

# The Punjab State Aid to Industries Rules, 1936

HARYANA

India

## The Punjab State Aid to Industries Rules, 1936

### Rule THE-PUNJAB-STATE-AID-TO-INDUSTRIES-RULES-1936 of 1936

- Published on 23 January 1937
- Commenced on 23 January 1937
- [This is the version of this document from 23 January 1937.]
- [Note: The original publication document is not available and this content could not be verified.]

The Punjab State Aid to Industries Rules, 1936 Published vide Punjab Government Notification No. 42-1 and L-37/2766, dated 23rd January, 1937

#### 1.

(1) These rules may be called the Punjab State Aid to Industries Rules, 1936. (2) In these rules words and expressions have the same meaning as in the State Aid to Industries Act, 1935. (3) The 'Act' means the Punjab State Aid to Industries Act, 1935. (4) [Omitted by Haryana Notification No. GSR 50/PA/5/35/Section 46/Amd. (2) dated 1.5.1980.] (5) 'Section' means a section of the Act. (6) [ "Short terms loan" means a loan, not exceeding five thousand Rupees, which may be advanced for a period not exceeding six months to a person or firm running [an industry] [Added by Haryana Notification No. GSR 25/PA/5/35/Section 46/Amd. (1) 168 dated 26/3/1968.] in a shed in any Industrial Estate in the State of Haryana rented out or given on hire purchase for the purchase of raw materials, etc. required in connection with, [the industry] [Substituted for the words 'a small scale industry' vide G.S.R. 12 PA/5/35/Section 46/Amd. (1) 78 dated 3-2-1978.] .]

#### 2. Appointment of member elected by the Chamber of Commerce.

- In the case of appointments to be made under clauses [ - ] [Omitted by Punjab Government notification No. G.S.R. 98/P.A.5/35/Section 46/Amd. (7)/66, dated 22nd April, 1966.] (f) and (g) of sub-section (1) of section 3 of the Act, the Secretary of the [Board] [Substituted for 'Board of Industries' by Haryana Notification No. G.S.R. 50/P.A.5/35/Section 46/Amd.(4)/80, dated 1.5.1980.] shall call on the Secretaries of the Chambers concerned to submit the name of the member who has been elected to represent the Chamber at the Board. [Sections (2) and 46(2)(a)]

**3. [ Travelling Allowance. [Substituted by Punjab Government Notification No. 3199-I&C-51/1456, dated 13th May, 1951.]**

[Sections 10 and 46(2)(h).] - For attending meetings of the Board, the members of the Board or of its Sub- Committee including co-opted members, who are not Government servants and who do not ordinarily reside at the headquarters of Government, shall be paid travelling allowance and halting allowance at the rates fixed for Government servants of Grade I, drawing pay not exceeding Rs. 1,500. Government servants will, however, draw travelling and daily allowance admissible to officers of their grade under the rules in force.][Provided that the members of the Legislative Assembly will draw travelling allowance and halting allowance as admissible under the Haryana Legislative Assembly (Allowances and Pension of Members) Act, 1975, and the rules made thereunder.] [Added by Haryana Notification G.S.R. 50/P.A.5/35/Section 46/Amd.(4)/80, dated 1.5.1980.]

**4. [ Application for State Aid. - (a) Loans and supply of machinery on hire purchase system. [Substituted by Punjab Government Notification No. 5770-3CB/S.-57/12391, dated 20th June, 1957.]**

- An application for a loan by an individual or a firm, co-operative society or company, shall be submitted to the Director of Industries, Punjab, on the prescribed form 'A' appended to these rules and shall contain a declaration signed by the applicant and in case of a Firm, Co-operative Society or Company by an authorised partner of a Firm, the Chairman or President or Manager or Secretary of a Co-operative Society and the Managing Director or Managing Agent of a Company to the effect that the statements made therein are true to the best of his/their knowledge and belief.](aa)[Application for subsidy for leather industry. - An application for subsidy shall be submitted to the Director of Industries in form 'AA' appended to these rules by an individual, a partnership firm or a Joint Hindu Family through the District Industries Officer or the Assistant District Industries Officer holding independent charge of the district concerned and by a Co-operative society through the Assistant Registrar, Co-operative Societies concerned and shall contain a declaration signed by the applicant in the case of an individual, by the authorised partner of a firm, by Karta of a Joint Hindu Family and by the Chairman or President or Manager or Secretary of a Co-operative Society to the effect that the statements made therein are true to the best of his/their knowledge and belief] [Inserted by Haryana Notification No. GSR 102/PA5/35/Section 32 dated 15.9.1978.](b)Application for other forms of State Aid. - The Director of Industries Haryana shall be authorised to prescribe from time to time any other application form for other forms of State Aid generally or in individual cases.[\*\*\*\*] [Sub-rule (b) omitted by Punjab Government Notification No. G.S.R. 98/P.A.5/35/Section 46/Amd.(7)/66, dated 22nd April, 1966.]

**4A. [ Priority for Grant of further loan in certain cases. [Inserted by Haryana Government Notification No. GSR 102/HAS/35/Section 32, dated 15.9.1978.]**

- Those who have properly utilised the amount of subsidy for the development of leather industry already granted, shall be considered for the grant of a further loan upto Rs. 1,55 for being utilized as working capital, in preference to others].

## 5. Delegation of Powers.

- [(1) A loan may be sanctioned by the following officers within their respective jurisdiction and up to the limit mentioned against each :-

Name of the officer	Limit upto which loan (together with the loanor loans already granted to the same person) may be sanctioned.
(a) Director	One lakh rupees.
(b) Additional Director of Industries Joint Director of Industries.	Fifty Thousand rupees
(c) General Manager, District Industries Centre Project Officer Industries / District Industries Officer / Industrial Promotion Officer holding independent charge of the District.	Ten thousand rupees

**2. Notwithstanding anything contained in sub-rule (1), an interest-free loan under Chapter II of these rules may be sanctioned by the following officers within their respective jurisdiction up to the limit and extent mentioned against each :**

Name of the officer	Limit up to which loan (together with the loanor loans already sanctioned to the same person) may be sanctioned.
(i) Director	Two lakh and fifty thousand rupees.
(ii) Additional Director of Industries Joint Director of Industries.	Fifty thousand rupees.
(iii) General Manager, District Industries Centre / Project Officer Industries / District Industries Officer / Industrial Promotion Officer holding Independent Charge of the District.	Ten thousand rupees

(A list of loan application sanctioned up to ten thousand rupees under sub- rules (1) and (2) shall be put up by the Director before the Board of Industries in the next meeting.) [Sub-rule (1) and (2) substituted Haryana Notification No. G.S.R. 51/P.A.5/35/Section 46/Amd.(3)/80, dated 1.5.1980.](3)[ The authority competent to sanction a loan as specified in sub- rule (i) may permit, for sufficient reasons to be recorded in writing, utilisation of the loan for an industry other than the one for which it was given or a change in the purpose for utilisation of the loan for the same industry or a change in the constitution of the loanee firm/society or a change in the venue of the industry of the loanee; Provided that the surety of the loanee consents to such change or, in the alternative, loanee gives the security afresh against the outstanding balance of the loan together with the interest accrued thereon] [Added vide Haryana Notification No. GSR 211/PA 5/35/Section 46 Amd. 4/77 dated 2-12-1977.].

## **6. [ Form of Deed. [Substituted by Punjab Government notification No. 5770-3CB-S-57/12391, dated 10th June, 1957.]**

- The form of deed to be executed for a loan against the mortgage of immovable property of the applicant/applicants shall be in form 'B' but in a case where a surety/an applicant and or his have/has been offered immovable property as security, it shall be in form 'C'. The form of deed of a loan against the personal security of the [applicant/applicants and his/their surety] shall be in Form 'D' while the form of deed for a loan to a Co-operative Society shall be in Form 'E'. The form of deed for loan to the purchasers of plots under the scheme for the Development of Industries in [or outside] [Inserted by Punjab Government notification No. 1214-2CB-58/3633, dated 14th April, 1959.] the Industrial Area of Punjab shall be in Form 'F'. The deed for a loan under the scheme for the provision of Factory Accommodation shall be in Form 'J'. The agreement deed for a loan to an applicant who has yet to purchase a plot under the scheme for the provision of Factory Accommodation shall be in firm 'K' and the applicant shall have to execute a mortgage deed in Form 'L' as soon as the plot is purchased. The form of deed for loan under the scheme for the conversion of handlooms into powerlooms shall be in firm 'M'.][The form of deed for further loan to the purchasers of plots who have already taken a loan under the scheme for Development of Industries in [or outside] [Added by Punjab Government notification No. 1025-3CB(CH)-58/11143, dated 24th April, 1958.] the Industrial Areas of Punjab and under the provisions of Punjab State Aid to Industries Act, 1935, and the rules made thereunder shall be in form 'N'.][The form of deed for further loan against security of property already under mortgage with the Government against the loan already taken under or the provision of Punjab State Aid to Industries Act, 1935, and rules made thereunder, shall be in Form 'O'.] [Inserted by Punjab Government notification No. 557-(S)-2CB-59/4344, 27th February, 1959.][The form of bond to be executed by the Borrower viz Scheduled Castes (Harijans) for a loan of 2000/- shall be inform ['P'] [Haryana Notification No. G.S.R. No. 220 P. 5/35/Section 46 Amd. dated 22-9-1964.][The form of deed to be executed for a short term loan against the personal security of the applicant/applicants and the material stocked by him/them with the District Industries Officer concerned shall be in Form 'Q'.] [Inserted F vide Notification No. GSR. 25/P.A. 5/35/Section 46/Amd 168, dated 26-3-1968.][The form of deed to be executed for a loan exceeding five thousand rupees, but not exceeding fifty thousand rupees for the purchase of machinery against the personal security of the applicant/applicants and his their surety and the security of the machinery whether existing or to be purchased with the loan shall be in Form 'R' and the applicant/applicants shall have to execute a mortgage deed in Form 'S'.] [Inserted vide Haryana Notification No. GSR. 25/P.A. 5/35/Section 46/Amd 168, dated 26-3-1968.][The form of deed to be executed for a further loan to be taken by the applicant against his property and the property of the sureties already mortgaged with the Government shall be in Form 'U'.] [Inserted vide Haryana Notification No. GSR. 154/P.A. 5/35/Section 46/71 dated 11- 12-1971.][The form of application for loan in lieu of inter-State Sales Tax by an eligible Industrial unit shall be in Form 'V'.The form in which the assessing authority has to issue certificate regarding the amount of Tax paid/payable by the unit shall be in Form 'W'.The form of agreement for repayments of the aforesaid loan, shall be in Form 'X'] [Inserted vide Haryana Notification No. GSR-269/P.A. 5/35/Section 46/72 dated 1-12-1972.][The form of Bond in respect of the subsidy granted under Chapter III shall be in Form BB.] [Added vide Haryana Government Notification GSR 102/PA5/35 Section 46/78 dated 15.9.1978.]

## 7. Nature and amount of security.

(1)The security for the repayment of the loan or the price of machinery supplied on the hire-purchase system and all interest due thereon and for the due fulfilment of the conditions of any loan or for the unpaid balance of the cost of the machinery granted under the hire-purchase system shall be as follows :-(a)[ a mortgage on all the fixed assets of the industrial concern, including book debts the premises and machinery, whether existing or to be purchased with the land or any portion thereof, provided that the estimated value of such assets is in the opinion of the Director of Industries not less than 1 1/2 times the amount of the loan or the unpaid balance of price of the machinery, together with the personal security of the applicant; or] [Substituted by Punjab Government notification No. 303-I & C- 54/18789/A, dated 3rd April, 1954.](b)a mortgage on immovable property of the applicant or of his surety or sureties, if any, of a value equal in the opinion of the Director of Industries, to not less than 1 1/2 times the amount of the loan, or the unpaid balance of the price of the machinery, together with the personal security of the applicant; or(bb)[ [Clause (bb) added by Punjab Government Notification No. G.S.R. 279/P.A.5/35/Section 46/Amd.(5)/56, dated 23rd November, 1965 Omitted by Haryana Notification G.S.R. 50/P.A.5/35/Section 46/Amd.(4)/80, dated 1.5.1980.](c)a charge on any security or securities on which a trustee would be competent to invest trust money under section 20 of the Indian Trusts Act, 1882, equal to not less than 1 1/2 times the amount of the loan, together with the personal security of the applicant; or(d)all or any two of the securities mentioned in (a), (b) and (c), above, provided that the gross value of such securities is in the opinion of the Director of Industries, equal to not less than 1 1/2 times the amount of the loan, together with the personal security of the applicant and his surety or sureties; if any.(e)[ in the case of loan not exceeding ten thousand rupees, personal security of the applicant and one solvent surety for double the amount of loan rendered to the satisfaction of the sanctioning authority.] [Substituted Haryana Notification No. G.S.R. 51/P.A.5/35/Section 46/Amd.(3)/80, dated 1.5.1980.](ee)[ [Omitted by Haryana Notification No. G.S.R. 50/P.A.5/35/Section 46/Amd.(4)/80, dated 1.5.1980.](eee)[ In the case of loan exceeding five thousand rupees to a small scale Industrial unit, a mortgage on immovable property of the applicant or of his surety of a value equal to the amount of the loan, together with one surety solvent for equal amount of the loan, required to the satisfaction of the Director of Industries or the District Industries Officer concerned as the case may be.] [Inserted Vide Haryana Government Notification No. GSR. 6/P.A. 5/Section 46/71, dated 19.11.1971.](f)[ In the case of an applicant for loan for an amount not exceeding [ten thousand rupees] [Added by Punjab Government notification No. 12368-INC-55/72505, dated the 1th November, 1955.] by a Co-operative Society established, inter alia, with the object of facilitating the operations connected with an industry and duly registered under Punjab Co-operative Societies act, [1961] [Substituted by Punjab Government notification No. G.S.R. 98/P.A.5/35/Section 46/Amd.(6)/66, dated the 22nd April, 1966.], no security shall be required, provided that the liability of the members of the Society in accordance with its bye-laws or the rules made under the said Act, is not less than twice the amount of the loan applied for.](g)[ in the case of loan not exceeding Rs. 1,000/- personal bond, in Form P, rendered to the satisfaction of the General Manager, District Industries Centre/District Industries Officer/Assistant District Industries Officer holding independent charge of the district concerned, as the case may be.] [Substituted Vide Notification No. GSR. 50/P.A. 5/35/Section 46/Amd. 2/80, dated 1.5.1980.](h)[ in case of loans not exceeding Rs. 2,000 applied for by the person belonging to the Scheduled Castes

(Harijans), (on their executing a bond) to the satisfaction of the Director of Industries, Punjab, the District Industries Officer concerned or the Assistant District Industries Officer holding independent charge of the District, or the Project Officer (Industries) concerned, as the case may be, provided the loan is granted having regard to the training and experience of the applicant and his actual engagement in the trade, and the second and subsequent instalments are released after verification of the utilization of the instalment or instalments released previously.] [Clause (h) added by Punjab Government notification No. G.S.R. 22/P.A.5/35/Section 46/Amd.(3)/64, dated the 26th September, 1964.](i)[ In case of short term loans, personal security of the applicant, applicants rendered to the satisfaction of the District Industries Officer and the material to be purchased with the loan to be stocked within the charge and supervision of the District Industries Officer concerned at the cost and risk of applicant/applicants. The material so stocked shall be released to the borrower according to his requirements and on his demand against payment in cash or an equivalent amount of loan with interest thereon upto the date of lifting the part or whole of the material] [Inserted vide No. G.S.R. 25/P.A. 5/35/Section 46 Amd.(1)/168, dated 26.3.1968.](j)[ In case of loans exceeding five thousand rupees, but not exceeding fifty thousand rupees for the purchase of machinery for running [ - ] [Inserted by Haryana Notification No. G.S.R. 25/P.A. 5/35/Section 46 Amd.(1)/168, dated 26.3.1968.] industries in the Industrial Estate of Haryana, personal security of the applicant/applicants and his/their surety rendered to the satisfaction of the Director of Industries, Haryana, a mortgage on the machinery whether existing or to be purchased with the amount of loan or any portion thereof and the material within the charge and supervision of the District Industries Officer concerned at the cost and risk of applicant/applicants and an affidavit in Form "T" from the surety who is solvent for double the amount of loan sanctioned to the applicant/applicants. The amount of loan shall be released to the borrower after the machinery is received for the installation by him.](2)[ Notwithstanding anything contained in sub-rule (1) loans may be sanctioned by the competent authority up to 80 per cent of the security offered under any of the clauses of sub-rule (1) for the development of an Industry which has important bearing on the economic development of the State.] [Sub-rule (2) added by Punjab Government notification No. G.S.R. 220/P.A5/35/Section 46/Amd.(2)/64, dated the 22nd September, 1964.].

## **7A. [ [Para 1 Substituted vide Haryana Notification No. 6622-41B II 75/42673 dated 11.11.1975.]**

(i)In the case of loan applications under the scheme for the development of Industries in or outside the Industrial Areas of Haryana loans may be advanced to the purchasers of plots up to 75 per cent of the cost of plot, factory building already constructed or to be constructed and/or machinery already installed including the cash contribution to be made by them] :Provided that in the cases for the grant of loans for construction of factory building outside the Industrial Areas the applicants shall have to furnish "No objection certificate" from the Town Planner of the area/Municipal Committee concerned to the effect that the plot in question is not situated in any restricted area and there is no objection to the construction of factory building thereon.(ii)In case of loan applications under Scheme for the provision of Factory Accommodation to the Small Scale Industrialists in the Punjab, loans may be advanced to the applicants upto 75 per cent of the cost of plot already purchased or to be purchased and/or factory building already constructed or to be constructed including the cash contribution to be made by them.

## 8. Valuation of security and assets.

- The value of the assets of an applicant shall, so far as they do not consist of money, be taken to be, -  
 (a) in the case of fixed assets acquired by purchase for cash such as land, buildings, leasehold, railway sidings, plant and machinery, development of property trade marks and designs etc., the price at which these assets were acquired, subject to proper deductions for depreciation, and such deductions shall be calculated in the case of buildings, machinery and plant at the rates fixed as allowable depreciation under sub-section (2) of section 10 of the Indian Income-tax Act, 1992, and any appreciable increase or decrease in the market value of site, machinery and buildings may also be taken into consideration; (b) in the case of fixed assets acquired by purchase otherwise than for cash, the value of the consideration at the time the assets were acquired subject to such appreciation or depreciation as may be allowed by the Board; (c) in the case of stores, spare gear or tools not taken into use, the cost price or price of replacement, whichever is less; (d) in the case of stores, spare gear and tools which have been used but are still in stock, the cost price less a proper deduction for depreciation; (e) in the case of stock in trade consisting of manufactured stock, the actual market selling price at the time of valuation less a reasonable margin or where it consist of purchased stock, the cost price or price of replacement (whichever is less), less such reasonable margin as may be determined by the Board; (f) in the case of book debts, the nominal amount of these debts, provided that debts which are in the opinion of the Board doubtful debts and all debts which remain due and recoverable for a period of ever two years shall not be taken into consideration; (g) in the case of investments, the market value of those investments on the day on which the valuation is made; (h) in the case of any other assets which have not been acquired by purchase, the value of the assets at the time when they became asset of the business subject to proper deductions for depreciation, provided that no value shall be placed upon the goodwill, patents or secret processes of any business.

## 9.

(1) The value of the assets, so far as they consist of money, shall be all cash with bankers or on hand and the value of cash in other countries shall be taken at the rate of exchange ruling on the day on which the valuation is made. (2) The value of the additional assets that will be created by the application of the loan granted by Government shall be money expended on the acquisition of immovable property and machinery of a permanent nature and on the liquidation encumbrances of the capital value of the industry. (3) The assets having been valued as above, all debts and liabilities of the business shall be deducted, other than accumulated profits and reserves and the balance shall represent the net value of the surplus of assets and shall be the value of the business for the purposes of the Act.

## 10.

[(1) The evaluation of property offered as security for loans the value of [ten thousand rupees] [Sub-rules (1) and (2) substituted by Punjab Government notification No. 834-I & L.40/44217, dated 5th November, 1940.] and under, shall ordinarily be done by an officer of the Industries Department free of charge.](i)[ for buildings in urban areas and land underneath them -

(a)	Upto Rs. 20,000	General Manager, District Industries Centre on the rates approved by the PWD (B&R) Branch of the district concerned.
(b)	Exceeding Rs. 20,000/-,	Authorised Chief Evaluators registered with the Haryana Government in consultation with General Manager, District Industries Centre of the district concerned on payment of fees approved by the Haryana Financial Corporation.
(ii)	For land in urban areas,	District Industries Officer or the Assistant District Industries Officer holding independent charge of the District concerned and Tehsildars.
(iii)	For land and building in rural areas	District Industries Officer or Assistant District Industries Officer holding independent charge of the District concerned and the Tehsildars of the Tehsil concerned.
(iv) [ [Substituted Haryana Notification No. G.S.R. 51/P.A.5/35/Section 46/Amd.(3)/80, dated 1.5.1980.]	For machinery either in urban or rural areas.,	General Manager, District Industries Centre/Project Officer Industries/District Industries Officer/Industrial Promotion Officer holding independent charge of the District concerned and a Gazetted Technical Officer of the Department of Industries.]

The convenor of all the four Committees shall be the District Industries Officer or the Assistant District Industries Officer, holding independent charge of the District concerned, as the case may be.] [Substituted by Haryana Notification No. G.S.R.68/P.A.24/61/Section 40/88, dated 16.9.1988.]

## A

Questionnaire replies to which would be submitted by an applicant demanding a loan under the Punjab State Aid to Industries Act, 1935, for the purpose of valuation of properties offered as security.(1)Owner's name with [cast] [Substituted by Haryana Government Notification No. GSR50/PA5/35/Section 6 dated 1.5.1980.] and district giving particulars of joint owners, if any.(2)Full permanent address.(3)Amount of loan applied for and purpose for which required.(4)Is there any encumbrance on the property and has this been accepted by the Director of Industries?(5)(a)Nature of building and the number of storeys with height of each.(b)Date of construction of each building.(6)Nature of walls with thickness and types of construction.(7)Particulars of floors.(8)Particulars of roof.(9)Plinth area of each storey, cubic contents of each storey.(10)Area of land and its market value. Has market value been verified by Revenue Officer?(11)Total cost of land and building separately as incurred by owner.(12)Rent of building, if hired.(13)Municipal charges, if any, on the building with assessment value.(14)Cost and kind of water-supply, giving particulars of pumps, number of taps, etc.(15)Description and number of sanitary appliances.(16)Cost and detail of electric installation (number of fan, light and heating points and particulars of motors).(17)Particulars of any building nearby which has been sold recently, giving area and value with name of owner, and date of sale.(18)Particulars of any land which has been sold recently in the vicinity, its area and value and date of sale.(19)What defects, if any, exist to owner's



knowledge.(20)The following plans should accompany the application :-(a)Site Plan.(b)Plan of each building, and each storey of each building.(c)Cross section and elevation of each building.Note. - Unless all the particulars requested above are correctly and the necessary plans are supplied, the papers will be returned without further action, causing delay in valuation being carried out.(3)The Director of Industries, Punjab, may in cases where it may be deemed necessary, make confidential enquiries from any bank regarding the financial standing, or the record in the bank of any person, firm or company requiring aid from Government under the Act. Such reports received from the bank shall be treated as confidential by the Director of Industries or the Board of Industries, as the case may be.

