-General

1. (a) The loan shall be repayable on the dates and by the amounts specified below:

Date [Amount] [In figures as well as in words]

On each kist date the borrower shall pay, together with the instalment of the principal, interest at per cent per annum for the period of the kist on the amount which has been outstanding against him up to the kist date.

2. The loan shall be subject to the provisions of the Natural Calamities Loans Act. 1934, and the rules made thereunder.

3. The loan shall be applied solely to the construction/repair of the building specified in the first schedule.

4. The applicant gives, as security for the payment of the loan with any interest and charges that may become payable in respect of the same, the immovable property specified in the second schedule hereto.

5. The surety named below gives as security for the repayment of the loan, with interest and charges that may become payable in respect of the same, the immovable property specified in the part B of these conditions.

6. The work for which the loan is taken shall be completed by.....

7. If the Collector, for special reasons, permits any instalment to be postponed, then that instalment and all subsequent instalments shall be payable on such dates as the Collector may fix.

1st. Schedule

2nd. Schedule

A. Particulars of security given by applicants. Witnesses;-

1.

2.

Signature or thumb-impression of the person to whom loan is made
B. Particulars of security given by sureties (if any)

Particulars of security given Name of surety Signature of the surety or thumb-impression
Certified that the above document has been signed in my presence, the terms and conditions of its being explained to the signatory and sureties personally by me. Signature of the Collector Form C [See Statutory Rule 8] To The Treasury Officer of..... Pay to son of of the sum of Rs. being the amount/instalment of loan* granted to him under the Bihar and Orissa Natural Calamities Loans Act, 1934, in respect of which he has signed the necessary documents and furnished the necessary security.* Applied for in application no .dated and sanctioned order no..... Dated Signature of the officer granting the loan Certificate The sum of Rs..... has been paid in full to..... by me personally/ in my presence. Dated..... Signature of disbursing officer (In the case of Government officer the designation should be added). Received the sum of Rs. Signature of applicant Form D Notice to the borrower [See Rule 8] Loan of Rs..... to..... of village..... of

thana.....made on.....under the Bihar and Orissa Natural Calamities Loans Act, 1934. Notice

1. You have separately agreed to repay the above loan in the instalments noted below:-

Date when due	Principal	Interest	Total
1	2	3	4

3. If you send the instalment by money order you must be careful to write in the money order the name of the person who took the loan, or if there were several persons then the name of the principal person. You must also write the name of your village, and of the thana in which it is situated.

4. You must also be careful to write on the money order that the instalment is paid on account of the original loan of Rs.....granted earthquake loan case no dated.....

5. You must write all these things clearly so that there may be no confusion.

Signature of Officer granting the loan. Form EVoucher for payments made at Treasuries Voucher no. of list of payments Treasury, Bihar and Orissa, month of 19. Received this day of 19 the sum of Rupees being the amount of loan under the Bihar and Orissa Natural Calamities Loans Act, 1934: Borrower's signature. Examined and entered. Account Stamps, if required..... Treasury pay. Form FTreasury Officer Order and agreement Providing for the Joint and Several Liability of Persons. taking Loans under the Bihar and Orissa Natural Calamities Loans Act as Amended. [See Statutory Rules 19 and 20] Order (1) (give names) of affected owners whose description and residence are given in the Schedule. (2) (3) Whereas, whose description and residence are given in the Schedule on the reverse have applied for a joint loan under the Bihar and Orissa Natural Calamities Loans Act to be expended on and have executed the agreement set forth below, it is hereby ordered that the sum of Rupees 1 be granted as a loan under the said Act to the said persons on the conditions embodied in the agreement. Signature of the Officer granting the loan. Agreement (1) give names (2) (3) We, whose description and residence are given in the Schedule on the reverse, do by our respective signatures and thumb-impressions hereby execute this bond and do agree that we will be firmly bound by the terms and conditions hereinafter mentioned. (1) We hereby acknowledge that we have on received a sum of Rs.*.....as shown on the reverse as a loan from Government under the Bihar and Orissa Natural Calamities Loans Act and the Rules made thereunder, for the purpose of and to be expended on..... (2) That we find ourselves and each of us, and each of our heirs, executors, administrators, assigns and legal representatives, jointly and severally, by these presents, for the payment of the said amount of loan to the Governor of Bihar, through the Collector of. or any other Officer authorised in this behalf, together with interest at the rate of 6¼ percent per annum by the following instalments:

Date

Principal Interest Total

1st Kist 2nd Kist 3rd Kist 4th Kist, etc.

(3) That in case of default in repaying the said loan or any instalment or breach of any of the conditions thereof, or so much thereof as shall for the time being remain unpaid together with interest from our person or property, whether payable or immovable or both, and from each of our heirs, executors, administrators, legal representative and assigns jointly and severally, by these presents and in accordance with the said Act and the rules framed thereunder. (1)(2)(3) Signature or thumb impression of the borrower* In figures as well as in words. The agreement has been explained and the sums specified on the reverse have been paid by me personally/in my presence to each of the recipients and they executed the bond in my presence, All the members of this group were/are identified by/personally known to me. (1)(2)(3) Signature or thumb impression of the borrower. Dated.....19. Signature of Disbursing Officer. Reverse of Form F

Schedule

Village..... Thana

Serial No.

Name of
borrower

1

2

1.....2.....3.....4.....5.....6.....

* Total