## **11. Repayment.**

- The interest payable on the loans advanced under the Act shall be at such rate, as may be fixed by the [State] [Substituted by the Adaptation of Laws Order, 1950 for 'Provincial'.] Government in this behalf from time to time. [Section 46(2)(q)][Provided that the rate of interest on loans, the funds in respect of which are provided by the Government of India under the District Industries Centre Scheme or any other scheme, shall be such as may be fixed by the Government of India, from time to time.] [Inserted by Haryana Notification No. G.S.R.4/P.A.5/35/Section 46/Amd(1)/81. dated 9.9.1981.]

## **12. [ Payment of interest. [Substituted by Haryana Notification No. G.S.R. 66/P.A.5/35/Section 46/Amd.(4)/80, dated 15.5.1980.]**

- The interest on loans shall be payable yearly :-Provided that the interest accruing on loans granted under the Industrial Area Scheme during the first tow years shall be payable in equal annual instalments alongwith the remaining instalments of principal and yearly interest.(2)The yearly payment of interest on any loan may be for sufficient reasons to the recorded in writing be postponed for one year at one time by the person not below to the rank of the officer competent to sanction such loan.(3)The amount of interest postponed under sub-rule (2) shall be considered added to the amount of the original loan and shall bear the same interest as is charged on the principal amount and shall be recoverable in the same manner as if it had been a part of the original loan.(4)The interest, the postponed of which, is either refused for want of sufficient reasons, or the postponement of which is not applied for, shall be considered added to the amount of original loan and shall bear interest at the rate fixed by the state Government under rule 11.]

## **13. [ Repayment of loan. [Substituted by Haryana Notification No. G.S.R. 66/P.A.5/35/Section 46/Amd.(4)/80, dated 15.5.1980.]**

(1)Subject to the provisions of sub-rules (2) and (3) the period of complete repayment of the loan with interest due thereon, shall be seven years. The recovery shall start on the expiry of two years from the date of the payment of the loan in the following instalments :-

to be paid at the end of 2nd year ... 1/12th

to be paid at the end of 3rd year ... 1/12th  
to be paid at the end of 4th year ... 1/6th  
to be paid at the end of 5th year ... 1/6th  
to be paid at the end of 6th year ... 1/4th  
to be paid at the end of 7th year ... 1/4th

(2) In cases where less than 33 per cent of the amount of loan advanced is to be utilised for the creation of capital assets, viz. land, building and machinery, and the remaining amount on working capital, recovery of the entire loan with interest due thereon, shall be effected within a period of four years in equated yearly instalments. The first instalment shall fall due on the expiry of the two years from the date of disbursement of the loan. (3) In the case of schemes, where there is a provision for the repayment of the loan with interest due thereon within a period exceeding seven years, the entire loan shall be recoverable in twelve years in equal annual instalment of the principal amount and interest as provided in rule 12. The first instalment shall fall due on the expiry of two years from the date of disbursement of the loan.]

**13A. [ Grant of interest-free loans. [Inserted by Punjab Government notification No. G.S.R.-278 P.A.5/65/Section 46 Amd.(4)/65, dated the 23rd November, 1965.]**

(1) Interest-free loans may be advanced, during the period commencing from Section 17 read with date of publication of the Punjab State Aid to Industries (Amendment) Rules, 1965 in the official Gazette and ending on the 31st December, 1965, to the industrial units functioning in the districts of Amritsar, Ferozepur, Gurdaspur, Kapurthala, Jullundur and Ludhiana for the payment of wages in advance to the labour working in such units. [Section 46(2) and (q)] (2) Notwithstanding anything contained in sub-rules (a) and (b) of rule 13, the recovery of interest-free loans granted under sub-rule (1), shall start on expiry of six months from the date of disbursement thereof and the loan so advanced shall be recovered in four equal quarterly instalments : Provided that in the case of misutilisation of such loan or of default in re-payment of any instalment of such loan on due dates, the entire amount of such loan then due shall become immediately repayable along with interest at the rate of 7 ½ per cent per annum.]

**14. [ Extention of period for repayment of loan. [Substituted by Haryana Notification No. G.S.R. 66/P.A.5/35/Section 46/Amd.(4)/80, dated 15.5.1980.]**

- Notwithstanding the provisions of rule 13, the repayment of the entire amount of loan or any instalment or instalments thereof may, for sufficient reasons to be recorded, in writing be extended for a period not exceeding three years by the person not below the rank of the officer competent to sanction such loan. Such instalment or amount as are due but the recovery of which is postponed under this rule, shall be considered as still forming part of the original loan and shall bear interest and be recoverable in the same manner as the original loan.]

**14A. [ Period of repayment of loans under the schemes of the Government of India. [Inserted by Haryana Notification No. G.S.R. 96/P.A. 5/35/Section 46 Amd.(1)/81, dated 9.9.1981.]**

- Notwithstanding any thing contained in Rules 13 and 14, the period of repayment of the loans granted under the District Industries Centre Scheme or any other scheme of the Government of India, shall be such as specified therein.]

**15.**

The borrower may repay the whole or any portion of the loan before the due date.

**16. Notice and Declaration.**

(1)Every notice issued under sub-section (1) of section 23 and every order passed under section 27 of the Act may be served on the person to whom it is addressed by sending it to him at the address entered in the deed, by registered post [acknowledgement due] [Added by Haryana Government Notification No. GSR50/PA5/35/Section 6 dated 1.5.1980.](2)If any such notice or order is to be served on a firm, it shall be deemed to have been served on such firm, if it is delivered, or posted to, or left at the usual place of abode or business of any member of such firm in the manner prescribed in clause (1) of this rule.(3)If any such notice or order is to be served on a company it shall be deemed to have been served if it is left at, or sent by registered post to, the registered office of the company.(4)[ When any loan or instalment or interest thereon falls due and is not paid on or before the due date, the notice to be issued under section 23 shall be in form 'G' and when a loan or instalment or interest has been declared immediately repayable under section 27, the declaration under that section and the notice under section 23 shall be in form 'G-I'. The notice shall be issued under the signatures of the Director of Industries, Punjab or the Deputy Director of Industries, Punjab, or the Assistant District Industries Officer of the district concerned or the Assistant District Industries officer concerned holding independent charge in the district of the erstwhile State of Pepsu or Assistant District Industries Officer, Kulu or Assistant District Industries Officer, Simla, as the case may be.] [Substituted by Punjab Government notification No. G.S.R.- 220/P.A.5/35/Section 46/Amd.(2)/64, dated 22nd September, 1964.] [Sections 23, 24 and 46(2)(h) and (i)]

**17.**

Every declaration issued under sub-section (1) of section 24 of this Act shall be in Form 'H' attached to these rules and shall be issued by the Director of Industries, Punjab [or the Deputy Director of Industries (Development), Punjab] [Added by Punjab Government notification No. 10657-I&C-55/60905, dated 13th October, 1955.] [or the District Industries Officer of the District concerned] [Added by Punjab Government notification No. 10229-3CB-56/78772, dated the 6th November, 1956.] [or the Assistant District Industries Officer concerned holding independent charge in the district of the erstwhile State of Pepsu] [Inserted by Punjab Government notification

No. 7312-7CB-59/17798, dated 17th September, 1959.] [or the concerned Sub- Divisional Officer (Civil) in Lahaul and Spiti District] [Inserted by Punjab Government notification No. G.S.R.-147/P.A.5/35/Section 46/62, dated 9th August, 1962.] [or Assistant District Industries Officer, Kulu] [Added by Punjab Government notification No. 4139-4CB-60/14340, dated 16th July, 1960.] [or Assistant District Industries Officer, Simla] [Inserted by Punjab Government notification No. 7855f-4CB-60/22781, dated 14th November, 1960.].

## 18.

The period of of representation against an order issued under section 29 Section 29 of the Act for the refund of the loan shall be one month from the date of the issue of the order. [Section 29]

## 19. Supply of machinery on hire-purchase system.

- No machinery shall be supplied on the hire-purchase system unless the applicant therefor deposits with the Director of Industries, Punjab, at least 10 per cent of the cost of the said machinery. [Sections 36 and 46(2)(m)]

## 20.

Until the hiring is terminated, the following provisions shall apply, namely -(1)The hirer shall pay punctually without demand the instalments of rent and amount of interest as specified.(2)The amount of each instalment of rent to be paid for the hire of the machinery and the number of such instalments to be paid before the machinery [becomes] [Substituted by Haryana Government Notification No. GSR50/PA5/35/Section 6 dated 1.5.1980.] the property of the hirer shall be fixed by the Director of Industries.(3)The amount of interest, if any, to be paid, with each instalment of rent on the remaining unpaid instalments shall be fixed by the [State] [Substituted by the Adaptation of Laws Order, 1950.] Government from time to time.(4)The hirer shall retain the machinery in his own possession in good and serviceable order and condition, and shall not, without the previous written consent of the Director of Industries make any addition thereto or alteration therein, nor remove the machinery from the premises specified in the application for the supply thereof.(5)The machinery shall remain the sole and absolute property of Government and no transfer thereof or assignment of any right, title or interest therein, or the creation of any mortgage, [encumbrance or any] [Substituted by Punjab Government notification No. G.S.R. 98/PA.5/35/Section 46/Amd.(6)/66, dated 2nd April, 1966.] other charge thereon by the hirer shall be effected, and if so effected, shall be void as against Government.(6)All machinery supplied on the hire-purchase system shall, until the hiring is terminated in accordance with the Act, bear a metal plate with the following inscription :-"Notice. - This machinery is the property of the Government of the Punjab and any person who wilfully removes or defaces this plate is liable to be a fine not exceeding Rs. 500/-".(7)The hirer shall permit the Director of Industries or any person authorised by the Director of Industries in this behalf to inspect the machinery at all reasonable times, and the Director of Industries or such other person shall have all such power of entry as may be necessary for the purpose of making an inspection. [Sections 36 and 46(2)]

**21.**

If the hirer makes default in paying the rent of the machine or any sum payable as interest or any other charges due from him for the supply of such machinery or fails to comply with any of the conditions contained in the agreement, or such as may be imposed, under these rules, the hiring shall be immediately terminated and thereupon the Director of Industries or any other person authorised by him in this behalf may enter the premises in which the machinery is, for the time being, kept, whether such premises belong to the hirer or not, and seize and take away the same.

**22.**

The hirer may, however, be permitted to re-purchase the machinery afterwards on such terms and conditions as shall be fixed by the Director of Industries.

**23.**

The authority which sanctions the supply of machinery on the hire-purchase system shall ordinarily require that Government shall be protected against the total or partial loss of such machinery from fire or any other cause by means of insurance, a mortgage of immovable property of the applicant or his surety or sureties, if any, the personal guarantee of one or more persons or in any other manner as may be deemed suitable in each case. The applicant shall further be required to execute a deed embodying such conditions as may be prescribed for the payment of the balance of the price after deducting the deposit made under Section 36 and the interest or other charges to be incurred thereon. The deed shall contain such other conditions as may be imposed by the Director of Industries in any particular case.

**24.**

If any machinery supplied on the hire-purchase system is seized and taken away under section 39 of the Act and the hirer exercise his option under section 40 of purchasing the same, he shall pay, in addition to the unpaid balance of the cost thereon, and the cost of any expenses incidental to such seizure and removal, such interest on the remaining unpaid instalments as would have fallen due on the payment of the next instalment of rent.

**25.**

If the hirer wishes at any time to terminate the hiring of any machinery supplied to him on the hire purchase system, he shall give notice of his intention to the Director of Industries, Punjab, by registered post [acknowledgement due] [Added by Haryana Government Notification No. GSR50/PA5/35/Section 6 dated 1.5.1980.]. The Director within one month of the receipt of this notice shall inspect the machinery or cause it to be inspected in such manner as he may think proper and shall issue orders for the removal of the said machinery.

## **26.**

All notices issued under section 39 shall be in Form I.

## **27.**

All re-payments of loans, interest or other sums due under the Act shall be made at a Government treasury, to the credit of Government in such manner as the Director of Industries may from time to time notify to the parties concerned. The treasury receipt shall be forwarded to the Director of Industries for record in his office in token of the repayment. [Sections 39 and 46(2)(p)]

## **28. Distribution of profits.**

- No recipient of a loan or State Aid under this Act shall pay any dividend or distribute or take out any profits in excess or such percentage rate upon the amount of the capital of the industrial concern as may be determined by the Director of Industries, Punjab, in each case no long as any part of the loan or State aid remains unpaid or the guarantee remains in force. The balance of the profits after setting aside proper amount for depreciation or obsolescence of plant and buildings and for the payment of interest on debentures of loans shall be carried to a reserve fund to be utilised in such manner as the [State] [Substituted by the Adaptation of Laws Order, 1950.] Government may approve [Section 33 and 46(2)(k)].

## **29. Inspections.**

(1)The Director of Industries or such Officer or Officers as may be authorised by him to inspect the premises, books, machinery, stock, stores and other belongings and things connected with any industrial undertaking in respect of which a loan or a machinery under the hire-purchase system has been granted under the Act, may for the purposes of such inspections enter such premises at any hour between sunrise and sunset, provided that when any building used as a human dwelling is entered under this rule, due regard shall be paid to the social and religious sentiments of the occupier and that before any apartment in the actual occupancy of any female, who according to custom does not appear in the public is entered under this rule, notice shall be given to her that she is at liberty to withdraw, and every reasonable facility shall be afforded to her for so doing.(2)Every such officer may require the recipient of a loan or a machinery under the hire-purchase system, to hand over to him for examination all books kept in connection with the industrial undertaking in respect of which the loan or the machinery was granted.(3)The accounts of any industrial business or enterprise in respect of which a loan under this Act has been granted shall, unless specifically exempted by the Director of Industries, be examined and audited at least once in every year by a registered auditor or by such officer as the Director of Industries may appoint, and it shall be the duty of such auditor or Officer, as the case may be, to outline the method on which the books of the particular industrial business or enterprises shall be kept.(4)The Director of Industries, Punjab, shall call for a return once in a year certified by an auditor or by such other officer as may be designated in this behalf, and the return shall show -(a)a full and complete statement of the assets

and liabilities;(b)a valuation of the assets as prescribed by rule 8 above; and(c)a working of manufacturing account showing :(i)the outturn of the industrial business or enterprise with the cost per unit of such outturn;(ii)the profit or loss on the marketing of the products produced; and(iii)details of expenditure. [Section 26 and 46(2)(j)]

### **30. Appointment of Directors by Government.**

- In cases where the [State] [Substituted by the Adaptation of Laws Order, 1950.] Government prima facie reasons to believe that there is justification for the appointment of its own directors or for the exercise of control over the conduct of industry to which State aid has been given, it shall give one month's previous notice to the borrower or the recipient of the State aid to show cause against the appointment of Government Directors or the exercise of Government control over the affairs of the industry and if such borrower or recipient of the State aid is unable to give a reply to the satisfaction of [State] [Substituted by the Adaptation of Laws Order, 1950.] Government, it may appoint such person or officials as it may deem necessary, as Directors to exercise control over the affairs of the industry to safeguard the interests of Government. [Sections 34 and 46(2)(1)]

### **31.**

If the extent of the aid applied for exceeds Rs. one lac [and in any other case in which Government consider it necessary] [Added by Punjab Government notification No. 101/Leg./53, dated the 2nd November, 1953.], the Director of Industries shall publish a notice in manner prescribed in the rule following, calling upon any person who objects to the grant of the aids applied for to state his objections at a time or place to be specified, and shall hear such objections and make such enquiry as may be necessary. [Section 46 (2)(r)]

### **32.**

The notice under the preceding rules shall be published by the Director of Industries in at least three consecutive issues of at least two daily newspapers published in the Punjab and once in the Punjab Gazette. The notice shall specify the name and address of the applicant for State aid and the nature of the business or enterprise in respect of which the application is made. It shall state that anyone desiring to make any objection to the State aid may do so by presenting a statement of his objections in writing at the office of the Director of Industries within thirty days of the publication of the notice. The statement shall furnish details regarding the name, address and calling of the objector and his grounds of objections. The Director shall hear the objections, if any, at such time and place as he may notify and deal with it as he may think fit.

### **33.**

In any case in which State aid is granted under the Act, amounting to two lakhs of rupees or upwards, the [State] [Substituted by the Adaptation of Laws Order, 1950.] Government shall, and in any other case may, by the appointment of a Government director or directors or otherwise, take

power to ensure such control over the conduct of the business or enterprise as shall suffice in their opinion to safeguard their interests.

### **34.**

The grant of subsidy or forms of State aid, other than the grant of loans and the machinery on hire purchase, shall be governed by such rules or directions as may be issued generally or in individual cases, by the [State] [Substituted by the Adaptation of Laws Order, 1950.] Government after previous consultation with the Board. Instructions for filling up the form of application for loan under the Punjab State Aid to Industries Act, 1935

- 1. The enclosed form of application for loan is required to be filled up by all types of applicants, viz., an individual, Joint Hindu Family, Firm, Co-operative Society, or a Joint Stock Company. Each type of applicant(s) should, therefore, put a cross x against the portions not applicable to him/them in order to avoid confusion.**
- 2. The required particulars should be carefully and legibly filled in.**
- 3. Out of the words village/cottage/small-scale and electricity/scheme/diesel/gas/manual against item 4(ii) and (iii), the words not applicable may be crossed.**
- 4. In case the space available against particular item is not sufficient for filling in the required particulars, an extra sheet may be added at the end of the application for the purpose.**
- 5. Names of the company, property insured, the period of insurance and the instalments of the premiums paid, etc., may be given against item 17.**
- 6. Total proposed investment against item 6 will be the sum total of the amount of loan required and the amount to be invested by the applicant(s) from his/their own resources.**
- 7. The affidavit forms mentioned in N.B.1 under item 15(iv) and in N.B. under item 15(v) and the form of certificate required under item 15(vi) can be had from the Office of the District Industries Officer concerned.**



**8. In case any difficulty is experienced in filling the application form, the Sub-Inspector/Inspector of Industries and Supplies and the District Industries Officer/Assistant District Industries Officer concerned may be consulted.**

[Chapter II] [Chapter II inserted vide Haryana Government Notification No. G.S.R. 269/PA 5/Section 46/72, dated 1.12.1972.]

**35.**

Notwithstanding anything to the contrary contained in the foregoing Chapter, the grant of interest-free loans in lieu of tax payable under the Central Sales Tax Act, 1956, shall be regulated by the rules hereinafter contained.

**36. Eligible Unit.**

- An eligible unit means a new Industrial Unit which has started production after the 1st April, 1970, and, -(i) Having a capital investment up to rupees seven and half lakhs, on plant and machinery in Faridabad, Ballabgarh belt. (The cost of land and building can be over and above this amount of Rs. 7-1/2 lakhs on plant and machinery). (ii) Having a capital investment upto rupee one crore on land, building and machinery in the districts of Hissar, Mohindergarh, Jind, Rewari Tehsils of district Gurgaon, Naraingarh and Kalka Tehsils of district Ambala and Sub Tehsil Nahar of tehsil Jhajjar of district Rohtak. (iii) Units in areas other than (i) and (ii) above having a capital investment upto rupees fifty lakhs on land, building and machinery. (iv) [ Having a capital investment up to rupees one lakh on land, building, plant and machinery in the rural areas] [Inserted by Haryana Notification G.S.R. 43/P.A. 5/35/Section 46/Amd. (1)/80 dated 16/4/1980.]. (b) [ The units falling in categories (i), (ii), (iii) and (iv) above shall be eligible for the grant of interest-free loans of a period of three years, seven years and five years respectively from the date of production] [Inserted by Haryana Notification G.S.R. 43/P.A. 5/35/Section 46/Amd. (1)/80 dated 16/4/1980.]. (c) The interest-free loan so given to an eligible unit in any particular year shall not exceed eight percentum of the capital investment on land, building and machinery : Provided that such units shall effect all Inter-State sales of goods manufactured with its/their own premises/factory, from the State of Haryana.

**37. Form of application.**

(1) An application by an eligible unit for interest-free loan, shall be submitted to the Director of Industries, Haryana, through the District Industries Officer/Assistant District Industries Officer, holding independent charge of the district concerned in Form 'V' appended to these rules. (2) Such an application in Form 'V' shall be made separately for each year and only after all the returns for the year concerned have been filed with the concerned Assessing Authority along with the receipted copies of the challans of the tax paid -(3) The application shall be submitted :-

- (a) In the case of provisional loan under rule 38. Within six months from the date on which the last return for the relevant assessment year is due.
  - (b) In the case of final loan under rule 39. Within six months from the date of passing the assessment order for the relevant year.
  - (c) In the case of supplementary loan under rule 40. Within six months from the date of final decision in appeal or revision for the relevant year.
- (i) Provided that the eligible units may apply for interest-free loan within six months from the date of publication of these Rules for the year 1970-71. (ii) Provided further that the time limit mentioned above may be extended, for reasons to be recorded in writing, for further period of six months, by the Director of Industries.

### **38. Grant of provisional loan.**

(1) If the application in Form 'V' is submitted before the completion of assessment by the Assessing Authority, the eligible unit shall furnish the following documents with the application :- (a) A certificate from the Assessing authority certifying the taxes paid by the eligible unit; and (b) A certificate from the Chartered Accountant indicating the gross value and break-up of the fixed assets of the eligible unit as per column 9 of the said application, (c) The affidavit to the effect that all goods manufactured by units in the State of Haryana have been sold either in the course of Inter-State trade or commerce or exported outside India or sold within the State of Haryana. (2) On the basis of the applications made by the eligible unit and after calling for such further information as the Director of Industries may deem necessary, the loan to extent of 75 per centum of the permissible amount of loan may be granted. (3) The final claim of the eligible unit for the loan admissible to it shall be examined after completion of assessment and after production of certificate in Form 'W' from the concerned authority. (4) The eligible unit shall be entitled to the grant of further loan to the extent of the difference between the amount finally admissible under rule 39 and the amount already disbursed provisionally under sub-rule (2) above. (5) If the final amount of the loan is less than the amount provisionally disbursed, the eligible unit shall refund the excess amount immediately to the Director of Industries together with interest at the rate of 9 per centum per annum. The interest shall be calculated from the date of disbursement of provisional loan till the date of its repayment.

### **39. Grant of final loan.**

(1) If the application is submitted after the completion of the assessment by the concerned Assessing authority, the eligible unit shall furnish the following documents with the same :- (a) Certificate in Form 'W' from the concerned Assessing Authority. (b) A certified true copy of the audited accounts of the eligible unit and if the accounts have not yet been audited, a certificate from the Chartered Accountant indicating the gross value of the fixed assets of the eligible unit and its break up as indicated in column 9 of the application; (c) The affidavit to the effect that all goods manufactured by units in the State of Haryana have been sold either in the course of inter- State trade or commerce or exported outside India or sold within the State of Haryana. (2) On the basis of the above application and the certificates, and after such inquiry as the Director may deem necessary the claim of the

eligible unit for grant of interest-free loan shall be finally determined and sanctioned by the competent authorities as enumerated in rule 5(2) of Chapter I of these Rules. The amount shall be disbursed to the eligible unit after it has executed an agreement in Form 'X'.

#### **40. Grant of supplementary Loan.**

(1) If the application is submitted after completion of assessment and the eligible unit has filed an appeal against the assessment order the eligible unit shall furnish a certificate in form 'W' from the concerned Assessing Authority showing the taxes as determined by him and paid by the Assessee. (2) If the application is submitted after completion of assessment, the eligible unit shall furnish a certificate in Form 'W' from the concerned Assessing Authority showing the tax as determined by and paid by the unit. The eligible unit shall file an affidavit that the unit has not filed an appeal/revision or writ, nor it is intended to do so. In case the eligible units has filed an appeal, revision or writ, it shall file an affidavit, showing the amount admitted by the eligible unit in appeal or revision. (3) The eligible unit, in such cases, may file a supplementary application in Form 'V' for the loan after completion of all the proceedings in appeal or revision. The application shall be accompanied by a certificate in Form 'W' to be obtained from the Assessing Authority showing the final tax paid by the Assessee.

#### **41. Liability to refund.**

- The eligible unit shall, in the event of any reduction in the sales tax liability as a result of any decision in appeal, revision or as a result of any judgment of a court forthwith, repay the excess amount disbursed to it under these rules along with interest at the rate of 9 per centum per annum from the date of order of refund allowed by the competent authority. It shall not obtain any refund of tax, admissible from the Excise and Taxation Department till the excess amount is repaid. It may, however, execute a power of attorney in favour of the Director of Industries, authorising him to obtain such refund directly from the concerned Department. The expenses and the stamp duty for the execution of the power of attorney shall be borne by the eligible unit.

#### **42. Nature of Security.**

- The applicant shall have to furnish two sureties each to the extent of the [amount of loan or Bank guarantee of the equal amount from a scheduled Bank] [Substituted by Haryana Government Notification GSR 41/PA 5/35 Section 46/85 dated 10.5.1985.] to the satisfaction of the Director of Industries or the District Industries Officer concerned or the Assistant District Industries Officer concerned, holding independent charge in the district or any other officer so designated, as the case may be.

#### **43. Repayment.**

- Subject to the provisions contained in rule 9, the eligible unit shall repay to the Director of Industries of District Industries Officers/Assistant District Industries Officers holding independent

charge of the District, interest-free loan disbursed to it in any particular year in ten equal half-yearly instalments after the expiry of period of five years.(Illustration. - If an eligible unit located in Faridabad, Ballabgarh, area is given interest-free loan of Rs. 10,000 in 1971, Rs. 15,000 in 1972 and Rs. 20,000 in 1973, it shall start repayment of first loan in 1976, of second in 1977 and of third in 1978. Each loan shall be repaid separately in ten equal half yearly instalments on due dates).

#### **44. Interest.**

- In case of default, without prejudice, to any other right or recourse available to the Director of Industries, the defaulting unit shall pay an interest on the amount in default, from the date of default, to the date of repayment, at the rate of 12 percentum per annum.

#### **45. Notice to pay.**

- If the amount of Instalment is not repaid on the due date or dates, the Director of Industries may serve on the defaulting unit a written notice calling upon the unit to pay the amount in default within a period of 30 days from the receipt of the notice. The notice may also require the defaulting unit to pay the interest as provided in rule 44 of these rules and other costs and charges as the Director of Industries may incur in this behalf. Such notice shall be sent by registered post, acknowledgment due, and delivered at the present or last known address of the defaulting units and in the case of company, at its registered office.

#### **46. Recovery.**

- If the defaulting unit does not pay the amount in default alongwith interest and other costs and charges as indicated in the notice under rule 45 by the date mentioned therein, the Director of Industries may recover such amount as arrears of land revenue under Section 35 of the Act.

#### **47. Changes in Constitution**

- A Unit which has availed of interest free loan under this Chapter shall not :(a)Sell or otherwise dispose of wholly or in part, or lease out wholly or in part, or effect any change in its ownership of the fixed assets; or(b)close or shift to a new location; or(c)change its name or constitution;without obtaining prior written permission of Director of Industries at least thirty days before the contemplated event.

#### **48. Early recovery of loan under certain circumstances.**

- If an eligible unit which has availed of interest-free loan under this Chapter :-(i)Stops continuously normal production for a period exceeding six months till the repayment of loan; or(ii)shifts the location of the unit without the concurrence of the Director of Industries, as envisaged under rule 47, or(iii)makes any change as is mentioned in rule 47 above, without prior written permission of the Director of Industries;then notwithstanding any thing contained in these rules, the Director of

Industries shall be entitled to initiate recovery proceedings under Section 35 of the Act for the recovery of the amount of loan together with interest outstanding on the occurrence of the above events.

#### **49.**

Without prejudice to the other rights of the Government under any other law if any party obtains loan under this scheme through fraud or mis-representation, the party shall be liable to refund the amount in lump sum alongwith interest at 12 percent per annum from the date of drawal of the amount to the date of payment.

#### **50. Power of relax.**

- Where the Director of Industries/State Government is of the opinion that it is necessary or expedient so to do it may, for reasons to be recorded in writing, relax any of the provisions of these rules with respect to any class or category of Industries.[Chapter III] [Inserted vide Haryana Government Notification GSR 102/PA5/35 Section 46/78 dated 15.9.1978.] Rules for grant of subsidy for Leather Industries

#### **51. Eligibility.**

- Only those who have already obtained and properly utilized a loan of an amount upto one thousand rupees for the purchase of machinery, tools, equipment, etc., granted under the Act, and these rules are eligible to the grant of subsidy subject to the following conditions :-(i)In the case of individuals if the applicant, -(a)is engaged or intends to engage himself in the manufacture of leather shoes, desi-jutties, leather goods, etc. and who is a member of the Scheduled Castes or Scheduled Tribes, and(b)is an Indian national.(ii)In the case of the partnership firm, if it is -(a)engaged or intends to engage itself in the manufacture of leather shoes, desi-jutties, leather goods, etc., and each of its partner is a member of Scheduled Castes or Scheduled Tribes; and(b)each of its partners is an Indian national.(iii)In the case of Joint Hindu family, if it :-(a)is engaged or intends to engage itself in the manufacture of leather shoes, desi-jutties, leather goods, etc and(b)belongs to Scheduled Castes or Schedules Tribes.(iv)In case of a Co-operative Society, if it is registered under the Punjab Co-operative Societies Act, 1961, and is either engaged or intends to engage in the manufacture of leather shoes, desi-jutties, leather goods, etc., and has been formed for the welfare of the members of Scheduled Castes/Scheduled Tribes.

#### **52. Preference.**

- Preference of granting subsidy shall be given :-(i)individual who have adequate experience in and aptitude for leather industry and who have received technical training in this industry from an industrial institute or establishment recognised by Government or any other authority established by law;(ii)firms, joint Hindu families whose one or more active partners/members have adequate experience in and aptitude for leather industry or who have received technical training in this

industry from a recognised industrial institute or establishment :-(iii)Co-operative Societies.

### **53. Purpose for which subsidy may be granted.**

- Subsidy may be granted for one or all of the following purposes :-(i)for the purchase of machines, tools, equipment and appliances necessary for the establishment of a leather industry.(ii)for the conduct of research in leather industry;(iii)for the revival or development of leather industry by modern methods.

### **54. Extent of subsidy.**

- Subsidy to the extent of rupees one thousand may be granted to an eligible applicant.

### **55. Security for repayment, if any.**

- On the acceptance of an application for subsidy, the applicant shall execute a bond in the prescribed form undertaking to apply the subsidy to the purpose for which, and to fulfil the conditions on which, the subsidy is granted, offering such machinery, equipment, etc., as may have been purchased with the aid of subsidy, as security. No transfer, assignment or charge made or created after the execution of the bond in relation to the property specified therein or machinery, etc., purchased with the aid of subsidy shall be valid against the State Government unless it has been made or created with the previous consent, in writing, of the authority sanctioning the subsidy.

### **56. Mode of disbursement of the amount of subsidy.**

- The whole amount of subsidy shall be deposited in a Scheduled Bank in the Joint account to be opened in the name of the applicant and the District Industries Officer or the Assistant District Industries Officer holding independent charge of the district concerned (hereinafter referred to as the Industries Officer) to be operated upon jointly or by the Industries Officer. The Industries Officer shall release the amount of subsidy in lump sum or in instalments against the actual purchase of machinery, tools, equipment etc., on production of invoice therefor to his satisfaction.

### **57. Maximum period for Utilisation of amount of subsidy.**

- The amount of subsidy shall be utilised for the purpose for which it is sanctioned within a period of six months from the date of execution of the bond under rule 6 :-Provided that the Director may, for sufficient reasons, to be recorded in writing, extend the period for the utilization of subsidy for a further period of three months.

### **58. Recovery of subsidy with interest.**

- The amount of subsidy with interest at the rate of 9 per cent per annum shall be recovery in lump sum in the same manner as if it were a loan granted under the Act, -(i)if it is not utilised within the

stipulated period; or(ii)if on inspection of the industry, the Director is satisfied that the amount of subsidy is not applied to the purpose or purposes for which it was granted; or(iii)if the conditions on which it was granted were not duly fulfilled;

## 59. Inspection and returns.

- The recipient of subsidy shall for a period of four years from the date of execution of the bond,(a)comply with any general or special order of the Director, relating to the inspection of the premises, building, machinery and stock in hand of the Industry;(b)permit the inspection of all accounts relating to the industry;(c)furnish full returns of all products manufactured or sold, both as regards description and quantity;(d)maintain such accounts and submit such statements prescribed, under these rules or as the Director may from time to time require; and(e)submit the account of the industry to such audit as the Director may prescribe.[Form 'A'] [Original Form A, omitted by Punjab Government Notification No. 5770-3CB-S-57/12391, dated the 20th June, 1957 and this new Form prescribed under rule 4, substituted by, ibid.]Department of Industries, PunjabForm of application for loan by an individual or Joint Hindu Family concern or firm or Joint Stock Company or Co-operative Society, under the Punjab State Aid to Industries Act, 1935ToThe Director of Industries, PunjabThe District Industries Officer.....Dear Sir,I/We

\_\_\_\_\_ beg to apply for a loan of Rs. (Rupees \_\_\_\_\_) only for the development of \_\_\_\_\_ Industry/Industries, under the Punjab State Aid to Industries Act, 1935.The required particulars are given below :

### 1. Name and style of the Applicant's (s) concern along with principal place of business and location.

### 2. Whether Sole Proprietorship/Joint Hindu Family/Partnership/Company/Co-operative Society.

N.B. 1. - In case of an individual or sole proprietorship concern, the following particulars should be given :-(i)Name, percentage and caste.(ii)Complete residential address.N.B. 2. - In case of a Joint Hindu Family concern, the following particulars should be given : -(i)Name, percentage, caste of the Karta(ii)Complete residential address of the Karta(iii)Name, percentage and age of each member of Joint Hindu Family and his relation with the KartaN.B. 3. - In case of Firm, the following particulars should be given :-(i)Whether registered under the Indian Partnership Act, 1932.(ii)Number and date of registration(iii)Year of Establishment(iv)Registered Address(v)(a)Number of partners on the date of application(b)List of partners with their names, parentage, caste and complete addresses(vi)An attested copy of the partnership deed(vii)Power of attorney in original by all the partners in favour of the partner authorised to observe all the legal formalitiesN.B. 4. - In case of Company, registered under the Indian Companies Act, 1956 the following particulars should be given :-(i)Whether private or Public limited(ii)Number and date of Registration(iii)Registered address(iv)Year of Establishment or Registration(v)Authorised Capital(vi)Issued Capital(vii)Subscribed Capital(viii)Paid-up Capital(ix)A certified copy of the Memorandum and Article of the

Association(x)A copy of the Certificate of Incorporation duly certified(xi)A copy of the certificate to commence business in case of a company other than a Private Limited Company(xii)A copy of the certificate from the Registrar, Joint Stock Companies, under section 72 of the Indian Companies Act, if the Registered Office has been shifted from areas now included in Pakistan(xiii)A copy of the prospectus or statement in lieu of the prospectus in case of Companies other than private Limited Companies(xiv)An attested copy of the resolution of the Board of Directors of the Company authorising the Company to apply for loan.(xv)(a)Number of Directors on the date of application(b)List of Directors as on the date application along with their names and complete particulars and address(xvi)A copy of the resolution of the Board of Directors of a Company duly attested by the Secretary and countersigned by an officer not below the rank of Assistant Registrar of Co-operative Societies in which the office of the Society is situated authorising him to observe all the legal formalities on behalf of the Company.In case the Secretary of the Company himself is authorised to complete the legal formalities the resolution should be attested by the President or Chairman of the Company.(xvii)Whether the consent of the Government of India has been obtained for creating a charge or a lien on the assets of the Company under section 3(2) of the Capital Issues (Control) Act, 1947, if so, an attested copy of the permission should be attached.N.B. 5. - In case of a Co-operative Society registered under the Punjab Co-operative Societies Act, [1961] [Substituted by Punjab Government notification No. G.S.R.220/PA.5/35/Section 46/Amd.(2)/64, dated 22nd September, 1964.], the following particulars should be given :-(i)Number and date of Registration(ii)Registered address(iii)Whether Limited or unlimited liability(iv)(a)Number of members on the date of application(b)List of members with their names, parentage, caste and complete address(v)(a)Subscribed Capital(b)Paid-up Capital(vi)(a)Certificate Registration(b)A copy of the registered by-laws duly certified by the Secretary of the Society/Inspector, Co-operative Societies(vii)(a)Liability assumed by each member(b)Total liability assumed by all the members(c)Maximum Credit Limit(d)Date of sanction of Maximum Credit Limit(viii)Basis of working(Joint Production or otherwise)(ix)Activities carried on Co-operative Basis(x)An attested copy of the Resolution of the Co-operative Society authorising the Society to apply for loan(xi)A copy of the resolution of the Board of Directors of a Co-operative Society duly attested by the Secretary of the Co-operative Society and countersigned by an officer not below the rank of an Assistant Registrar, Co-operative Societies, of the area concerned stating the name and designation of the person authorised to complete legal formalities on behalf of the SocietyIn case the Secretary of the Society himself is authorised to complete the legal formalities, the resolution should be attested by the President or Chairman of the Board of Directors

### 3. A list of Branch Officers and Associate or Subsidiary concerns, if any

### 4. Industry -

- |   |   |
|---|---|
| (i) Name  |   |
| (ii)Type,   | Village/Cottage/Small scale               |
| (iii) Motive Power use                            | Electricity/Steam/Diesel/Gas/Water/Manual |
| (iv) Average number of workers employed per month |   |
| -   |   |



(a)Skilled(b)Unskilled(c)Monthly wages paid(v)Types of goods produced(vi)Existing annual manufacturing capacity with value

**5. (i) Whether the Industrial Establishment is registered under the Indian Factories Act, 1948**

(ii)Whether the licence from Government of India, under the Industries (Registration and Development) Act, 1951, is required or has been obtained.

**6. Total Proposed Investment -**

(i)Amount of loan required(ii)Amount to be invested by the applicant(s) from his/their resources which should not be less than 25 per cent of the total proposed investment.

**7. Purchase of Machinery on Hire Purchase System -**

(i)Total cost of the Machinery(ii)Amount required for the purchase of machinery(iii)Amount to be paid as advance by the applicant which should not be less than 10 per cent of the total cost of Machinery

**8. Reasons for not availing of banking facilities**

**9. Whether any of your applications for loan is pending with the Department/Punjab Financial Corporation, or was rejected by the Department/Punjab Financial Corporation ? If so give detailed particulars**

**10. Purpose for which loan is required -**

(i)Fixed Capital(a)Land(b)Building(c)Machinery(Complete details with quotations from three firms of standing should be given)(ii)Working Capital(Detailed requirements should be given)

**11. Assets (Capital Investment) (on the date of submission of application) -**

(i)Land(ii)Building(iii)Machinery with complete details(iv)Raw Materials(v)Stock-in-process(vi)Finished Goods(vii)Bank balances with details(viii)Cash(ix)Stock and Securities(x)Other assets

Total Rs.

**12. Liabilities - Loans Subsidy Grant**

(i)Amount of Loan/Subsidy/Grant obtained from the -(a)Department of Industries, Punjab(b)Rehabilitation Finance Administration(c)Punjab Financial Corporation(d)Commercial Banks(e)Co-operative Banks(f)Other sources, if any(ii)Purpose(iii)Date of receipt(iv)Security

offered(v)Balance outstanding(vi)Details of all mortgages and other charges, if any, on the present and future assets of the applicant(s)

Total liabilities Rs.

### 13. Attested/Certified copies of -

(i)Balance sheets and(ii)Profit and loss statements for the last three years

### 14. Availability of facilities -

(i)Raw-materials(ii)Transport(iii)Marketing

### 15. Nature of security offered -

(i)Land -(a)Name of owner

(applicants/surety/sureties)(b)Area(c)Urban/Rural(d)Boundary(e)Name of

village/Town/City(f)Annual Land Revenue(g)Value(h)Copies of Aks Shajra and latest jamanbandi to be enclosed(ii)Plot in Industrial Area/other locality -(a)name of Industrial Area/ Locality(b)Name of purchaser(c)No. of plot purchased(d)Area and dimensions of the plot(e)Boundary(f)Cost of Plot(g)Whether possession of the plot has been taken(h)Whether any building has been constructed. If so, give details of original and depreciated cost(i)Area to be covered immediately(j)Original Deed of Conveyance to be enclosed(iii)Building -(a)Name of the owner

(applicant(s)/surety/sureties)(b)Whether residential house/factory

building/shop(c)Urban/Rural(d)Boundary(e)Name of Village/Town/City(f)Rental value in case it is situated within Municipal limits(g)Amount of Property/House Tax paid yearly(h)Present Market Value(i)Plan of the building and original title/deeds to be enclosed(iv)Plant and Machinery -Name of the owner (applicant(s)/surety/sureties)

Sr. No.	Description	Make	Date of purchase	Book value	Depreciated cost	Net Value
1	2	3	4	5	6	7

123456789101112131415

N.B. 1. - An affidavit regarding the ownership of the machinery being offered as security on the prescribed form available from the office of the District Industries Officer concerned along with original voucher and cash receipts, should be attached.N.B. 2. - In case the loan is required for the construction of factory building and purchase of machinery under the scheme for the development of Industries in the Industrial Areas of Punjab, the cost of the plot and the depreciated cost of factory building, if any, already constructed as also the depreciated cost of the machinery installed, if any, will be adjusted towards the 1/4th contribution to be made by the applicant(s) himself/themselves.(v)Personal Security -

S.No. Name of Surety Description of property owned Urban/Rural Market value

1.2.

N.B. - An affidavit on the prescribed form, duly attested by a Magistrate or an Oath Commissioner,

from each of the sureties regarding the immovable property, owned, should be attached with the application(s).

**16. A declaration from the applicant(s)/sureties to the effect that the property, viz., land, building and machinery offered as security is free from all encumbrances**

**17. Has the immovable property offered as security been adequately insured ? If so, give details**

**18. Experience -**

(i) Technical Qualifications (ii) Practical experience in the industry

**19. Income-tax Clearance Certificate - From the Income-tax Officer of the area for the last three years.**

**1. I/We agree to accept the loan under the terms and conditions governing the grant of loans under the Punjab State Aid to Industries Act, 1935 and also agree to abide by all the rules framed thereunder from time to time.**

**2. I/We declare that the statements made and the particulars given above are true and correct to the best of my/our knowledge and belief, and that there are no encumbrances other than those mentioned above on the land/building/machinery offered as security for the loan applied for, which shall not be transferred by way of sales, gift, exchange, mortgage, or otherwise, till the complete repayment of the loan.**

Signature of the Surety/Sureties. Date \_\_\_\_\_

Signature of the application(s) \_\_\_\_\_ Date \_\_\_\_\_

N.B. - In case of Firm Company/Co-operative Society, the application should be signed by the authorised partner/Managing Director or Managing Agents and the Chairman or President and Manager or Secretary as the case may be. Acknowledgement Receipt Received from \_\_\_\_\_ application for the grant of a loan of Rs. \_\_\_\_\_ under the Punjab State Aid to Industries Act, 1935 on \_\_\_\_\_ 199 . The application has been registered under No \_\_\_\_\_ which may please be quoted in all future correspondence to facilitate reference. District Industries Officer [Form AA] [Haryana Government Notification GSR 102/PA5/35 Section 46/78 dated 15.9.1978.] (See rule (aa)) Department of Industries, Haryana Form of application for subsidy for leather industry under the Punjab State- Aid to Industries Act, 1935. To The Director of Industries, Haryana, through the District Industries

Officer\_\_\_\_\_Dear Sir,I/we\_\_\_\_\_ beg to apply for subsidy of Rs.\_\_\_\_\_ (only) for the development of leather industry under the Punjab State-Aid to Industries Act, 1935.The required particulars are given below :-

**1. Name and style of the applicant's concern along with principal place of business and location.**

**2. Whether sole proprietorship Joint Hindu Family/Partnership Co-operative Society.**

N.B. 1. - In case of an individual or sole proprietorship concern, the following particulars should be given :(i)Name, parentage and age.(ii)Complete residential address.(iii)Whether belongs to Scheduled Castes/Scheduled Tribes.N.B. 2. - In case of Joint Hindu Family concern, the following particulars should be given :(i)Name, parentage, age caste of the Karta.(ii)Complete residential address of the Karta.(iii)Name, parentage, and age of each member of joint Hindu Family and his relation with the Karta.N.B. 3. - In case of a firm the following particulars should be given :(i)Whether registered under the Indian Partnership Act, 1932.(ii)Number and date of registration.(iii)Year of establishment.(iv)Registered address.(v)(a)Number of partners on the date of application.(b)List of partners with their names, parentage, caste and complete address.(vi)An attested copy of the partnership deed.(vii)Power of Attorney in original by all the partners in favour of the partner authorised to observe all the legal formalities.N.B. 4. - In case of a co-operative society registered under the Punjab Co-operative Societies Act, 1961, the following particulars should be given :-(i)Number and date of registration.(ii)Registered address.(iii)Whether limited or unlimited liability.(iv)(a)Number of members on the date of application.(b)List of members with their names, parentage and complete address.(v)(a)Subscribed capital.(b)paid up Capital.(vi)(a)Certificate of registration.(b)A copy of the registered bye-laws duly certified by the Secretary of the Society/Inspector, Co-operative Societies.(vii)(a)Liability assumed by each member.(b)Total liability assumed by all the members.(c)Maximum credit limit.(d)Date of sanction of maximum credit limit.(viii)Basis of working (Joint production or otherwise)(ix)Activities carried on-operative basis.(x)An attested copy of the resolution of the co-operative society authorising the society to apply for subsidy.(xi)A copy of the resolution of the Board of Directors of a Co-operative society duly attested by the Secretary to the co-operative society and countersigned by an officer not below the rank of an Assistant Registrar, co-operative Societies of the area concerned stating name and designation of the person authorised to complete legal formalities on behalf of the Society.In case the secretary of the society himself is authorised to complete the legal formalities, the resolution should be attested by the President or Chairman of the Board of the Directors.

**3. Amount of subsidy applied for.**

**4. Capital already invested and/or to be invested in the undertaking.**

**5. Object for which subsidy is needed together with details of its proposed utilisation under the following heads :-**

(a)Research work(b)Machinery (detailed list to be appended)(c)working capital.

**6. Technical knowledge and experience of applicant.**

**7. Business and commercial experience of applicant.**

**8. Financial standing of applicant.**

**9. Does the applicant already possess a factory ? If so, give a list of machinery installed and the existing manufacturing capacity per month**

**10. Number and designations of technical staff employed or proposed to be employed after the grant of subsidy.**

**11. Average number of workers employed or proposed to be employed after the grant of subsidy.**

**12. Goods proposed to be manufactured and state of demand in the country.**

**13. Are the raw materials readily available in the required quantities ?**

**14. Where is the product proposed to be sold ?**

**15. Whether any other loan, subsidy or grant is being availed of by the applicant and if so, give details showing the amount sanctioned, purpose and the date and authority of the sanction.**

**16. Period during which the scheme contemplated is likely to be completed.**

**17. And special reasons for the State Aid asked for.**

Note :- A certificate that the applicant/partners/Members belong to Scheduled caste/scheduled Tribe and a detailed statement showing the scope and economics of the proposed industry, analysis of cost of various operations of manufacture, raw materials, wages, depreciation of machinery and equipment and complete cost of manufacture, sale prices of finished goods and probable profits on sale.I/We declare that the statements made and the particulars given above are true and correct to the best of my/our knowledge and behalf.Date :(Signature of the applicants)N.B. - In case of

Firm/Co/operative Society, the application should be signed by the authorised partner/the Chairman or President or Manager, or Secretary as the case may be. Form 'B' [Form of mortgage deed for a loan against the mortgage of immovable property of the applicant/applicants.] [Caption added by Haryana Notification No. G.S.R.-50P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.] This mortgage deed made this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_. Between (A) The \_\_\_\_\_ Ltd., a Company incorporated in [-] [Omitted by Punjab Government notification No. G.S.R. 220/P.A./5/35/Section 46/Amd. (2)/64, dated 22nd September, 1964.] India and registered under the \*Indian Companies Act, 1913, with registered office at

(B) \_\_\_\_\_  
A Society registered under Act XXI of 1860 with principal place of business at \_\_\_\_\_ (C)(1) \_\_\_\_\_  
son of \_\_\_\_\_, caste(2) \_\_\_\_\_, son of \_\_\_\_\_, caste(3) \_\_\_\_\_, son of \_\_\_\_\_, caste residing at \_\_\_\_\_, and himself constituting the sole or any proprietor \_\_\_\_\_ of the \_\_\_\_\_ being all the partners \_\_\_\_\_ and carrying on business at \_\_\_\_\_ in the name and style of \_\_\_\_\_ (Hereinafter himself its, his/themselves their legal representatives, assigns, jointly and severally referred to as the the mortgagor) of the first part. And secondly, the Governor of the Punjab through the Director of Industries, Punjab (hereinafter referred to as Government) of the second part :- Whereas one of the Mortgagors has assured Government that he is sold owner of \_\_\_\_\_ situate in \_\_\_\_\_ at \_\_\_\_\_ District \_\_\_\_\_ (the said property being detailed or described more particularly in Schedule I to this deed) and that the same is not mortgaged or charged or otherwise encumbered in any way whatsoever. And whereas the mortgagor has applied under section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab for a loan of Rs. \_\_\_\_\_ for the purpose of \_\_\_\_\_ and to secure the same by mortgage of properties referred to in the said Schedule I. And the Director of Industries, Punjab (with the previous sanction of \_\_\_\_\_) has accordingly agreed to grant the said loan to the Mortgagor subject to the conditions hereinafter appearing. \*See now the Companies Act, 1956. Now This Indenture Witnesseth That -

**1. [In pursuance of the said agreement and for purpose of in party securing the said sum of Rs. \_\_\_\_\_ (receipt whereof the Principal/Mortgagor hereby acknowledges) the Principal/Mortgagor hereby covenants with the Government to pay to the Government before the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ the said sum of rupees \_\_\_\_\_ with interest thereon at the rate of rupees \_\_\_\_\_ per cent per annum with a debate of four per cent per annum if the repayment of the principal and the**

**payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled and for so long as any part there of shall remain owing to pay interest at the rate as aforesaid on the moneys for the time being so remaining owing provided never the less that :-] [Preamble substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.]**

(i)if the mortgagor shall pay the said sum of Rs. \_\_\_\_\_ by the following instalments that is to say, the first instalment of Rs. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_, second instalment of Rs. \_\_\_\_\_ on the \_\_\_\_\_ day of 19 \_\_\_\_ and further subsequent instalments of Rs. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ in each year following until the whole sum due shall be paid and shall with each such instalment pay interest at the rate aforesaid on the amounts remaining due immediately before such payment, then subject to the terms and conditions hereinafter contained, Government will accept payment of the said sum of Rs. \_\_\_\_\_ by such instalments and will not take any steps to obtain payment of the said sum of Rs. \_\_\_\_\_ by auction sale possession, realisation of security hereby conveyed or otherwise;(ii)it shall be lawful for the Director of Industries, Punjab, at his sole discretion and at the request of the mortgagor to extend this date by a period not exceeding five years ;(iii)it shall be lawful for the mortgagor at any time to repay the whole or any portion of the said loan by instalments exceeding the instalments referred to above or prior to the said due date or prior to the end of the extended period (if granted) ;(iv)the said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935 and any rules made or to be made thereunder ;[(iv-A) The mortgagor shall utilize the loan amount properly within a period of [six months] [Inserted by Punjab Government Notification No. GSR 220/PA5/35/Section 46/Amd.(2)/64 dated 22-9-1964.] from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab or any officer authorised by him from time to time in this behalf.](v)The mortgagor shall not except with the approval of the said Director of Industries previously obtained withdraw from the Industrial concern for the purpose of which the said loan is hereby granted, any profits (or declare or distribute dividends) in excess of such percentage rate upon the amount of the capital of the industrial concern as may be determined by the Director of Industries, Punjab, in each case so long as any part of the loan or State aid remains unpaid or this deed remains in force;(vi)[ if the mortgagor shall make default in compliance with any of the terms or conditions of this deed or in the repayment of any instalment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Punjab Government Gazette, Legislative Supplement Part III dated 2nd October, 1964 page 1189.] and without prejudice to other rights and remedies of Government the said Director of Industries or any officer authorised by the Government in this behalf may issue a notice under Section 23 of the said Act and the moneys duly specified therein

shall become immediately payable as if a money decree, therefor, had been passed by a civil Court in the exercise of its ordinary original jurisdiction.]

**2. And in further pursuance of the said agreement and for the considerations aforesaid, the mortgagor as beneficial owner doth hereby grant, convey and assign unto Government -**

(a)All the properties mentioned in the said Schedule I and delineated in map or plan hereto annexed : (b)[-] [Omitted vide Haryana Government Notification GSR 66/PA5/35 Section 46/77 dated 22.4.1977.] to have and to hold the same into and to the use of Government, its successors and assigns for ever subject to the proviso for redemption hereafter contained :

**3. Provided Always that when the hereinafter mentioned covenants for payment shall have been satisfied and the principal sum together with all interests due thereon shall have been entirely paid, Government as Mortgagee shall at the request and cost of the Mortgagor reconvey the properties or remainder thereof as he shall direct.**

**4. And in further pursuance of the agreement and covenants referred to above, the Mortgagor hereby agrees to insure against fire up to the full amount of the loan the entire machinery and stock in Mortgagors..... and if Government so desires all other property hereby mortgaged and that the policy of Insurance shall be taken out in the joint name of the Mortgagor and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab. The Mortgagor shall pay all premiums and at his own cost renew the policy every year during the currency of the loan, failing which Government may pay the same and such premiums shall form part of the loan secured with interest under this mortgage.**

**5. It is further agreed by the Mortgagor that, notwithstanding anything hereinbefore contained, Government or the Director of Industries, Punjab may by the appointment of its own directors or otherwise exercise such control over the conduct of the industry to which State aid has been given as shall suffice in their or his opinion to safeguard the interests of Government in such industrial concern, and that the Mortgagor shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**





the seal of the Society or Company. If they so desire, they may execute a special power-of-attorney authorising any respectable person - preferably one of their own body to do all things necessary for the single transaction, viz., 'the completion of the mortgage' which will be referred to the preamble such power-of-attorney. In that case the power-of-attorney will require to be executed on paper stamped at Rs. 2 and, though it need not be registered or authenticated by the Sub-Registrar (vide Circular No. 49/3076/1-30 from the Inspector General of Registration Punjab dated 7th August, 1933). The Director of Industries may require the same to have been attested under section 85 of the Indian Evidence Act. Where the mortgage is executed by an attorney it will (if for a term exceeding one year) be presented for registration by the Attorney. Signed on behalf of the Governor of Punjab by :In the presence of -Director of Industries, Punjab, Mortgagee(1)Witness

------(2)Witness -----[Form BB] [Haryana Notification GSR 102/PA5/35 Section 46/78 dated 15.9.1978.](See rule 6)By, this Bond I \_\_\_\_\_ hereinafter referred to as 'obligor' do acknowledge myself bound unto the Governor of the Haryana (hereinafter referred to as "the Government) for the sum of Rs. \_\_\_\_\_ (Rupees to be paid by the Government. Signed, sealed and delivered this day \_\_\_\_\_ of \_\_\_\_\_ at \_\_\_\_\_. Signature of obligor. Whereas the obligor applied to the Director of Industries, Haryana for the grant of a subsidy under the Punjab State Aid to Industries Act, 1935 and the rules made thereunder. And the Director of Industries, Haryana has agreed to grant the aid amount by way of subsidy in accordance with the provisions of the said Act and the rules made thereunder subject to the conditions contained herein, and the obligor hereby acknowledges the receipt of the Government R.T.R. \_\_\_\_\_, dated \_\_\_\_\_ on \_\_\_\_\_ for the said amount in full and the obligor hereby acknowledge and declares that this document has been executed as bond for the performance by the obligor of a public duty in which the public are interested within the meaning of Exception to Section 74 of Indian Contract Act and that unless and until on the obligor shall have received from Director of Industries, Haryana through the District Industries Officer/Assistant District Industries Officer, a certificate in writing that the conditions of and referred to in this bond have been fully complied with by the obligor, the whole of the money advanced under this bond and all machinery or other material acquired therewith and all moneys or properties representing the proceeds of the sale are and shall remain the property of Government. Now the above written bond is conditioned to be void in the case the obligor uses the said sum solely for the purpose, or purposes mentioned in the schedule to the Bond and for no other purpose, and carries out the conditions of the said Act and rules and those hereinafter contained. Now the above written bond is conditioned to be void in the case the obligor uses the said sum solely for the purpose, or purposes mentioned in the schedule to the Bond and for no other purpose, and carries out the conditions of the said Act and rules and those hereinafter contained. Conditions

**1. That the said sum of Rs. \_\_\_\_\_ will be utilised within six months for the purpose or purposes for which it is granted and for no other purpose what-so-ever.**

**2. That the works and account books of the obligor will be open to inspection by any officer of the Industries Department in this behalf, and that the District Industries Officer/Assistant District Industries Officer's Instructions for better workmanship or accountancy shall be complied with by the obligor.**

**3. All machinery or anything purchased or acquired with the said subsidy for the purposes mentioned in Schedule shall during the subsistence of this bond, be and remain the property of the Government and it shall be held by the obligor as trustee of the Government and no part of the proceeds of the said subsidy will be sold or otherwise transferred or disposed of without the consent of the Government and if he required the obligor shall at his own cost insure all such machinery or things against fire.**

**4. The obligor shall submit a progress report every six months to the District Industries Officer/Assistant District Industries Officer concerned from the date of receipt of subsidy and shall continue to do so upto a period of three years from the date from which the entire amount of subsidy was utilised.**

**5. The obligor shall continue to carry on the leather industry diligently and faithfully for a period of at least three years from the date of the utilisation of the entire amount of subsidy for the purpose for which it is granted.**

**6. The stamp duty on this instrument shall be borne by the Government.**

### **Schedule 3**

(Purposes for which subsidy is to be utilised)(Signature of this Obligor)In the presence it :-

**1. Witness**\_\_\_\_\_

Occupation\_\_\_\_\_Address\_\_\_\_\_

**2. Witness**\_\_\_\_\_

Occupation\_\_\_\_\_Address\_\_\_\_\_Accepted by Director of Industries,  
Haryanaatfor and on behalf of the Governor of the Haryana.

The day of 19 Witness :-

1. Name with designation.

2. Name with designation.

Form 'C'[Form of mortgage deed for a loan against the mortgage of immovable property of the surety/sureties.] [Caption added by Haryana Notification No. G.S.R.-50P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.]This Mortgage deed made this..... day of..... 19 , Between : (A)The..... Ltd., a Company incorporated in India and registered under the \*Indian Companies Act, [1956] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/S- 46/Amd.(2)/64, dated 22nd September, 1964.], with registered office at.....(B)..... a Society registered under Act; XXI of 1860 with principal place of business at.....(C)(1)....., son of....., caste.....(2)....., son of....., caste.....(3)....., son of....., caste.....residing at..... and himself constituting the sole or only proprietor/being all the partners..... of the..... and carrying on business at..... in the name and style of.....(hereinafter on behalf of himself/themselves, its, his/their heirs, legal representatives assigns jointly and severally referred to as the Mortgagor) of the first part:And Secondly -(1)....., son of....., caste.....(2)....., son of....., caste.....(3)....., son of....., caste.....(hereinafter on behalf of himself/themselves, his/their heirs, legal representatives, and assigns, hereinafter referred to as the surety/sureties of the second part.And Thirdly, the Governor of Punjab through the Director of Industries (hereinafter referred to as Government) of the third part.Whereas the Mortgagor has assured Government that he is sole owner of..... situated in..... at..... district..... (the said property being detailed or described more particularly in Schedule I to this deed) and that the same is not mortgaged or charged or otherwise encumbered in any way whatsoever :-And Whereas the surety has assured Government that he is the sole proprietor/proprietors of the..... situate at..... District..... (the same being more particularly described in Schedule II to this deed) And that the said property likewise is not mortgaged or charged or otherwise encumbered in any way whatsoever.And Whereas the mortgagor and the surety have jointly and severally agreed whenever called upon by Government to do so, to insure the whole or any part of all properties hereinafter referred to against fire throughout the period of the mortgage.And Whereas the mortgagor has applied under section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab, for a loan of Rs..... for the purpose of..... and to secure the same by mortgage of properties referred to in the said Schedule I and..... the Surety has/Sureties have agreed in accordance with rule 7 of the rules made under section 46 of the Punjab State Aid to Industries Act, 1935, to give as a security for the payment of the said loan, the mortgage hereinafter contained upon the properties referred to in the said Schedule III.And the Director of Industries, Punjab (with the previous sanction of.....) has accordingly agreed to grant the said loan to the mortgagor subject to the conditions hereinafter appearing.Now This Indenture Witnesseth That :

**1. [In pursuance of the said agreement and for purpose of in party securing the said sum of Rs.\_\_\_\_\_ (receipt whereof the Principal/Mortgagor hereby acknowledges) the Principal/Mortgagor hereby covenants with the Government to pay to the Government before the\_\_\_\_\_ day**

of \_\_\_\_\_ 19 \_\_\_\_\_ the said sum of rupees \_\_\_\_\_ with interest thereon at the rate of rupees \_\_\_\_\_ per cent per annum with a debate of four per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled and for so long as any part there of shall remain owing to pay interest at the rate as aforesaid on the moneys for the time being so remaining owing provided never the less that :-] [Preamble substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.]

(i)if the Mortgagor shall pay the said sum of Rs..... by the following instalments.First Instalment of -Rs..... on the..... day of..... 19Second Instalment of -Rs..... on the..... day of..... 19Third Instalment of -Rs..... on the..... day of..... 19Fourth Instalment of -Rs..... on the..... day of..... 19Fifth Instalment of -Rs..... on the..... day of..... 19Sixth Instalment of -Rs..... on the..... day of..... 19until the whole sum due shall be paid and shall with each such instalment pay interest at the rate aforesaid on the amounts remaining due immediately before such payment, then subject to the terms and conditions hereinafter contained, Government will accept payment of the said sum of Rs..... by such instalments and will not take any steps to obtain payment of the said sum of Rs..... by action, sale possession, realisation of security hereby conveyed or otherwise ;(ii)it shall be lawful for the Director of Industries, Punjab, at his, sole discretion and at the request of the mortgagor to extend this date by a period not exceeding five years without reference to the Surety;(iii)that it shall be lawful for the mortgagor at any time to repay the whole or any portion of the said loan exceeding the instalments referred to above prior to the said due date or prior to the end of the extended period (if so granted);(iv)the said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935, and any rules made or to be made thereunder;[(iv-A) The mortgagor shall utilize the loan amount properly within a period of [six months] [Inserted by Punjab Government notification No. G.S.R. 220/P.A.5/35/S- 46/Amd(2)/64 dated 22nd September, 1964.] from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab, or any officer authorised by him from time to time in this behalf](v)The mortgagor shall not except with the approval of the said Director of Industries, previously obtained withdraw from the Industries concern for the purpose of which the said loan is hereby granted any profits (or declare or distribute dividends) in excess of such percentage rate upon the amount of the capital of the industrial concern as may be determined by the Director of Industries, Punjab, in each case so long as any part of the loan or State Aid remains unpaid or this deed remains in force;(vi)[ if the mortgagor shall make default in compliance with any of the terms or conditions of this deed or in the repayment of any instalment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default

Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Substituted by Punjab Government Gazette, Legislative Supplement Part III dated 2nd October, 1964 page 1189.] and without prejudice to other rights and remedies of Government the said Director of Industries or any officer authorised by the Government in this behalf may issue a notice under Section 23 of the said Act and the moneys duly specified therein shall become immediately payable as if a money decree, therefor, had been passed by a civil Court in the exercise of its ordinary original jurisdiction.]

**2. And in further pursuance of the said agreement and for the consideration aforesaid the Mortgagor as beneficial owner doth hereby grant, convey and assign up to Government -**

(a) All the properties mentioned in the said Schedule I, and those delineated in the map or plan hereto annexed; (b) All the assets, present and to be hereinafter acquired by the mortgagor whether the said assets now or in future be in his own name or that of the..... including book debts the premises and machinery whether existing or to be purchased with the aid of the loan hereby granted or with any portion thereof and whether referred to in Schedule I or not; to have and to hold the same unto and to the use of Government his successors and assigns for [ever] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/Section 46/Amd.(2)/64, dated 22nd September, 1964.] subject to the proviso for redemption hereinafter contained.

**3. And This Indenture further witnesseth that in further pursuance of the said agreement and as security for the said sum of Rs..... and interest, the surety as beneficial owner doth hereby grant, convey and assign unto Government all and several the properties referred to in the said Schedule II and those delineated in the map or plan hereto attached to have and to hold the same unto and to the use of Government its successors and assigns for ever subject to the proviso for redemption hereinafter contained and the surety doth further covenant that if the Mortgagor shall make default in the payment of the loan hereby granted and the moneys hereby secured or any part thereof or of any interest thereon the date or dates on which the same shall be or become payable, then the whole of the said loan and interest whether added to the principal and itself being interest or not or such part as may then or thereafter be due and unpaid shall become due and payable by the sureties jointly and severally and Government shall be at liberty to recover the same from the surety or from the property hereby mortgaged by sale thereof or by a notice under the Punjab State Aid to Industries Act as Government may think fit and that whether Government shall have pursued all or any of its remedies against the Mortgagor or his property hereby mortgaged or not.**

**4. Provided Always that when the hereinbefore mentioned covenants for payment shall have been satisfied and the principal sum together with all interest due thereon shall have been entirely paid, Government as mortgagee shall at the request and cost of Mortgagor and Surety, respectively reconvey the properties or remainder thereof as they respectively shall direct.**

**5. And in further pursuance of the agreement and covenants referred to above, the Mortgagor and the surety do hereby agree to insure the entire machinery and stock in the said..... and if so required all other properties hereinafter referred to against fire the full extent of the loan and that the policy of insurance shall be taken out in the joint name of the Mortgagor (or surety) and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab. The Mortgagor or Surety shall pay all premiums and at his own cost renew the policy every year during the currency of the loan failing which Government may pay the same and add such premiums and all expenses with interest to the loan hereby secured.**

**6. It is further agreed by the Mortgagor and Surety that notwithstanding anything hereinbefore contained, Government or the Director of Industries, Punjab, may by the appointed of its own Directors or otherwise exercise such control over the conduct of the industries to which State Aid has been given as shall suffice in their or his opinion to safeguard the interests of Government in such industrial concern, and that the Mortgagor shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**7. It is further agreed that the stamp on this instrument shall be borne by and the same shall be presented for registration by and at the cost of the Mortgagor.**

**8. It is further agreed that until the entire amount is repaid with interest, the Mortgagor will undertake free training of apprentices selected by the Director of Industries, Punjab not exceeding three in number, at any one time, in the work carried on by the Mortgagor and that non-fulfilment of this condition shall be deemed a default in compliance with this deed.**

I

(Above referred to)

II

(Above referred to) In witness whereof the parties have hereunto set their hands :- (a) In the case of a firm :- Signed by the above-named firm of \*(Name or Names of Firm or partner thereof)..... through..... partner of the said firm. N.B. - The Form of Execution by the Mortgagor or Surety should be one in the appropriate form as follows :- N.B. - The Department should be satisfied from a partnership deed or otherwise that the executant has full power as such to bind the firm and in this connection attention is called to section 58(d) of the Indian Partnership Act, 1932. Failing such power in the partnership deed a special power-of-attorney should be demanded from absent partners in favour of the persons signing which should be retained with Government's copy of the mortgage. In the presence of - Signature Occupation Address Signature Occupation Address (b) (In the case of a Society) - The seal of the..... (the society hereinafter referred to) was hereunto affixed by virtue of Resolution of the Governing Committee, No..... dated the..... day of..... 19. In the presence of - Member of the Governing Committee. Member of the Governing Committee. Member of the Governing Committee. (In the case of a Company) :- The seal of the..... Company, Limited, was affixed by virtue of the resolution of the Board, No..... dated..... day of..... 19. In the presence of - Director Director Secretary N.B. - In the case of either a Society under Act XXI of 1860 or II or 1912 or a Company incorporated under the Companies Act, the Department should require a copy of the resolution above referred to certified correct (either by one of the member, of the Governing Committee of the Society or by a Director or Secretary of the Company, as the case may be) authorising the particular executant or executants to sign or to affix the seal. It is, however, not necessary for the persons mentioned above invariably to execute the instrument itself and it is sometimes not convenient for them to do so in person as it involves all the officers in question appearing before the Sub- Registrar and bringing with them the seal of the Society or Company. If they so desire, they may execute a special power-of-attorney authorising any respectable person - preferably one of their own body - to do all things necessary for the single transaction, viz., "the completion of the instrument" which will be preferred to in the preamble to such power-of-attorney. In that case the power of attorney will require to be executed on paper stamped at Rs. 2 and though it need not be registered or authenticated by the Sub-Registrar, vide Circular No. 49/3076/1-30 from the Inspector General of Registration, Punjab dated 7th August, 1933. The Department may require the same to have been attested under section 85 of the Indian Evidence Act. Where the mortgage is executed by an attorney, it will be presented for the registration by the Attorney. Signature of Surety or Sureties. Signed on behalf of the Governor of Punjab. Dy. Director of Industries, Punjab. In the presence of -

Witnesses 1.....

2.....

[Form 'D' Form of agreement deed for a loan against the personal security of the application(s) and his/their sureties.] This agreement made on the \_\_\_\_\_ day



of \_\_\_\_\_ 19.(A)The \_\_\_\_\_, Ltd., a Company incorporated in India and registered under the Indian Companies Act, 1913, with registered office at \_\_\_\_\_ (B) \_\_\_\_\_ a Society registered under Act XXI of 1860 with principal place of business at(C)(1) \_\_\_\_\_, son of \_\_\_\_\_ (2) \_\_\_\_\_, son of \_\_\_\_\_ (3) \_\_\_\_\_, son of \_\_\_\_\_ residing at \_\_\_\_\_ and himself constituting the sole or only proprietor \_\_\_\_\_ of the being all the partners \_\_\_\_\_ carrying on business at \_\_\_\_\_ in the name and style of \_\_\_\_\_ (hereinafter on behalf of himself/themselves, its, his/their heirs, legal representatives, assignees, jointly and severally referred to as The Principal of the first part.And Secondly -(1) \_\_\_\_\_, son of \_\_\_\_\_, residing at \_\_\_\_\_ (2) \_\_\_\_\_, son of \_\_\_\_\_, residing at \_\_\_\_\_ (3) \_\_\_\_\_, son of \_\_\_\_\_, residing at \_\_\_\_\_ hereinafter on behalf of themselves, their heirs, legal representative and assignees, hereinafter referred to as sureties of the second part.And Thirdly, the Governor of Punjab through the Director of Industries (hereinafter referred to as Government) of the third part.Whereas the Principal has applied under Section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab, for a loan of Rs. \_\_\_\_\_ for the purpose of \_\_\_\_\_ and Sarvshri \_\_\_\_\_ have agreed in accordance with rule 7 of the rules made under Section 46 of the Punjab State Aid to Industries Act, 1935 to stand as sureties for the repayment of the said loan.And the Director of Industries, Punjab, has accordingly agreed to grant the said loan to the principal subject to the conditions hereinafter appearing.Now This Agreement Witnesseth That :

**1. [In pursuance of the said agreement and for purpose of in party securing the said sum of Rs. \_\_\_\_\_ (receipt whereof the Principal/Mortgagor hereby acknowledges) the Principal/Mortgagor hereby covenants with the Government to pay to the Government before the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ the said sum of rupees \_\_\_\_\_ with interest thereon at the rate of rupees \_\_\_\_\_ per cent per annum with a debate of four per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled and for so long as any part there of shall remain owing to pay interest at the rate as aforesaid on the moneys for the time being so remaining owing provided never the less that :-] [Preamble Substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.]**

(i) if the Principal shall pay the said sum of Rs. \_\_\_\_\_ by the following instalments : First instalment of -Rs. \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ Second instalment of -Rs. \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ Third instalment of -Rs. \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ Fourth instalment of -Rs. \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ Sixth instalment of -Rs. \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ until the whole sum due shall be paid and shall with each such instalment pay interest at the rate aforesaid on the amounts remaining due immediately before such payment, then subject to the terms and conditions hereinafter contained, Government will accept payment of the said sum of Rs. \_\_\_\_\_ by such instalments and will not take any steps to obtain payment of the said sum of Rs. \_\_\_\_\_ (ii) it shall be lawful for the Director of Industries, Punjab, at his sole discretion and at the request of the Principal to extend this date by a period not exceeding five years without reference to the sureties; (iii) that it shall be lawful for the Principal at any time to repay the whole or any portion of the said loan exceeding the instalments referred to above prior to the said due date or prior to the end of the extended period (if so granted); (iv) the said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935, and any rules made or to be made thereunder; [(iv-A) The Principal shall utilize the loan amount properly within a period of [six months] [See Punjab Government Gazette Legislative Supplement Part III dated 2nd October, 1964 page 1189.] from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab or any officer authorised by him from time to time in this behalf.] (v) the Principal shall not except with the approval of the said Director of Industries, previously obtained, withdraw from the Industrial concern for the purpose of which the said loan is hereby granted any profits (or declare or distribute dividends) in excess of such percentage rate upon the amount of the capital of the industrial concern as may be determined by the Director of Industries, Punjab, in each case so long as any part of the loan or State aid remains unpaid or this agreement remains in force; (vi) [ if the principal shall make default in compliance with any of the terms or conditions of this deed or in the repayment of any instalment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [See Punjab Government Gazette Legislative Supplement Part III dated 2nd October, 1964 page 1189.] and without prejudice to other rights and remedies of Government the said Director of Industries or any officer authorised by the Government in this behalf may issue a notice under Section 23 of the said Act and the moneys duly specified therein shall become immediately payable as if a money decree, therefor, had been passed by a civil Court in the exercise of its ordinary original jurisdiction.]

**2. And this agreement further witnesseth that in further pursuance of the said agreement and as security for the said sum of Rs. \_\_\_\_\_ and interest the sureties doth hereby agree that if the Principal shall make default in the payment of the loan hereby granted or any part thereof or of any interest thereon on the date or dates on which the same shall be or become payable**

**then the whole of the said loan and interest whether added to the principal and itself being interest or not/or such part as may then or thereafter be due and unpaid shall become due and payable by the sureties jointly and severally and Government shall be at liberty to recover the same from the sureties by a notice under the Punjab State Aid to Industries Act, 1935, as Government may think fit.**

**3. It is, further, agreed by the Principal and sureties that notwithstanding anything hereinbefore contained, the Director of Industries, Punjab, may by the appointment of its own Directors or otherwise exercise such control over the conduct of the industries to which State aid has been given as shall suffice in his opinion to safeguard the interest of Government in such industrial concern and that the Principal shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**4. It is further agreed that the stamp on this instrument shall be borne by the Principal.**

**5. It is further agreed that until the entire amount is repaid with interest the Principal will undertake free training of apprentices selected by the Director of Industries, Punjab, not exceeding three in number, at any one time, in the work carried on by the Principal and that non-fulfilment of this condition shall be deemed a default in compliance with this deed.**

In witness whereof the parties have hereunto set their hands in the year of the Republic of India.(a)(In the case of a firm) -Signed by the above-named firm -N.B. - (1) The form of execution by the Principal or sureties should be one in the appropriate form as follows :-N.B. - (2) The Department should be satisfied from partnership deed or otherwise that the executant has full power as such to bind the firm and in this connection attention is called to Section 58(d) of the Indian Partnership Act, 1932. Failing such power in the partnership deed a special power-of-attorney should be demanded from the absent partners in favour of the persons signing, which should be retained with Government's copy of the agreement.In the presence of  
-SignatureOccupationAddressSignatureOccupationAddress(b)(In the case of a Society) -The seal of the\_\_\_\_\_ (the society hereinafter referred to) was hereunto affixed by virtue of resolution of the Governing Committee No.\_\_\_\_\_ dated the\_\_\_\_\_ day of\_\_\_\_\_.In the presence of -Member of the Governing Committee.Member of the Governing Committee.Member of the Governing Committee.(c)(In the case of a Company)-The seal of the\_\_\_\_\_ Company, limited, was affixed by virtue of the resolution of the Board No.\_\_\_\_\_ dated the\_\_\_\_\_ day of\_\_\_\_\_

197. In the presence of -Director/Director/Secretary.N.B. - In the case of either a Society Under Act XXI of 1860 or II of 1912 or a Company incorporated under the Companies Act, the Department should require a copy of the resolution above referred to certified correct (either by one of the members of the Governing Committee of the Society or by a Director or Secretary of the Company, as the case may be) authorising the particular executant or executants to sign or to affix the seal. It is, however, not necessary for the persons mentioned above invariably to execute the instrument itself and it is sometime not convenient for them to do so in person as it involves all the officers in question appearing before the Sub- Registrar and bringing with them the seal of the Society or Company. If they so desire they may execute a special power-of-attorney authorising any respectable persons - preferable one of their own body - to do all things necessary for the single transaction, viz., "the completion of the instrument" which will be preferred to in the preamble to such power-of-attorney. In that case the power-of- attorney will require to be executed on papers stamped at Rs. 2 and though it need not be registered or authenticated by the Sub- Registrar, - vide Circular No. 49/30076/1-30, from the Inspector-General of Registration, Punjab dated 7th August, 1933. The Department may require the same to have been attested under Section 85 of the Indian Evidence Act. Signatures of the Sureties. In the presence of -Witnesses

1.

2.

Signed for and on behalf of the Governor of Punjab. Director of Industries, Punjab. Witnesses

1.

2.

Form 'E'[Form of agreement deed for a loan to a co-operative society.] [Caption added by Haryana Notification No. G.S.R.-50P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.] This Agreement made on the..... day of..... 19 .Between :-"..... a Society registered under the See [Punjab Co-operative Societies] [Punjab Co-operative Societies Act, 1961.], [1964] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/Section 46/Amd(2),164, dated 22nd September, 1964.], with principal place of business at..... (hereinafter referred to as the Society which expression shall, where the context so admits, include its successor, and assigns) of the first part. And Secondly the Governor of Punjab through the Director of Industries, Punjab/District Industries Officer..... hereinafter referred to as Government of the second part. Whereas the Society has applied under section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab/District Industries Officer..... for a loan of Rs..... for the purpose of..... And Whereas the Society has been established with the object of facilitating the operation of..... industry and whereas the total amount of liability of the members of the Society in accordance with the bye-laws of the Society or rules under the Punjab Co-operative Societies Act, [1964] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/Section 46/Amd(2),164, dated 22nd September, 1964.], is not

less than twice the amount of loan applied for. And Whereas the Director of Industries, Punjab/District Industries Officer,..... has accordingly agreed to grant a loan of Rs..... to be utilised for..... to the Society subject to the conditions hereinafter appearing. Now this Agreement Witnesseth that :-

**1. (i) In pursuance of the said agreement and for purpose of the part securing the said sum of Rs..... (the receipt whereof the Society hereby acknowledges) the Society hereby covenants with the Government to repay to Government, the said sum of Rs..... with interest thereon at the rate of Rs..... per cent per annum [with a rebate of four per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted, are being or have been duly fulfilled.] [Words added by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] computed from..... in the following instalments :-**

Instalments -First instalment of the sum of Rs..... representing the interest on the loan at the said rate for a period of one year commencing from..... to..... shall be payable on the..... day of.....Second instalment of Rs..... out of the principal amount shall be payable on the..... day of.....Third instalment of Rs..... out of the principal amount shall be payable on the..... day of.....Fourth instalment of Rs..... out of the principal amount shall be payable on the..... day of.....Fifth instalment of Rs..... out of the principal amount shall be payable on the..... day of.....Sixth instalment of Rs..... out of the principal amount shall be payable on the..... day of.....Seventh instalment of Rs..... out of the principal amount shall be payable on the..... day of.....And the Society shall with each of the second to seventh instalments pay interest at the rate aforesaid accrued on the entire amount of loan remaining due immediately before such payment :Provided that the Director of Industries, may, for sufficient reasons, postpone the payment of interest on the due date or a period of one year at a time. If the payment of interest is so postponed, the amount of interest so postponed shall be considered added to the principal amount then remaining due and shall be payable by the Society to the Government with interest at the rate aforesaid and the amount of each instalment of principal then remaining due shall be increased by the amount equal to the amount of interest so postponed divided by the number of instalments as have not become due at that time :Provided further that the Director of Industries, may, at the written request of the Society extend the due date of payment of any instalment of the principal so however, that the total period of complete repayment of the loan with interest does not exceed ten years from the date of disbursement of the loan.(ii)that it shall be lawful for the society at any time to repay the whole or any portion of the said loan exceeding the instalment referred to above prior to the said due date or prior to the end of the extended period (if granted);(iii)the said loan is made under and shall remain in any case subject to the provisions of

the Punjab State Aid to Industries Act, 1935, and the rules made or to be made thereunder;[(iii-a) The Society shall utilize the loan amount properly within a period of two months from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab, or any officer authorised by him from time to time in this behalf] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/Section 46/Amd(2)/64, dated 22nd September, 1964.];(iv)[ if the society shall make default in compliance with any of the terms or conditions of this deed or in the repayment of any instalment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default. Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Substituted for 'at an enhanced rate of 7-1/2 per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without prejudice to other rights and remedies of Government the said Director of Industries or any officer authorised by the Government in this behalf may issue a notice under Section 23 of the said Act and the moneys duly specified therein shall become immediately payable as if a money decree, therefor, had been passed by a civil Court in the exercise of its ordinary original jurisdiction.]

**2. It is further agreed by the Society that notwithstanding anything hereinbefore contained, the Director of Industries, Punjab, may, by the appointments of its own Directors or otherwise exercise such control over the conduct of the industry to which State Aid has been given, as shall suffice in his opinion to safeguard the interests of Government in such industrial concern and that the Society shall forthwith comply with all recommendations made by the Director of Industries, or the Director so appointed.**

**3. It is further agreed that until the entire amount of loan is repaid with interest, the Society will undertake free training of apprentices selected by the Director of Industries, Punjab, not exceeding three in number, at any one time, the work carried on by the Principal and that non-fulfilment of this condition shall be deemed a default in compliance with this deed.**

In Witness Whereof the parties have hereunto set their hands in the..... year of the Republic of India.Signed for an on behalf of the above-named Society.The seal of the..... (the Society hereinbefore referred to) was hereunto affixed by virtue of a resolution of the Managing Committee No....., dated the..... day of.....In the presence of -Member of the Managing Committee.Member of the Managing Committee.Member of the Managing Committee.In the presence of :-

1. \_\_\_\_\_ Signature for and on behalf of the Governor of Punjab by

## Witnesses

2. \_\_\_\_\_ Director of Industries, Punjab.

Form 'F'[Form of mortgage deed for a loan to the purchasers of plots in or outside Industrial Areas.]  
[Caption by added Haryana Notification No. G.S.R.- 50P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.]This Mortgage and Deed made this..... day of....., 19

between.(A)The..... Limited, a company incorporated in India and registered under the [Indian Companies Act, 1956] [See now the Companies Act, 1956.], with registered office at.....(B).....A Society registered under Act XXI of 1860 with Principal place of business at.....(C)(1)....., son of.....,

caste.....(2)....., son of....., caste.....(3)....., son of....., caste.....residing at....., and himself constituting the sole or only proprietor of the-----being all the

partners-----

and carrying on business at -----in the name and style of-----

of-----

(Hereinafter| himselfthemselves| its, histheir| local representatives assigns, jointly and severally referred to as the Mortgagor of the first part :-

And Secondly, the Governor of Punjab, through the Director of Industries (hereinafter referred to as Government) of the second part :Whereas the Mortgagor has assured Government that he is sole owner of Plot No..... measuring..... situated in the Industrial area....., at..... District..... (the said property being detailed or described more particularly in Schedule I to this deed) and that the same is not mortgaged or charged or otherwise encumbered in any way whatsoever except in favour of Government under the deed of conveyance dated.....And Whereas the Mortgagor has applied under section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab, for a loan of Rs..... for the purpose of..... and to secure the same by mortgage of the property referred to in the said Schedule I and the factory buildings to be constructed and the machinery to be installed therein.And the Director of Industries, Punjab (with the previous sanction of.....) has accordingly agreed to the grant of loan of Rs..... to the Mortgagor in the manner and subject to the conditions hereinafter appearing.Now This Indenture Witnesseth That

**1. (i) The entire amount of Rs..... including Rs....., advanced as loan and Rs..... deposited by the Mortgagor shall be deposited in the State Bank of India/Punjab National Bank, Limited, in the Joint names of..... and the Mortgagor. The Mortgagor shall not be entitled to withdraw the amount from the said deposit without the authorisation of..... but D.I.O. shall have the right to operate the joint account without the consent or authority of the mortgagor.**

(iii)The mortgagor shall be allowed to utilise the sum of Rs..... out of the said deposit for the construction of factory buildings in three instalments. The first instalment consisting of Rs..... shall be withdrawn for undertaking the laying of foundation and the making of

construction up to plinth level, the second instalment of Rs..... for building the construction up to roof level and the third instalment of Rs....., for roofing, flooring, plastering and door fitter like things. Similarly, he shall be allowed to utilise the sum of Rs..... out of the said deposit for the purchase of machinery in three instalments the first instalment of Rs..... for payment of advance to the machinery suppliers, the second instalment of Rs.....for taking delivery of the machinery on receipt of the R/Rs. and the third instalment of Rs..... for the installation of the machinery.(iv)The mortgagor shall repay the loan in five annual instalments as hereunder :-

**1. Rs.**

**2. Rs.**

**3. Rs.**

**4. Rs.**

**5. Rs.**

In addition the mortgagor shall with each instalment pay interest at the rate of..... per cent per annum [with a rebate of four per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled.] [Added by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] on the amounts due immediately before such payment. The first instalment shall fall due on the expiry of the two years of the date of the opening of the account. The interest on the loan shall accrue from the date of the opening of the account in the Bank. No interest shall, however, be recovered alongwith the first instalment and the interest accruing during the first two years will be spread over the remaining period of the recovery.(v)It shall be lawful for the Director of Industries, Punjab, at his sole discretion and at the request of the mortgagor to extend the time for payment of any instalment by a period not exceeding four years.(vi)It shall be lawful for the mortgagor at any time to repay the whole or any portion of the said loan in excess of the instalment referred to above or prior to the due date.....(vii)The said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935, and any rules made.(viii)[ The mortgagor shall utilize the loan amount properly within a period of [six months] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/Section 46/Amd.(2)/64, dated 22nd September, 1964.] from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab, or any Officer authorised by him from time to time in this behalf].(ix)The mortgagor shall not, except with the approval of the said Director of Industries previously obtained, withdraw from the industrial concern for the purpose of which the said loan is hereby granted, any profits or declare or distribute dividends in excess of such percentage rate upon the amount of the capital of the Industrial concern as may be determined by the Director of Industries, Punjab, in each case, so long as any part of the loan or the State Aid



remains unpaid or this deed remains in force. If the mortgagor misuse the amount withdrawn by him from the amount of Rs..... deposited in the..... Bank or fails to comply with any of the conditions herein contained and to be performed and observed by him the amount contributed by him towards the said deposit shall without prejudice to other rights and remedies of Government stand forfeited to Government. If any amount contributed by him remains unspent after the factory building has been constructed and/or the machinery has been purchased and installed, the same shall be returned to the mortgagor.(x)If the mortgagor shall make default in compliance with any of the terms or conditions of this deed or in the re-payment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Substituted for 'at an enhanced rate of 7-1/2 per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without prejudice to other rights and remedies of Government, the said Director of Industries may himself issue a notice under Section 23 of the said Act and the moneys duly specified therein shall become immediately payable as if a money decree therefor had been passed by a Civil Court in the exercise of its original jurisdiction.And in further pursuance of the said agreement and for the considerations aforesaid the mortgagor as beneficial owner both hereby grant, convey and assign into Government.

**3. Provided always that when the covenants for payment contained herein shall have been satisfied and the principal sum together with all interest due thereon shall have been entirely paid, Government as mortgagor shall at the request and cost of the mortgagor reconvey the properties mortgaged or remained there as he shall direct.**

**4. And in further pursuance of the agreement and covenants referred to above the mortgagor hereby agrees to insure against fire up to the full amount of the loan the entire machinery and stock in mortgagor's..... And if Government so desire all other property hereby mortgaged and that the policy of insurance shall be taken out in the joint name of the mortgagor and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab. The mortgagor shall pay all premiums and at his own cost renew the policy very year during the currency of the loan, failing which Government may pay the same and such premiums shall form part of the loan secured with interest under this mortgagor.**

**5. The mortgagor shall be required to put up engraved metal plates of the prescribed size containing the words 'pledged to Government' at his own cost on every machine and shall be liable to pay as liquidated damages a**

**sum not exceeding Rs. 500 if he wilfully removes or defaces the plate.**

**6. It is further agreed by the mortgagor that notwithstanding anything hereinbefore contained, Government or the Director of Industries, Punjab, may by the appointment of its own Directors or otherwise exercise such control over the conduct of the industry to which State Aid has been given, as shall suffice in their or his opinion to safeguard the interest of Government in such industrial concern, and that the mortgagor shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**7. It is further agreed that any plant or machinery and property mortgaged hereby whether specified in the deed as security or not of the borrower during the currency of the loan shall until the loan is repaid in full with interest thereon, remain hypothecated to the Government as Collateral security and any transfer thereof, assignment of any right, title or interest therein or the creation of any mortgage, encumbrance or any other charge thereon by the mortgagor shall be void against Government unless it has been made with the previous written consent of sanctioning authority.**

**8. It is further agreed that until the entire amount is repaid with interest, the mortgagor will undertake free training of apprentices selected by the Director of Industries, Punjab, not exceeding three in number, at any one time in the work carried on by the Mortgagor and that non-fulfilment of this condition shall be deemed a default in compliance with this deed.**

**9. It is further agreed that the stamp on this instrument shall be borne by the mortgagor and the same shall be presented for registration by the mortgagor and registered at his own cost.**

**10. Government shall be entitled to enforce the mortgage subject to its rights under the deed of conveyance dated..... without suing on the basis of the said deed of conveyance.**

**I**

(Above referred to) I. (i) Serial No. of Plot. (ii) Name of Industrial Area. (iii) Name of the plot in acres/squares yards. (iv) Detailed dimensions, viz., length, breadth and diagonals, etc. in case of

irregular size of plot.(v)Description of boundaries on the :- (a)North bounded by.(b)South bounded by.(c)East bounded by.(d)West bounded by.II. Factory buildings constructed or to be constructed and other assets including book debts, stocks, stores and share, machinery and equipment existing or to be purchased.In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the..... Year of the Republic of India.(1)(In case of an Individual) Shri.....Signed by the above named mortgagor. Proprietor of.....In the presence of :-\*I. 1. Signature.

## **2. Occupation.**

### **3. Address.**

II. 1. Signature.

## **2. Occupation.**

### **3. Address.**

by the Mortgagor should be one through Signed by the above-named in the appropriate form as follows :- firm of \*\*Name or names of firm or partners Partner of the said firm thereof.In the presence of :-Witness (1)Occupation.Address.Witness (2)Occupation.Address.N.B. - The Director of Industries should be satisfied from a partnership deed or otherwise that the executant has full power as such to bind the firm and attention is called to section 58(d) of the Indian Partnership Act, 1932 failing which a special Power-of-Attorney should be demanded from absent partners in favour of the persons signing which should be retained with Government's copy of the Mortgage.

## **2. (In the case of a Society) :-**

The Seal of the..... (the society hereinbefore referred to) was hereunto affixed by virtue of a resolution of Governing Committee No....., dated the....., day of....., 19 .In the presence of :-Member of the Governing Committee.Member of the Governing Committee.Member of the Governing Committee.

## **3. (In the case of company) :-**

The seal of the..... Company, Limited, was affixed by virtue of the resolution of the Board, No....., dated the..... day of....., 19 .In the presence of :-Director.Director.Secretary.N.B. - In the case of either a Society under Act XXI of 1860 or II of 1912 or a company incorporated under the Companies Act, the Director of Industries should require a copy of the resolution above referred to certified correct (either by one of the members of the Government Committee of the Society or by a Director or Secretary of the Company as the case may be) authorising the particular executant as to sign or to affix the seal. It is, however, not necessary for the persons mentioned above always to execute the mortgage itself, and it is,

sometime, not convenient for them to do so in person as it involves all the officers in question appearing before the Sub- Registrar and bringing with them the seal of the society or company. If they so desire they may execute a special Power-of-Attorney authorising any respectable person preferably one of their own body to do all things necessary for the single transaction, viz., the completion of the mortgage which will be referred to in the preamble to such Power-of-Attorney. In that case the Power-of-Attorney will require to be the executed on paper stamped at Rs. 2 and though it need not be registered or authenticated by the Sub-Registrar (vide circular No. 49/3076/1-30, from the Inspector-General of Registration, Punjab, dated the 7th August, 1933). The Director of Industries may require the same to have been attested under section 85 of the Indian Evidence Act where the mortgagee is executed by an Attorney it will (if for a term exceeding one year) be presented for registration by the Attorney. Signed on behalf of the Governor of Punjab. Director of Industries, Punjab. Mortgagee. In the presence of -(1) Witnesses. (2) Form 'G' Department of Industries, Punjab Notice under Section 23 of the Punjab State Aid to Industries Act, 1935 \_\_\_\_\_ No. DL-21-----, dated Shimla/Chandigarh, the

-----19Whereas-----  
was/were granted a loan of Rs----- under section 21 of the Punjab State Aid to Industries Act, 1935 and whereas the said----- executed a deed on the -----19 , in which among other things he/they covenanted to pay the said loan in -----instalments with interest at the rate of -----per cent per annum; And whereas a sum of Rs----- was due to be paid on the -----19 , and whereas the said -----has failed to pay the aforesaid sum contrary to the covenants agreed upon in the said deed and the entire loan has become immediately repayable ; Now, therefore, I hereby give notice to the said----- to pay to me the sum of Rs----- with interest at the rate of----- per cent per annum from-----till realisation, on or before the-----19 , in default of which a declaration will be issued under sub-section (1) of section 24 of the Act that the said sum of Rs----- with interest thereon is due and that the property described in the schedule attached to the said deed is liable for the satisfaction of the said debt. Director of Industries, Punjab. Dated-----To-----

'G' Department of Industries, Punjab Declaration under section 27 of the Punjab State Aid to industries Act, 1935 No. DL-2/----- dated----- 19. Whereas Shri/ M/s ----- was/were granted a loan of Rs.-----under section 21 of the Punjab State Aid to Industries Act, 1935, for the purpose

-----and which amount was disbursed to the said Shri/ M/s.-----on-----19 , after due execution of a mortgage deed under section 21 of the said Act and its registration with the Sub-Registrar/Joint Sub-Registrar--

And whereas it has been observed that| the above-mentioned loan the conditions on which the| has not been applied to the purpose for which it was granted.

-----loan was granted have not been duly fulfilled.

I, therefore, hereby declare that the said| said amount balance| of Rs. -----

has become immediately repayable under section 2 the said Act and give notice to the said Shri/M/s----- pay to me this amount together with interest due thereon at----- percent from-----19, up to the date of payment by the -----19 , failing which a notice under section 23 of the said Act will be issued for its recovery. Director of Industries,

Punjab, Dated-----Shri/M/s-----  
G-1] [Inserted by Punjab Government Notification No. G.S.R. 220/PA. 5/35/Section 46/Amd(2)64, dated 22nd September, 1964.] Department of Industries, Punjab Declaration-cum-Notice under Section 27 of the Punjab State Aid to Industries Act, 1935 No. DI/2/----- dated----- 19 Whereas

Shri/M/s.-----  
was/were granted a loan of Rs-----under section 21 of the Punjab State Aid to Industries Act, 1935 for the purpose-----  
which amount was disbursed to the said Shri M/s.

-----on-----19 , after due execution of a mortgage deed/agreement under section 21 of the said Act and its registration with the Sub-Registrar/Joint Sub-Registrar. And whereas it has been observed that the above-mentioned loan has not been applied to the purpose for which it was granted, or the conditions on which such loan was granted have not been duly fulfilled. Now, therefore, I hereby declare that the said amount/balance of Rs----- has become immediately repayable under section 27 of the said Act and give notice to the said

Shri/M/s.-----  
to pay to me the sum of Rs-----with interest at the rate of-----per cent per annum from----- till realisation, on or before the ----- 19, in default of which a declaration will be issued under sub-section (1) of section 24 of the Act that the said sum of Rs----- with interest thereon is due and that the property described in the schedule attached to the said deed is liable for the satisfaction for the said debt. Director of Industries, Punjab

-----Deputy Director of Industries,  
Punjab-----District Industries Officer  
-----Assistant District Industries Officer  
-----To

-----Form  
'H' Department of Industries, Punjab Notification Declaration under section 24 of the Punjab State Aid to Industries Act, 1935

No. DL-2/-----dated| Simla Chandigarh| the-----19

Whereas a notice was served on-----  
-----on the -----19 , under section 23 of the Punjab State Aid to Industries Act, 1935, calling upon the said-----to pay to me the sum of Rs----- with interest thereon at the rate of----- per cent per annum from----- till date of final payment and whereas the said sum has not been paid in full, I hereby declare that the sum of Rs-----with further interest thereon at the rate of-----per cent per annum from----- till date of final payment is due from the

said----- and that the property described in the attached schedule is liable for the satisfaction of the said debt. Director of Industries,  
Punjab. Dated----- 19. Form 'T' Form of Notice Under Section 39 Whereas----- was assisted in the purchase of the machinery mentioned in the enclosed schedule, on the hire-purchase system, and Whereas the said----- paid----- percentage of the price, leaving a balance of Rs----- and agreed to pay this balance by----- and Whereas the said----- failed to comply with this/these----- condition(s) by not having paid----- in consequence of which failure the entire balance of the price amounting to Rs----- and interest thereon, is immediately repayable. Now, therefore, I hereby give notice to the said----- to pay me, the sum of Rs----- within 16 days from this notice, in default of which the hiring shall be terminated and the machinery mentioned in the schedule shall be seized and disposed of in such manner as I may consider reasonable. Director of Industries,  
Punjab. Dated----- Schedul[Form 'J'] [Added by Punjab Government Notification No. 8572-I & C- 55/19458-A, dated the 1st August, 1955.] [Form of deed for a loan under the scheme for the provision of factory accommodation.] [Caption added by Haryana Notification No. G.S.R.-50 P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.] This Mortgage Deed made this ----- day of-----

19. Between (A) The----- Limited Company in-corporated in India and registered under the Indian Companies Act, 1956 with registered office at----- (B)-----, a Society registered under the [Punjab Co-operative Societies Act] [See now the Punjab Co-operative Societies Act, 1961.], [1961] [Substituted by Punjab Government Notification No. G.S.R.220/P.A.5/35/Section 46/Amd(2)/64, dated 22nd September, 1964.] with principal place of business at----- (C)(1)----- son of-----, Caste----- (2)----- son of-----, Caste----- (3)----- son of-----, Caste----- residing ----- and himself constituting the sole or only proprietor----- of the----- being all the partners----- carrying on business at----- in the name and style of-----

(hereinafter| himself its, his themselves their| heirs and legal representatives assign jointly and severally referred to as the Mortgagor of the first part.

And secondly, the Governor of Punjab, through the Director of Industries (hereinafter referred to as Government) of the Second part. Whereas the Mortgagor has assured Government that he is sole owner of Plot No. -----, measuring-----, situated in-----, at----- District ----- (the said property being detailed or described more particularly in schedule I to this deed. And whereas the mortgagor purchased the said plot from-----, vide sale deed registered on----- and has assured Government that the same is not mortgaged or charged or otherwise encumbered in any way. And whereas the Mortgagor has applied under

section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab, for a loan of Rs----- for the development charges, construction/extension of factory building, for the development of----- industry and to secure the same by mortgage of the property referred to in the said Schedule I and the factory buildings to be constructed thereon and the machinery to be installed, therein. And the Director of Industries, Punjab (with the previous sanction of Punjab Government) has accordingly agreed to the grant of loan of Rs-----, to the Mortgagor for the construction and/or extension of factory building, in the manner and subject to the conditions hereinafter appearing. Now This Indenture Witsnsseth That -

**1. (i) The Mortgagor has deposited Rs.----- in cash in the State Bank of India-----, on account of the contribution to be made by him, the cost of the plot viz., Rs.----- already purchased and/or the depreciated cost of the factory building already constructed, viz., Rs.----- has been accounted for towards the contribution to be made by the Mortgagor.**

(ii) The entire amount of----- including Rs.----- advanced as loan and Rs.----- deposited by the Mortgagor shall be deposited in the State Bank of India-----, in the Joint names of District Industries Officer -----, and the Mortgagor. The Mortgagor shall not be entitled to withdraw the amount from the said deposit without the authorisation and counter signature of----- but the said District Industries Officer, shall have the right to operate the joint account without the consent or authority of the mortgagor. (iii) The mortgagor shall be allowed to utilise such sum not exceeding Mortgagor's own contribution as may be determined by the District Industries Officer from the bank deposit referred to in clause 1(ii) of this deed for payment of the cost of development charges of the area in which the plot to be built upon is situated. In case the cost of development charges is higher than the amount drawn out of the said bank deposit, the balance amount of the cost of development charges as determined by the District Industries Officer in consultation with the District Evaluation Committee, will be met by mortgagor from his own resources and shall be reimbursed to the mortgagor out of the bank deposit as soon as the amount is actually spent on the development of the area and the mortgagor furnishes a proof of such expenditure to the satisfaction of the District Industries Officer. If the actual amount spent on the development of the area is less than the amount drawn by the mortgagor from the joint account, the mortgagor shall repay the difference to the District Industries Officer for being re-deposited in the said joint account. The balance amount in the said bank deposit shall be utilised in three instalments each to be determined by the District Industries Officer. First instalment shall be utilized by the mortgagor for raising the construction of the factory building up to the plinth level, second instalment shall be utilized for raising the building up to the roof level and third instalment for roofing and flooring and installation of electricity and other allied objects. (iv) The mortgagor shall repay the loan of Rs.----- in the following eleven annual instalments on or before the dates mentioned against each :- (1) Rs.----- on the ----- day of ----- 19 . (2) Rs.----- on the ----- day of ----- 19 . (3) Rs.----- on the ----- day of ----- 19 . (4) Rs.----- on the ----- day of ----- 19 . (5) Rs.----- on the ----- day of ----- 19 . (6) Rs.----- on the -----

----- day of ----- 19 .(7)Rs.----- on the ----- day of ----- 19  
 .(8)Rs.----- on the ----- day of ----- 19 .(9)Rs.----- on the  
 ----- day of ----- 19 .(10)Rs----- on the ----- day of ----- 19  
 .(11)Rs.----- on the ----- day of ----- 19 .[In addition the mortgagor shall  
 with each instalment pay interest at the rate of rupees \_\_\_\_\_ per cent per annum with a  
 rebate of 4 per cent per annum if the repayment of the principal and the payment of interest are  
 made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for  
 which it was granted and the conditions on which it was granted are being or have been duly  
 fulfilled. The mortgagor shall pay interest at the aforesaid rate on the first anniversary of the date on  
 which the loan amount is deposited in the State Bank of India and thereafter, he shall along with  
 each instalment pay interest at the said rate, on all sums due immediately on or before such  
 payment.] [Substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated  
 28.1.1977.](v)It shall be lawful for the Director of Industries, Punjab, at his sole discretion and at the  
 request of the mortgagor to extend the time for payment of any instalment as provided in the rules  
 framed under the Punjab State Aid to Industries Act, 1935.It shall be lawful for the mortgagor at any  
 time to repay the whole or any portion of the said loan in excess of the instalments referred to above  
 or prior to the due date of any instalment.(vi)The said loan is made under the provisions of the  
 Punjab State Aid to Industries Act, 1935, and the rules made thereunder.[(vi-A) The mortgagor shall  
 utilize the loan amount properly within a period of [six months] [Added by Punjab Government  
 Notification No.G.S.R.220/PA.5/35/Section 46/Amd(2)/64, dated the 22nd September, 1964.] from  
 the date of disbursement or such extended period as may be allowed by the Director of Industries,  
 Punjab, or any officer authorised by him from time to time in this behalf.](vii)(a)the factory building  
 shall be got constructed/extended by the Mortgagor in accordance with the plan approved by the  
 Executive Engineer, P.W.D., B. and R. Branch, concerned according to the bye-laws governing the  
 construction of factory building in the Industrial Area. The Mortgagor shall also get the approval of  
 the Municipal Committee or the Local Authority concerned for the construction and/or the  
 extension of factory building.(b)The development of the plot and/or the construction/extension of  
 the factory building shall be the sole responsibility of the Mortgagor [\* \* \* \*] [Deleted by Punjab  
 Government Notification No.G.S.R.220/PA.5/35/Section 46/Amd(2)/64, dated the 22nd  
 September, 1964.].(viii)The mortgagor shall not, except with the approval of the said Director of  
 Industries previously obtained, withdraw from the industrial concern for the purpose of which the  
 said loan is hereby granted any profits or declare or distribute dividends in excess of such  
 percentage rate upon the amount of the capital of the industrial concern as may be determined by  
 the Director of Industries. Punjab, in each case, so long as any part of the loan or State Aid remains  
 unpaid or this deed remains in force.(ix)If the mortgagor shall make default in compliance with any  
 of the terms or conditions of this deed or in the repayment of any instalment of the loan hereby  
 granted and the moneys hereby secured or any part thereof together with any interest that may be  
 due thereon the date or dates on which such moneys and such interest shall be payable, the entire  
 amount of the loan withdrawn by him from the State Bank of India and outstanding against him  
 shall become immediately payable and the amount then lying deposited in the Bank may be  
 withdrawn by the District Industries Officer and appropriated towards the amount due from the  
 mortgagor and from the date of default Government shall be entitled to charge interest [at the rate  
 of rupees..... per cent per annum] [Substituted for 'at an enhanced rate of 7-1/2 per cent per annum'  
 by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without



prejudice to other rights and remedies of Government, the said Director of Industries may himself issue a notice under Section 23 of the said Act for the balance recoverable from the mortgagor and the moneys duly specified therein shall become immediately payable as if a money decree therefor had been passed by a Civil Court in the exercise of its original jurisdiction.

**2. And in further pursuance of the said agreement and for the considerations aforesaid the mortgagor as beneficial owner doth hereby grant, convey and assign unto Government.**

(a) All the properties mentioned in the said Schedule I, together with buildings constructed and the machinery installed or that may hereafter be constructed or installed thereon. (b) All the assets, present and to be hereafter acquired by the mortgagor whether the said assets now or in future be in his own name or that of----- including book debts, stocks and stores the premises and machinery whether existing or to be purchased with the aid of the loan hereby granted or with any portion thereof and whether referred to in Schedule I or not, to have and to hold the same unto and to the use of Government its successors and assigns for ever subject to the proviso for redemption hereinafter contained.

**3. Provided always that when the covenants for payment contained therein shall have been satisfied and the principal sum together with all interest due thereon shall have been entirely paid, Government as mortgagee shall at the request and cost of the mortgagor reconvey the properties mortgaged or remainder thereof as he shall direct.**

**4. And in further pursuance of the agreement and covenants referred to above, the mortgagor hereby agrees to insure against fire up to the full amount of the loan, the entire factory building and machinery and stock in the said concern -----, and if Government so desire all other property hereby mortgaged and the policy of insurance shall be taken out in the joint name of the mortgagor and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab. The mortgagor shall pay all premiums, and at his own cost renew the policy every year during the currency of the loan, failing which Government may pay the same and such premiums shall form part of the loan secured with interest under this mortgage.**

**5. It is further agreed by the mortgagor that, notwithstanding anything hereinbefore contained, Government or the Director of Industries, Punjab, may by the appointment of its own directors or otherwise exercise such control over the conduct of the industry to which State-Aid has been given,**

**as shall suffice in their or his opinion to safeguard the interest of Government in such industrial concern, and that the mortgagor shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**6. It is further agreed that until the entire amount is repaid with interest, the mortgagor will undertake free training of apprentices selected by the Director of Industries, Punjab, not exceeding three in number, at any one time, in the work carried on by the mortgagor and that non-fulfilment of this condition shall be deemed as default in compliance with this deed.**

**7. It is further agreed that the stamp on this instrument shall be borne by the mortgagor and the same shall be presented for registration by the mortgagor and registered at his own cost.**

"Schedule I"(above referred to)I. (i) No./Hadbast of Plot and its location.(ii)Name of locality.(iii)Area of the plot in acres/square yards.(iv)Detailed dimensions, viz., length, breadth and diagonals, etc. in case of irregular size of plot.(v)Description of boundaries on the-(a)North bounded by.(b)South bounded by.(c)East bounded by.(d)West bounded by.II. Factory buildings constructed or to be constructed and other assets including shares, book debts, stocks and stores machinery and equipment existing or to be purchased.In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the----- year of the Republic of India.

**1. (a) (In case an individual)--Shri ----- signed by the above-named mortgagor, proprietor of -----**

-----In the presence of -\* (i) (1) Signature(2)Occupation(3)Address(ii)(1) Signature(2)Occupation(3)Address(b)In case of firm \*[through partner(s) of the firm.]In the presence of -Witness (1)OccupationAddressWitness (2)OccupationAddress\*Signed by the above-named firm of.N.B. - The Director of Industries should be satisfied from a partnership deed or otherwise that the executant has full power as much to bind the firm and attention is called to section 58(d) of the Indian Partnership Act, 1932, failing which a special Power of Attorney should be demanded from absent partner in favour of the persons signing, which should be retained with Government's copy of the Mortgage deed.

**2. (In the case of society) -**

The seal of the----- (the society hereinbefore rement Committee  
No.-----, dated the ----- day of----- 19In the presence of -Member  
of the Governing Committee.Member of the Governing Committee.Member of the Governing

Committee.

### 3. (In the case of company) -

The Seal of the----- Company, Limited was affixed by virtue of the resolution of the Board, No.-----, dated the----- day of----- 19. In the presence of -DirectorDirectorSecretaryN.B. - In the case of either a society under the Punjab Co-operative Societies Act, [1961] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.S/35/Section 46/md(2)/64, dated the 22nd September, 1964.] or a company incorporated under the Companies Act, 1956, the Director of Industries should require a copy of the resolution above referred to certified correct (either by one of the members of the Governing Committee of the society or by a Director Secretary of the company, as the case may be) authorising the particular executant as to sign or to affix the seal. It is, however, not necessary for the persons mentioned above always to execute the mortgage itself, and it is, sometimes, not convenient for them to do so in person as it involves all the officers in question appearing before the Sub-Registrar and bringing with them the seal of the Society or Company. If they so desire they may execute a special Power-of-Attorney authorising any respectable person preferably one of their own body to do all things necessary for the single transaction, viz., "the completion of the mortgage" which will be referred to in the preamble to such Power-of-Attorney. In that case the Power-of-Attorney will require to be executed on paper stamped at Rs. 2 and though it need not be registered or authenticated by the Sub-Registrar (vide circular No. 49/3076/1-30, from the Inspector General of Registration, Punjab dated the 7th August, 1933). The Director of Industries may require the same to have been attested under section 85 of the Indian Evidence Act. Where the mortgage is executed by an Attorney it will (if for a term exceeding one year) be presented for registration by the Attorney.

In the presence of - Signed on behalf of the Governor of Punjab.Joint Director of Industries, Punjab.

Witnesses(1) Mortgagee.(2)

Form 'K'[Form of agreement deed for a loan to an applicant who has yet to purchase a plot under the scheme for the provision of factory accommodation.] [Caption added by Haryana Notification No. G.S.R.-50P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.]An agreement

made----- day of ----- Between (A)

----- a company incorporated in India and registered under the Indian Companies Act, 1956, with registered office at------(B)a society registered under the [Punjab Co-operative Societies Act] [See now the Punjab Co-operative Societies Act, 1961.], [ - ] [Substituted by Punjab Government Notification No. G.S.R.220/P.A.5/35/Section 46/ Amd.(2)/64, dated the 22nd September, 1964.], [1961] [See now the Punjab Co-operative Societies Act, 1961.], with principal place of business at------(C)(1) -----, son of

-----, caste -----(1)-----, son of -----, caste

-----(1)-----, son of -----, caste ----residing at

-----, and himself constituting the sole or only proprietor being all the partners----- of the carrying on business at -----in the name and style of----- (hereinafter himself/themselves its/his their heirs and legal representatives, assignees, jointly and severally referred to as the Borrower) of the

part, And the Government of Punjab (hereinafter called the Government) of the other part. Whereas the Borrower has applied under section 17 of the Punjab State Aid to Industries Act to the Director of Industries, Punjab, for a loan of Rs. ----- for the purchase of a plot of land and for the purpose of constructing a factory building thereon. And Whereas the Director of Industries, Punjab with the previous sanction of Government has agreed to lend the said sum of Rs. ----- to the borrower for the said purpose in the manner and subject to the conditions hereinafter appearing. Now this agreement witnesses and the parties here to hereby agree as follows :-

**1. The Borrower has deposited Rs.----- with the State Bank of India ----- on account of the contribution to be made by him towards the cost of the plot and construction of the factory building.**

**4. After the Borrower has purchased and mortgaged the plot as aforesaid and re-deposited the amount by which the cost of the plot purchased by him is less than the amount withdrawn by him from the said joint account, the balance amount in the said joint account left after making the reimbursement mentioned in clause 3 thereof shall be utilised in ----- instalments the amount of each of which shall be determined by the District Industries Officer. First instalment shall be utilised by the Borrower for meeting the development charges of the area in which the plot to be built upon is situated and raising the construction of factory building up to plinth level, the second instalment shall be utilised for raising the factory building up to the roof level and the third instalment shall be utilised for the roofing, flooring, installation of electricity and other allied objects.**

**5. The borrower shall repay the loan amount of Rs.----- in the following ----- annual instalments on or before the dated mentions against each :-**

**1. Rs. ----- on the ----- day of ----- 19**

**2. Rs. ----- on the ----- day of ----- 19**

**3. Rs. ----- on the ----- day of ----- 19**

**4. Rs. ----- on the ----- day of ----- 19**

5. Rs. ----- on the ----- day of ----- 19
6. Rs. ----- on the ----- day of ----- 19
7. Rs. ----- on the ----- day of ----- 19
8. Rs. ----- on the ----- day of ----- 19
9. Rs. ----- on the ----- day of ----- 19
10. Rs.----- on the ----- day of ----- 19
11. Rs. ----- on the ----- day of ----- 19
12. Rs. ----- on the ----- day of ----- 19
13. Rs. ----- on the ----- day of ----- 19
14. Rs. ----- on the ----- day of ----- 19
15. Rs. ----- on the ----- day of ----- 19

[In addition the borrower shall with each instalment pay interest at the rate of rupees\_\_\_\_\_ per cent per annum with a rebate of 4 per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled. The borrower shall pay interest at the aforesaid rate on the first anniversary of the date on which the loan amount is deposited in the State Bank of India and thereafter, he shall along with each instalment pay interest at the said rate on all sums due immediately on or before such payment.] [Substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.]

**6. It shall be lawful for the Director of Industries, Punjab, at his sole discretion and at the request of the Borrower to extend the time for payment of any instalment as provided in the rules framed under the Punjab State Aid to Industries Act, 1935.**

**7. It shall be lawful for the Borrower at any time to repay the whole or any portion of the said loan in excess of the instalments referred to above or prior to the due date of any instalment.**

**8. The said loan is made under the provisions of the Punjab State Aid to Industries Act, 1935, and the rules made thereunder.**

**9. The development of the plot to be purchased and the construction of the factory building thereon shall be the sole responsibility of the Borrower and he shall utilise the loan properly within a period of one year of the date of the opening of the joint account in the bank.**

**10. The Borrower, shall not except with the approval of the said Director of Industries previously obtained, withdraw from the Industrial concern for the purpose of which the said loan is hereby granted, any profits in excess of such percentage rate upon the amount of the capital of the industrial concern as may be determined by the Director of Industries, Punjab in each case, so long as any part of the loan or the State Aid remains unpaid or this agreement remains in force.**

**11. It is further agreed that until the entire amount is repaid with interest, the Borrower will undertake free training of apprentices selected by the Director of Industries, Punjab not exceeding three in number, at any one time, in the work carried on by the borrower, and that non-fulfilment of this condition shall be deemed as default in compliance with this agreement.**

**12. If the borrower shall make default in compliance with any of the terms or conditions of this deed or in the repayment of any instalment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of loan withdrawn by him and outstanding against him shall become immediately payable and the amount then lying deposited in the Bank may be withdrawn by the District Industries Officer and appropriated towards the amount due from the borrower and from the date of default Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Substituted for 'at an enhanced rate of 7-½ per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without prejudice to other rights and remedies of Government, the said Director of Industries may himself issue a notice under Section 23 of the said Act for the balance recoverable from the Borrower and the moneys duly specified**

**therein shall become immediately payable as if a money decree therefor had been passed by a Civil Court in the exercise of its ordinary original jurisdiction.**

**13. The stamp on this instrument shall be borne by the borrower.**

In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the ----- year of Republic of India.

**1. (a) (In case of an individual) Shri ----- signed by the above named borrower, proprietor of -----.**

In the presence of :-I. (1) Signature(2)Occupation(3)AddressII.(1)

Signature(2)Occupation(3)Address(b)In case of a firm : Signed by the above named firm

of--(through partner/s of the firm).In the presence of :-Witness (I)OccupationAddressWitness

(2)OccupationAddressN.B.- The Director of Industries should be satisfied from a partnership deed or otherwise that the executant has full power as such to bind the firm and attention is called to section 58(d) of the Indian Partnership Act, 1932, failing which a special power of Attorney should be demanded from absent partners in favour of the persons signing, which should be retained with Government's copy of the agreement deed

**2. (In the case of a society)**

The seal of the ----- (the Society hereinbefore referred to) as hereunto affixed by virtue of a resolution of Governing Committee No.-----, dated the -----, day of ----- 19 .In the presence of :Member of Governing Committee.Member of Governing Committee.Member of Governing Committee.

**3. (In the case of a company)**

The seal of the ----- Company, Limited, was affixed by virtue of the resolution of the Board No. -----, dated the -----, day of ----- 19 .In the presence of

:DirectorDirectorSecretary.N.B. - In the case of either a society under the Punjab Co-operative Societies Act, 1954, or a company incorporated under the Companies Act, 1956, the Director of Industries should require a copy of the resolution above referred to certified correct (either by one of the members of the Governing Committee of the Society or by a Director or Secretary of the Company, as the case may be) authorising the particular executant as to sign or to affix the seal. It is, however, not necessary for the persons mentioned above always to execute the agreement itself, and is sometimes, not convenient for them to do so in persons as it involves all the officers in question appearing before the Sub- Registrar and bringing with them the seal of the Society or Company. If they so desire they may execute a special Power-of-Attorney authorising any respectable person preferably one of their own body to do all things necessary for the single transaction, viz., the completion of. In that the Power-of- Attorney will require to be executed on paper stamped at Rs. 2

and though it need not be registered or authenticated by the Sub-Registrar (vide circular No. 49/3076/1-30, from the Inspector-General of Registration, Punjab dated the 7th August, 1933. The Director of Industries may require the same to have been attested under section 85 of the Indian Evidence Act. Where the agreement is executed by an Attorney, it will (if for a term exceeding one year), be presented for registration by the Attorney. In the presence of : Signed on behalf of the Governor of Punjab. Witnesses (1)(2) Joint Director of Industries, Punjab Mortgagee. Form 'L' [Form of mortgage deed after the plot is purchased under the factory accommodation scheme.] [Caption added by Haryana Notification No. G.S.R.- 50 P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.] This Mortgage Deed made this ----- day of -----

-----19(A) The Between ----- Limited, a company incorporated in India and registered under the Indian Companies Act, 1956 with registered office at ----- (B) ----- A Society registered under the Punjab Co-operative Societies Act, 1961, with principal place of business at ----- (C)(1) -----, son of -----, Caste ----- (2) -----, son of -----, Caste ----- (3) -----, son of -----, Caste ----- Residing at -----, and himself constituting the sole or only proprietor of the ----- being all the partners ----- carrying on business at ----- in the name and style of ----- (Hereinafter himself/themselves, it his/their heirs and legal representatives assigns, jointly and severally referred to as the Mortgagor) of the first Part :- And Secondly, the Government of Punjab, through the Director of Industries (Hereinafter referred to as Government) of the Second Part. Whereas a loan of Rs. -----, Rs. ----- was advanced by Government to the Mortgagor for the purchase of a plot and construction of factory building for the development of ----- industry on terms and conditions contained in the agreement registered on ----- hereinafter called the Principal Deed. And whereas one of the terms of the Principal Deed was that the Mortgagor shall within [six months] [Substituted for 'two months' by Haryana Notification No. G.S.R.102/P.A.5/35/Section 46/80, dated 26.9.1980.] from the date of withdrawal of the loan amount from the joint account opened with the State Bank of India ----- with the loan amount of Rs. ----- and cash contribution of Rs. ----- made by the Mortgagor, purchase a plot of land from ----- and execute a deed mortgaging the same and the factory building to be erected thereon to Government as security for the amount advanced to him and interest due thereon. And whereas the Mortgagor with the amount withdrawn from the said joint account purchased a plot of land measuring ----- situated in -----, at ----- District ----- (the said property being detailed or described more particularly in Schedule I to this deed) from -----, vide sale deed registered on ----- and has assured Government that he is sole owner of the plot of land and the same is not mortgaged or charged or otherwise encumbered in any way. Now this Indenture witnesses that :-



**1. The Mortgagor for consideration mentioned in the Principal Deed and to secure the said loan of Rs. ----- and interest due thereon doth as beneficial owner of the plot hereby grant, convey and assign unto Government :-**

(a) All the properties mentioned in the said schedule I, and the buildings and machinery that may hereafter be constructed or installed thereon. (b) All the assets, present and to be hereafter acquired by the Mortgagor whether the said assets now or in future be in his own name or that of ----- including book debts, [-] [The words 'stocks and stores' omitted by Haryana Notification No. GSR90/PA5/35 Section 46/76 dated 20.4.1976.] the premises and machinery whether existing or to be purchased with the aid of the loan hereby granted or with the portion thereof, and whether referred to in schedule I or not, to have and to hold the same unto and to the use of Government its successors and assigns for ever subject to the proviso for redemption hereinafter contained.

**2. Provided always when the covenants for payment contained in the Principal Deed shall have been satisfied and the principal sum together with all interest due thereon shall have been entirely paid, Government as mortgagee shall at the request and cost of the mortgagor reconvey the properties mortgaged or remainder thereof as he shall direct.**

**3. And in further pursuance of the agreement and covenants referred to above, the Mortgagor hereby agrees to insure against fire upto to the full amount of the loan, the entire factory building and machinery and stock in the said concern -----, and all other property hereby mortgaged and that the policy of insurance shall be taken out in the joint names of the mortgagor and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab. The mortgagor shall pay all premiums, and at his own cost renew the policy every year during the currency of the loan, failing which Government may pay the same and such premiums shall form part of the loan secured with interest under this mortgage.**

**4. It is further agreed by the mortgagor that, notwithstanding anything hereinbefore contained, Government or the Director of Industries, Punjab, may by the appointment of its own directors or otherwise exercise such control over the conduct of the industry to which State-Aid has been given, as shall suffice in their or his opinion to safeguard the interest of Government in such industrial concern, and that the mortgagor shall forthwith comply with all recommendations made by the Director of**

**Industries or the Director so appointed.**

**5. The said loan of Rs ----- and interest due thereon shall be recoverable under the terms and conditions contained in the Principal Deed in accordance with the provisions of the Punjab State Aid to Industries Act, 1935, and the rules made thereunder.**

**6. The building shall be got constructed by the Mortgagor in accordance with the plan approved by the Executive Engineer, P.W.D., B. and R. Branch, concerned according to the bye-laws governing the construction of factory building in the Industrial Areas of Punjab. The Mortgagor shall also get the approval of the Municipal Committee or the local authority concerned for the construction of factory building.**

**7. The construction of the factory building shall be the sole responsibility of the Mortgagor [and he shall utilize the loan amount properly within a period of [six months] [Substituted by Punjab Government Notification No. G.S.R.220/P.A.5/35/Section 46/ Amd.(2)/64, dated the 22nd September, 1964.] from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab, or any officer authorised by him from time to time in this behalf'.]**

**8. It is further agreed that the stamp duty on this instrument shall be borne by Government and the same shall be presented for registration by the mortgagor and registered at his own cost.**

"Schedule I"(Above referred to)I. (i) No./Hadbast of Plot and its location.(ii)Name of locality.(iii)Area of the plot in acres/square yards.(iv)Detailed dimensions, viz., length, breadth and diagonals, etc. in case of irregular size of plot.(v)Description of boundaries on the-(a)North bounded by.(b)South bounded by.(c)East bounded by.(d)West bounded by.II. Factory buildings or to be and other assets including, book debts, [ - ] [The words 'stocks and stores and' omitted by Haryana Notification No. GSR90/PA5/35Section 46/76 dated 20.4.1976.] shares, machinery and equipment existing or to be purchased.III. Personal security of the Mortgagor.In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the ----- year of the Republic of India.(i) (a)(In case of the individual) Shri ----- signed by the above named mortgagor, proprietor of -----In the presence of :-I. (1) Signature(2)Occupation(3)AddressII.(1) Signature(2)Occupation(3)Address(b)In case of a firm : Signed by the above named firm of (through partner/s of the firm).In the presence of :-Witness (I)OccupationAddressWitness (2)OccupationAddressN.B.-- The Director of Industries should be satisfied from a partnership deed

or otherwise that the executant has full power as such to bind the firm and attention is called to section 58(d) of the Indian Partnership Act, 1932, failing which a special power of Attorney should be demanded from absent partners in favour of the persons signing, which should be retained with Government's copy of the agreement deed

## 2. (In the case of a society)

The seal of the ----- (the Society hereinbefore referred to) as hereunto affixed by virtue of a resolution of Governing Committee No.-----, dated the -----, day of ----- 19. In the presence of :Member of Governing Committee.Member of Governing Committee.Member of Governing Committee.

## 3. (In the case of accompany)

The seal of the ----- Company, Limited, was affixed by virtue of the resolution of the Board No. -----, dated the -----, day of ----- 19. In the presence of :DirectorDirectorSecretaryN.B. - In the case of either a society under the Punjab Co-operative Societies Act, 1961, or a company incorporated under the Companies Act, 1956, the Director of Industries should require a copy of the resolution above referred to certified correct (either by one of the members of the Governing Committee of the Society or by a Director or Secretary of the Company, as the case may be) authorising the particular executant as to sign or to affix the seal. It is, however, not necessary for the persons mentioned above always to execute the agreement itself, and it is sometimes, not convenient for them to do so in persons as it involves all the officers in question appearing before the Sub- Registrar and bringing with them the seal of the Society or Company. If they so desire they may execute a special Power-of-Attorney authorising any respectable person preferably one of their own body to do all things necessary for the single transaction, viz., the completion of Power-of-Attorney. In that case the Power-of-Attorney will require to be executed on paper stamped at Rs. 3 and though it need not be registered or authenticated by the Sub-Registrar (vide circular No. 49/3076/1-30, from the Inspector-General of Registration, Punjab dated the 7th August, 1933). The Director of Industries may require the same to have been attested under section 85 of the Indian Evidence Act. Where the agreement is executed by an Attorney, it will (if for a term exceeding one year), be presented for registration by the Attorney.Signed on behalf of the Governor of Punjab.In the presence of :Witnesses (1),(2)Deputy Director of Industries, Punjab Mortgagee.Form 'M'[Form of deed for a loan under the scheme for the conversion of handlooms into powerlooms.] [Caption added by Haryana Notification No. G.S.R.-50P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.]This Mortgage Deed made this ----- day of-----19 between(1)-----, son of -----, caste -----(2)-----, son of -----, caste -----(3)-----, son of -----, caste -----residing at ----- and himself constituting the sole or only proprietor being all the partners ----- of the firm known as -----and carrying on business at ----- in the name and style of------(hereinafter himself/themselves its/their ----- legal heirs, representatives, assignees, jointly and severally referred to as the Mortgagor of the first part :-And Secondly :-(1)-----, son of -----, residing

at------(2)-----, son of -----, residing  
 at-----hereinafter on behalf of themselves, their heirs, legal representatives and assignees,  
 jointly and severally referred to as sureties of the second part. And Thirdly the Governor of Punjab  
 through the Director of Industries Punjab (hereinafter referred to as Government) of the Third  
 part: And whereas the Mortgagor has applied under section 17 of the Punjab State Aid to Industries  
 Act, 1935, to the Director of Industries, Punjab, for a loan of Rs ----- for the purpose of  
 and Sarvashri ----- have agreed in accordance with rule 7 of the Rules made under section  
 46 of the Punjab State Aid to Industries Act, 1935 to stand as sureties for the repayment of the said  
 loan. And the Director of Industries, Punjab, has accordingly agreed to lend the sum of loan of  
 Rs.----- to the Mortgagor in the manner and subject to the conditions hereinafter  
 appearing. Now this indenture witnesses that the parties hereto hereby agreed as follows :-

## 1.

(i) The Mortgagor has deposited Rs. 100 with the State Bank of India on account of the contribution  
 to be made by him towards the share in the enterprise. (ii) The entire amount of  
 Rs.----- consisting of Rs.----- advanced as loan and Rs. 100  
 deposited by the Mortgagor under clause 1 hereof shall be deposited in a Branch of the State Bank of  
 India in the Current/Saving account in the joint name of the District Industries Officer,  
 -----, and the Mortgagor. (iii) The Mortgagor shall not be entitled to withdraw any  
 amount from this deposit without authorization and countersignature of the District Industries  
 Officer ----- but the said District Industries Officer shall have the right to operate the  
 joint account without the consent or authority of the Mortgagor. (iv) The Mortgagor shall be allowed  
 to withdraw from the said joint account such sum as may be determined by the said District  
 Industries Officer to enable him to purchase powerlooms. The Mortgagor shall purchase  
 powerlooms within six months of the withdrawal of the money from the said joint account or  
 thereafter with the prior permission of the Director of Industries, Punjab. If the actual price paid for  
 powerlooms is less than the amount withdrawn by the mortgagor in the joint account, the  
 mortgagor shall repay the difference to the District Industries Officer -----, for being  
 redeposited in the said joint account. In case actual cost of powerlooms is higher than the amount so  
 withdrawn by him, the difference will be met by the Mortgagor from his own pocket but the same,  
 shall subject to a limit of Rs. ----- be reimbursed to him out of the amount  
 deposited in the said joint account as soon as he furnishes to the District Industries Officer  
 -----, satisfactory proof of the purchase of powerlooms and the amount spent in  
 excess of the amount withdrawn by him for the purchase of powerlooms. (v) After the mortgagor has  
 purchased powerlooms and redeposited the amount by which the cost of powerlooms is less than the  
 amount withdrawn by him from the said joint account for the purpose, the balance amount left after  
 making the reimbursement, if any, mentioned in clause (iv) hereof shall be allowed to be withdrawn  
 by the mortgagor for the installation of powerlooms and the mortgagor shall install the powerlooms  
 within ----- of the withdrawal of the amount for that purpose. (vi) The mortgagor shall  
 not sell, mortgage or otherwise transfer or part with the powerlooms purchased with Government  
 money without the approval of the said District Industries Officer previously obtained. (vii) The  
 Mortgagor shall repay to Government the said sum of Rs.----- advanced as loan, with  
 interest thereon at the rate of Rs. 4 1/2 per cent per annum [with a rebate of 4 per cent per annum if

the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised and the condition on which it was granted are being or have been duly fulfilled.] [Added by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] computed from the date on which the amount of loan is deposited in the State Bank of India in the joint account of ----- the Mortgagor and the District Industries Officer in the following instalments :-First instalment of the sum of Rs.----- representing the interest on the loan at the said rate for a period of one year commencing from the date on which the amount of loan is deposited in the said jointly account shall be payable on the -----Second instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Third instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Fourth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Fifth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Sixth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Seventh instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Eight instalment of Rs. ----- out of the principal amount shall be payable on the -----Ninth instalment of Rs. ----- out of the principal amount shall be payable on the -----And the mortgagor shall with each of the second to seventh instalments pay interest at the rate aforesaid accrued on the entire amount of loan remaining due immediately before such payment. Provided that the Director of Industries may, for sufficient reasons, postpone the payment of interest on the due date for a period of one year at a time. If the payment of interest is not postponed, the amount of interest so postponed shall be considered added to the principal amount then outstanding and shall be payable by the mortgagor to Government with interest at the rate aforesaid and the amount of each instalment of the principal then outstanding shall be increased by the amount equal to the amount of interest so postponed divided by the number of instalments as have not become due at the time :Provided further that the Director of Industries, Punjab may at the written request of the mortgagor, extend the due date of payment of any instalment of the principal so however that the total period of complete repayment of the loan with interest does not exceed ten years from the date on which the amount of loan is deposited in the aforesaid joint account.(viii)The mortgagor shall be entitled to the interest, if any, which accrues on the amount deposited in the State Bank of India in the joint account of the mortgagor and the said District Industries Officer.(ix)It shall be lawful for the Mortgagor at any time to repay the whole or any portion of the said loan in excess of the instalments referred to above or prior to the due date of any instalment.(x)The said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935 and the rules made thereunder.(xi)If the Mortgagor shall misuse any amount of loan after the withdrawal of the money from the said joint account or makes default in compliance with any of the terms or conditions of this deed or the repayment of any instalment of the loan hereby granted and the money hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, then the entire amount of the loan withdrawn by him and then outstanding against him shall become immediately payable and the sureties and the mortgagor shall be jointly and severally liable to pay the same to Government with interest [at the rate of rupees..... per cent per annum] [Substituted

for 'at an enhanced rate of 7-1/2 per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] from the date of default and without prejudice to other rights and remedies of government the amount (if any) then lying deposited in the State Bank in the said joint account may be withdrawn by the said District Industries Officer and appropriated towards the amount due from the mortgagor and the sureties and the said Director of Industries may himself issue a notice under Section 23 of the said Act and moneys duly specified therein shall become immediately payable as if a money decree therefor had been passed by a Civil Court in the exercise of its ordinary original jurisdiction.

**2. And in further pursuance of the said agreement and for the consideration aforesaid the Mortgagor as beneficial power doth hereby grant, convey, and assign unto Government the assets present and to be hereafter acquired by the mortgagor whether the said assets now or in future be in his own name or that of ----- including book debts, stocks and stores the premises and machinery whether existing or to be purchased with the aid of the loan hereby granted or with any portion thereof to have and to hold the same unto and to the use of Government, its successors and assigns for ever subject to proviso for redemption hereinafter contained.**

**3. Provided always that when the covenants for payment contained herein shall have been rectified and the principal sum together with all interest due thereon shall have been entirely paid, Government as mortgagee shall at the request and cost of the mortgagor reconvey the properties mortgaged or remainder thereof as he shall direct.**

**4. And in further pursuance of the agreement and covenants referred above, the mortgagor hereby agrees to insure against fire up to the full amount of the loan, the entire factory building, machinery and stock in mortgagor's concern known as ----- and if Government so desire all other property hereby mortgaged and that the policy of insurance shall be taken out in the joint name of the mortgagor and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab. The mortgagor shall pay all premiums, and at his own cost renew the policy every year during the currency of the loan, failing which Government may pay the same and such premiums shall form part of the loan secured with interest under this mortgage.**

**5. The mortgagor shall be required to put up engraved metal plates of the prescribed size containing the words "pledged to Government" at his own cost on every machine and shall be liable to pay as liquidated damages a sum not exceeding Rs. 500 if he wilfully removes or defaces any plate.**

**6. It is further agreed by the mortgagor that, notwithstanding anything hereinbefore contained, Government or the Director of Industries, Punjab, may by the appointment of its own directors or otherwise exercise such control over the conduct of the industry to which State-Aid has been given, as shall suffice in their or his opinion to safeguard the interest of Government in such industrial concern, and that the mortgagor shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**7. It is further agreed with until the entire amount is repaid with interest, the mortgagor will under take free training of apprentices selected by the Director of Industries, Punjab, not exceeding three in number, at any one time, in the work carried on by he mortgagor and that non-fulfilment of this condition shall be deemed a default in compliance with this deed.**

**8. It is further agreed with the stamp on this instalment shall be borne by the mortgagor and the same shall be presented for registration by the mortgagor and registered at his own cost.**

**9. The grant of extension of time or any other indulgence by the Government or the Director of Industries to the mortgagor or any forbearance on the part of the Government shall not operate to discharge the sureties from their liability under this deed.**

In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signature in the ----- year of the Republic of India.(a)(In case of an individual) Shri-----Proprietor of-----Signed by the above-named mortgagorIn the presence of :--I. 1. Signature.

## **2. Occupation.**

### 3. Address.

II. 1. Signature.

### 2. Occupation.

### 3. Address.

Signed on behalf of the Governor of Punjab. Director of Industries, Punjab. Mortgagee. Form 'N' [Form of a deed for further loan to the purchasers of plots who have already taken a loan in or outside the industrial areas.] [Caption added by Haryana Notification No. G.S.R. 50P.A. 5/35/Section 46/Amd.(2)/80, dated 1.5.1980.] This further charge is made this -----day of ----- 199 between (A) The ----- Limited, a company incorporated in India and registered under the Indian Companies Act, 1956 with registered office at ----- (B) ----- A Society registered under the Punjab Co-operative Societies Act [1961] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/Section 46/Amd.(2)/64, dated the 22nd September 1964.] with principal place of business at ----- (C) (1) -----, son of -----, caste ----- (2) -----, son of -----, caste ----- (3) -----, son of -----, caste ----- residing at -----, and himself constituting the sole or only proprietor of the/being all the partners ----- Carrying on Business at ----- in the name and style of -----

(hereinafter| himself| themselves| Its, his| their| legal representatives, assignees, jointly and severally referred to as the Mortgagor of the first Part; and Secondly, the Governor of Punjab, through the Director of Industries (hereinafter referred to as Government) of the Second Part :-Whereas by a Mortgage Deed (hereinafter called the principal Deed), dated ----- and made between the Mortgagor and Government, the Mortgagor conveyed certain property therein and herein more particularly specified in the schedule for securing payment to the Government of the Principal sum of Rs. ----- with interest thereon at the rate of ----- per cent per annum. And whereas the said principal sum of ----- together with interest still remains owing to the Government on the security of the principal Deed; And whereas the Mortgagor has assured Government that he is the sole owner of the aforesaid property and that except the mortgage made in the principal deed subject to which this mortgage is made, the said property is not mortgaged or charged otherwise encumbered in any way whatsoever; And whereas the Mortgagor has applied under section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab, for a further loan of Rs. ----- for the purpose of -----; And the Director of Industries Punjab (with the previous sanction of the Governor of Punjab), has accordingly agreed to grant the said loan to the Mortgagor, subject to the conditions hereinafter appearing; Now This Deed Witnesseth That



**1. (i) The mortgagor has further deposited Rs. ----- in cash with ----- on account of the contribution to be made by him towards the costs of -----.**

(ii) The entire amount of Rs. ----- including Rs. ----- advanced as further loan and Rs. ----- deposited by the mortgagor under clause I hereof shall be deposited in the ----- joint accounts. The words in ( ) to be struck of in case there is no existing joint account. \*(already opened) in the names of ----- and the Mortgagor (The words in ( ) to be struck of in case there is no existing joint account. [(under the Principal Deed)] [The words in to be struck of in case there is no existing joint account.]. The mortgagor shall not be entitled to withdraw the amount from the said deposit without the authorisation of ----- but ----- shall have the right to operate the joint account without the consent or authority of the Mortgagor. (iii) The mortgagor shall be allowed to utilise the sum of Rs. ----- out of the said deposit for ----- factory building. He shall be allowed to utilise the sum of Rs. ----- out of the said deposit for the purpose of machinery in three instalments. The first instalment of Rs. ----- for payment of advance to the machinery suppliers, the second instalment of Rs. ----- for taking delivery of the Machinery on receipt of the R/Rs. and the third instalment of Rs. ----- for the installation of the machinery. (iv) The mortgagor hereby covenants with Government to repay to Government the said sum of Rs. ----- with interest thereon at the rate of Rs. ----- per cent per annum, [with a rebate of 4 per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised and the condition on which it was granted are being or have been duly fulfilled.] [Added by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] computed from ----- in the following instalments :- Instalments :- First instalment of the sum of Rs. ----- representing the interest on the loan at the said rate for a period of one year commencing from ----- to ----- shall be payable on the ----- day of ----- . Second instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of ----- . Third instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of ----- . Fourth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of ----- . Fifth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of ----- . Sixth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of ----- . Seventh instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of ----- . And the mortgagor shall with each of the second to seventh instalments pay interest at the rate aforesaid accrued on the entire amount of loan remaining due immediately before such payment. (v) Provided that the Director of Industries may, for sufficient reasons, postpone the payment of interest on the due date for a period of one year at a time. If the payment of interest is not postponed, the amount of interest so postponed shall be considered added to the principal amount then remaining due and shall be payable by the ----- to Government with interest at the rate aforesaid and the amount of each instalment of the principal then remaining due shall be increased by the amount equal to the amount of interest so postponed divided by the number of instalments as have not become due at that time : Provided further that the Director of Industries may at the written request of the mortgagor and in his sole discretion when the amount is below Rs.

5,000 and with previous sanction of Government when the loan is Rs. 5,000 or above, extend the due date of payment of one or more instalments provided that the total period of repayment of the loan with interest does not exceed 10 years from the date of deposit of the loan, of Rs. ----- under clause 1(ii) hereof.(vi)It shall be lawful for the mortgagor at any time to repay the whole or any portion of the said loan in excess of the instalments referred to above or period to the due date -----.(vii)The said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935 and any Rules made thereunder.(viii)[ The mortgagor shall utilize the loan amount properly within a period of [six months] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/135/Section 46/Amd.(2)/64, dated the 22nd September, 1964.] from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab, or any officer authorised by him from time to time in this behalf.](ix)The mortgagor shall not, except with the approval of the said Director of Industries previously obtained, withdraw from the Industrial concern for the purpose of which the said loan is hereby granted, any profits or declare or distribute dividends in excess of such percentage rate upon the amount of the capital of the industrial concern as may be determined by the Director of Industries, Punjab in each case, so long as any part of the loan or the State Aid remains unpaid or this deed remains in force. If the mortgagor misuses the amount withdrawn by him from the amount of Rs. ----- deposited in the ----- Bank or fails to comply with any of the conditions herein contained and to be performed and observed by him, the amount contributed by him towards the said deposit shall without prejudice to other rights and remedies of Government stand forfeited to Government. If any amount contributed by him remains unspent after the factory building has been constructed and/or the machinery has been purchased and installed, the same shall be returned to the mortgagor.(x)If the mortgagor shall make default in compliance with any of the terms or conditions of this deed or the Principal Deed or in the repayment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Substituted for 'at an enhanced rate of 7-1/2 per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without prejudice to other rights and remedies of Government, the said Director of Industries, may itself issue a notice under Section 23 of the said Act and the money duly specified therein shall become immediately payable as if a money decree thereof had been passed by a Civil Court in the exercise of its ordinary original jurisdiction.

## 2. The Mortgagor, as beneficial owner, hereby :-

(i)charges by way of legal mortgage the property comprised in the principal Deed as specified in the Schedule thereto subject to the mortgagor embodied in the principal Deed with the payment of further sum of Rs.\_\_\_\_\_ now but with the payment of further sum of Rs.\_\_\_\_\_ now but with interest due hereunder and the other money payable by the mortgagor to the Government under this deed in addition to the sums secured by the Principal Deed and the interest due or to become due thereunder;(ii)declares that the property comprised in the Principal Deed shall not be redeemable without payment by the Mortgagor to the Government of all principal money, interest

and other money payable by the Mortgagor under the principal Deed and this deed; and(iii)all the powers, covenants and provisional contained in the Principal Deed shall apply for enforcing payment of all Principal money, interest and other money payable by the Mortgagor under this Deed in like manner as they apply for enforcing payment of Principal money, interest and other money payable by the Mortgagor under the Principal Deed.

**3. And in further pursuance of the agreement and covenants referred to above, the mortgagor hereby agrees to insure against fire up to the full amount of the loan secured by this deed and the Principal Deed, the entire machinery and stock in mortgagor's ----- And if Government so desires, all other property hereby mortgaged and that the policy of insurance shall be taken out in the joint name of the mortgagor and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab.**

The mortgagor shall party all premiums, and at his own cost renew the policy every year during the currency of the loan, failing which Government may pay the same and such premiums shall form part of the loan secured with interest under this mortgage.

**4. He mortgagor shall be required to put up engraved metal plates of the prescribed size containing the words "pledged to Government" at his own cost on every machine and shall be liable to pay as liquidate damages a sum not exceeding Rs. 500 if he willfully removes or defaces the plate.**

**5. It is further, agreed by the mortgagor that notwithstanding any thing hereinbefore contained, Government or the Director of Industries, Punjab, may by the appointment of its own directors or otherwise exercise such control over the conduct of the industry to which State Aid has been given, as shall suffice in their or his opinion to safeguard the interest of Government in such industrial concern, and that the mortgagor shall forthwith comply with all recommendations made by the Director of Industries, or the Director so appointed.**

**6. It is further agreed that any plant or machinery purchased by the mortgagor with the loan and mortgaged hereby whether specified in the deed as security or not shall, until the amount due under this and the principal deed are repaid in full, remain hypothecated to the Government as collateral security and any transfer thereof, assignment of any right, title or interest therein or the creation of any mortgage, encumbrance or any other charge**

**thereon by the mortgagor shall be void against Government unless it has been made or created with the previous written consent of the authority sanctioning the loan.**

**7. It is further agreed with until the entire amount is repaid with interest, the mortgagor will undertake free training of apprentices selected by the Director of Industries, Punjab, not exceeding three in number, at any one time, in the work carried on by the mortgagor and that non-fulfilment of this condition shall be deemed a default in compliance with this deed.**

**8. It is further agreed that the stamp on this instalment shall be borne by the mortgagor and the same shall be presented for registration by the mortgagor and registered at his own cost.**

**9. Government shall be entitled to enforce this mortgage subject to its rights under the principal deed ----- without suing on the basis of the said principal deed.**

**I**

(above referred to)

**1. (i) Serial No. of plot.**

(ii)Name of Industrial Area.(iii)Area of the plot in acres/square yards.(iv)Detailed dimensions, viz., length, breadth and diagonals, etc. in case of irregular size of plot.(v)Description of boundaries on the :- (a)North bounded by (b)South bounded by (c)East bounded by (d)West bounded by II. Factory buildings construed or to be constructed and other assets including book debts, [-] [The words 'stocks and stores' omitted by Haryana Notification No. GSR90/PA5/35 Section 46/76 dated 20.4.1976.] share, machinery and equipment existing or to be purchased. In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the ----- Year of the Republic of India. (a) (In case of an individual) Shri ----- signed by the above-named mortgagor, Proprietor of ----- . In the presence of : I. 1. Signature.

**2. Occupation.**

**3. Address.**

II. 1. Signature.

## 2. Occupation.

## 3. Address.

by the mortgagor should be one through in the above named firm of\* Signed by the appropriate form as follows :-\*Name or names of firm or partners thereof. Partner of the said firm.In the presence of :-Witness (1)Occupation.Address.Witness (2)Occupation.Address.N.B. - The Director of Industries should be satisfied from a partnership deed or otherwise that the executant has full power as such to bind the firm and attention is called to section 58(d) of the Indian Partnership Act, 1932, failing which a special Power of Attorney should be demanded from absent partners in favour of the persons signing, which should be retained with Government's copy of the mortgagor.

### 2. (In the case of a society) :

The seal of the ----- (the society hereinbefore referred to) was hereunto affixed by virtue or a resolution of Governing Committee No. -----, dated the -----, date of ----- 199 .In the presence ofMember of the Governing Committee.Member of the Governing Committee.Member of the Governing Committee.

### 3. (In the case of a company) :

The seal of the ----- Company, Limited was affixed by virtue or the resolution of Board, No. -----, dated the -----, date of ----- 199 .In the presence of :-DirectorDirectorSecretary.N.B. - In the case of either a society under Act XXI of 1860 or II of 1912 or a company incorporated under the Companies Act, the Director of Industries should require a copy of the resolution above referred to certified correct (either by one of the members of the Governing Committee of the Society or by a Director or Secretary of the Company, as the case may be) authorising the particular executant as to sign or to affix the seal. It is, however, not necessary for the persons mentioned above always to execute the mortgage itself, and it is, sometimes, not convenient for them to do so in person as it involves all the officers in question appearing before the Sub- Registrar and bringing with them the seal of the Society or Company. If they so desire, they may execute a special power of Attorney authorising any respectable person preferably one of their own body to do all things necessary for the single transaction, viz., 'the completion of the mortgager' which will be referred to in the preamble to such Power of Attorney. In that case, the Power of Attorney will require to be executed on paper stamped at Rs. 2, and though it need not be registered or authenticated by the Sub-Registrar (Vide circular No. 49/3076/1-30, from the Inspector-General of Registration, Punjab, dated the 7th August, 1933). The Director of Industries may require the same to have been attested under Section 85 of the Indian Evidence Act. Where the mortgage is executed by an Attorney, it will (if for a term exceeding one year) be presented for registration by the Attorney.Signed on behalf of the Governor of Punjab.Deputy Director of Industries, PunjabMortgageeIn the presence ofWitnesses(1)(2)Form 'O'Form of deed for further loan against the security of property already under mortgage with the Government against first loan.This further charge is made this ----- day of ----- 19 between(A)The -----

Limited, a company incorporated in India registered under the Indian Companies Act, [1956] [Added by Punjab Government Notification No. 556(5)-2CB-59/4344, dated the 27th February, 1959.] with registered office at -----.(B)-----A Society registered under the Punjab Co-operative Societies Act [1961] [Substituted by Punjab Government Notification No. G.S.R. 220/P.A.5/35/Section 46/Amd.(2)/64, dated the 22nd September, 1964.] with principal place of business at -----.(C)(1) -----, son of -----, Caste -----(2)-----, son of -----, Caste -----(3)-----, son of -----, Caste -----

residing at ----- and himself constituting| the sole or only proprietor of thebeing all the partners

And carrying on business at ----- in the name and style of -----  
----- (hereinafter Himself/themselves his.their Legal representative, assignees, jointly and severally referred to as the Mortgagor) of the first part :-and Secondly, the Governor of Punjab, through the Director of Industries (hereinafter referred to as Government) of the Second Part :-Whereas by a Mortgage Deed (hereinafter called the principal Deed), dated ----- and made between the Mortgagor and Government, the Mortgagor conveyed certain property therein and herein more particularly specified in the schedule for securing payment to the Government of the Principal sum of Rs. ----- with interest thereon at the rate of ----- per cent per annum.And whereas the said principal sum of ----- together with interest still remaining owing to the Government on the security of the Principal Deed;And whereas the Mortgagor has assured Government that he is the sole owner of the aforesaid property and that except the mortgage made in the principal deed subject to which this mortgage is made, the said property is not mortgaged, charged otherwise encumbered in any way whatsoever;And whereas the Mortgagor has applied under section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Punjab, for a further loan of Rs. ----- for the purpose of -----;And the Director of Industries Punjab (with the previous sanction of the Governor of Punjab), has accordingly agreed to grant the said loan to the Mortgagor, subject to the conditions hereinafter appearing;Now This Indenture Witnesses That :-[In pursuance of the said agreement and for purpose of in party securing the said sum of Rs.\_\_\_\_\_ (receipt whereof the Principal/Mortgagor hereby acknowledges) the Principal/Mortgagor hereby covenants with the Government to pay to the Government before the\_\_\_\_\_ day of\_\_\_\_\_ 19\_\_\_\_ the said sum of rupees\_\_\_\_\_ with interest thereon at the rate of rupees\_\_\_\_\_ per cent per annum with a debate of four per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled and for so long as any part there of shall remain owing to pay interest at the rate as aforesaid on the moneys for the time being so remaining owing provided never the less that :-] [Preamble Substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.]Instalments. - First instalment of the sum of Rs. -----representing the interest on the loan at the said rate for a period of one year commencing from -----to ----- --shall be payable on the ----- day of ----- Second instalment of Rs. -----out of the principal amount shall be payable on the -----day of -----

-----Third instalment of Rs. ----- out of the principal amount shall be payable on the -----day of -----Fourth instalment of Rs. -----out of the principal amount shall be payable on the -----day of -----Fifth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Sixth instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----Seventh instalment of Rs. ----- out of the principal amount shall be payable on the ----- day of -----.

And the mortgagor shall with each of the second to seventh instalments pay interest at the rate aforesaid accrued on the entire amount of loan remaining due immediately before such payment. And the mortgagor shall with each of the second to seventh instalments pay interest at the rate aforesaid accrued on the entire amount of loan remaining due immediately before such payment. (v) Provided that the Director of Industries may, for sufficient reasons, postpone the payment of interest on the due date for a period of one year at a time. If the payment of interest is not postponed, the amount of interest so postponed shall be considered added to the principal amount then remaining due and shall be payable by the ----- to Government with interest at the rate aforesaid and the amount of each instalment of the principal then remaining due shall be increased by the amount equal to the amount of interest so postponed divided by the number of instalments as have not become due at that time : Provided further that the Director of Industries may at the written request of the mortgagor and in his sole discretion when the amount is below Rs. 5,000 and with previous sanction of Government when the loan is Rs. 5,000 or above, extend the due date of payment of one or more instalments provided that the total period of repayment of the loan with interest does not exceed 10 years from the date of disbursement of the loan amount. (vi) It shall be lawful for the mortgagor at any time to repay the whole or any portion of the said loan in excess of the instalments referred to above or prior to the due date or prior to the end of extended period, (if so granted). (vii) The said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935 and any Rules made thereunder. (viii) The mortgagor shall not, except with the approval of the said the Director of Industries, previously obtained, withdraw from the Industrial concern for the purpose of which the said loan is hereby granted, any profits or declare or distribute dividends in excess of such percentage rate upon the amount of the capital of the Industrial concern as may be determined by the Director of Industries, Punjab, in each case, so long as any part of the loan or the State Aid remains unpaid or this deed remains in force. [(viii-A) The mortgagor shall utilize the loan amount properly within a period of [six months] [Inserted by Punjab Government Notification No. G.S.R. 220/P.A.- 5/35/Section 46/Amd.(4), dated the 22nd September, 1964.] from the date of disbursement or such extended period as may be allowed by the Director of Industries, Punjab, or any Officer authorised by him from time to time in this behalf.](ix) If the mortgagor shall make default in compliance with any of the terms or conditions of its this deed or the Principal Deed or in the repayment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Substituted for 'at an enhanced rate of 7-1/2 per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without prejudice to other rights and remedies of Government,

the said Director of Industries, may itself issue a notice under Section 23 of the said Act and the money duly specified therein shall become immediately payable as if a money decree thereof had been passed by a Civil Court in the exercise of its ordinary original jurisdiction.

## **2. The Mortgagor, as beneficial owner, hereby :-**

(i)Charges by way of legal mortgage the property comprised in the principal Deed, and herein more particularly specified in its schedule hereto with the payment of further sum of Rs. ----- now but with the interest due hereunder and the other money payable by the mortgagor to the Government under this Deed in addition to the sums secured by the Principal Deed and the interest due or to become due thereunder;(ii)Declares that the property comprised in the Principal Deed shall not be redeemable without payment by the Mortgagor to the Government of all principal money, interest and other money payable by the Mortgagor under the principal Deed and this deed.(iii)All the powers, covenants and provisions contained in the Principal Deed shall apply for enforcing payment of all Principal money, interest and other money payable by the Mortgagor under this Deed in like manner as they apply for enforcing payment of Principal money, interest and other money payable by the Mortgagor under the Principal Deed.

**3. And in further pursuance of the agreement and covenants referred to above, the mortgagor hereby agrees to insure against fire up to the full amount of the loan secured by this deed and the Principal Deed, the entire machinery and stock in mortgagor's ----- and if Government so desires, all other property hereby mortgaged and that the policy of insurance shall be taken out in the joint name of the mortgagor and the Punjab Government and that it shall be deposited with the Director of Industries, Punjab. The mortgagor shall pay all premiums, and at his own cost renew the policy every year during the currency of the loan, failing which Government may pay the same and such premiums shall form part of the loan secured with interest under this mortgage.**

**4. The mortgagor shall be required to put up engraved metal plates of the prescribed size containing the words "pledged to Government" at his own cost on every machine and shall be liable to pay as liquidated damages a sum not exceeding Rs. 500 if he wilfully removes or defaces the plate.**

**5. It is further agreed by the mortgagor that notwithstanding any thing hereinbefore contained, Government or the Director of Industries, Punjab, may by the appointment of its own directors or otherwise exercise such control over the conduct of the industry to which State Aid has been given, as shall suffice in their or his opinion to safeguard the interest of**



**Government in such industrial concern, and that the mortgagor shall forthwith comply with all recommendations made by the Director of Industries, or the Director so appointed.**

**6. It is further agreed with any plant or machinery purchased by the mortgagor with the loan and mortgaged hereby whether specified in the deed as security or not shall, until the amount due under this and the principal deed are repaid in full, remain hypothecated to the Government as collateral security and any transfer thereof, assignment of any right, title or interest therein or the creation of any mortgage, encumbrance or any other charge thereon by the mortgagor shall be void against Government unless it has been made or created with the previous written consent of the authority sanctioning the loan.**

**7. It is further agreed with until the entire amount is repaid with interest, the mortgagor will undertake free training of apprentices selected by the Director of Industries, Punjab, not exceeding three in number, at any one time, in the work carried on by he mortgagor and that non-fulfilment of this condition shall be deemed a default in compliance with this deed.**

**8. It is further agreed with the stamp on this instrument shall be borne by the mortgagor and the same shall be presented for registration by the mortgagor and registered at his own cost.**

**9. Government shall be entitled to enforce this mortgage subject to its rights under the principal Deed dated ----- without suing on the basis of the said principal deed.**

"Schedule I"(Above referred to)In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the ----- year of the Republic of India.(1)----- (in case of an individual)Signed by the above named mortgagor Shri ----- Proprietor of -----In the presence of :I. (1) Signature(2)Occupation(3)Address.II. (1) Signature.(2)Occupation.(3)Address.Signed by the above named firm partner of the said firmthrough theIn the presence of :-I. (1) Signature(2)Occupation(3)Address.II. (1) Signature.(2)Occupation.(3)Address.N.B. - The Director of Industries should be satisfied from a partnership deed or otherwise that the executant has full power as such to bind the firm and attention is called to section 58(d), of the Indian Partnership Act, 1932; failing which a special power-of-attorney should be demanded from, absent partners in favour of the persons signing, which should be retained with Government's copy of the mortgagor.(2)(In the case of a society).The seal of the ----- (the society hereinbefore referred to) was

hereunto affixed by virtue or a resolution of Governing Committee No. -----, dated the -----, date of ----- 199 .In the presence of :-Member of the Governing Committee.Member of the Governing Committee.Member of the Governing Committee.

### 3. (In the case of a company)

The seal of the ----- Company, Limited was hereunto by virtue or a resolution of Board, No. -----, dated the -----, date of ----- 199 .[Form 'P'] [Inserted by Punjab Government Notification No. G.S.R. 220/P.A./5/35/Section 46/Amd.(2)/64, dated the 22nd September, 1964.]Personal bond to be executed by the borrowerWhereas, I applied for a loan of Rs. ----- and a loan of Rs. ----- has been sanctioned to me by the Director of Industries/District Industries Officer ----- under the provisions of the Punjab State Aid to Industries Act, 1935, and whereas I am required to execute a bond in respect of the loan of Rs. -----.I -----, son of -----, caste -----, resident of village -----, post office-----, tehsil, -----, district ----- hereby agree and bind myself, my heirs (assignees) and representatives to the Governor of Punjab as under :-(1)That I shall apply the money lent to me for the purpose of ----- for which it has been sanctioned and to no other purpose.(2)That I shall fulfil all the conditions specified on which the loan has been sanctioned and maintain a regular and complete account of the expenditure incurred in order to prove the proper utilization of the loan advanced to me.(3)That I shall be bound by all the provisions of the Punjab State Aid to Industries Act, 1935, and the rules made thereunder from time to time and shall comply with all the directions of Director of Industries, Punjab, issued to me thereunder from time to time.(4)That I shall pay back to the Director of Industries. Punjab, the said amount of Rs. ----- along with the interest at the rate of Rs. ----- per cent per annum [with a rebate of 4 per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised and the condition on which it was granted are being or have been duly fulfilled.] [Added by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] in the following instalments on or before the dates mentioned below:-(i)Rs. ----- on the ----- day of -----(ii)Rs. ----- on the ----- day of -----(iii)Rs. ----- on the ----- day of -----(iv)Rs. ----- on the ----- day of -----(v)Rs. ----- on the ----- day of -----(vi)Rs. ----- on the ----- day of -----and shall on the same date pay with each instalment interest at the rate aforesaid from the date of this bond on the said sum or on so much thereof as shall remain due on the said rates.(5)That the Director, Industries, Punjab, may at my request extend the date of payment of any or all of the aforesaid instalments.(6)That if I do not properly utilize the loan, or if do not comply with any condition of the loan or any provisions of Punjab State Aid to Industries Act, 1935, or the rules made or to be made thereunder or if I make default in the payment of the whole or any part of the instalment or interest due on the date or dates on which the same is payable, then the whole of the said loan and interest then remaining due to the said Governor, shall become immediately payable and recoverable from me.(7)That I agree to pay the stamping charges of this bond myself.Signature -----Dated -----day of ----- 199.(i)Witness ----- Address -----(ii)Witness -----

----- Address -----[Form 'Q']  
 [Inserted by Haryana Notification No. G.S.R. 25/P.A. 5/35/Section 46 Amd.(1)/168, dated 26.3.1968.]Form of deed for a short term loan against the personal security of the applicant (s) and the material stocked with the District Industries Officer concerned.This agreement made on the \_\_\_\_\_ day of \_\_\_\_\_ Between :- (A)The \_\_\_\_\_ a Society registered under the Punjab Co operative Societies, Act, 1961, with principal place of business at \_\_\_\_\_ (hereinafter referred to as the Society which expression shall, where the context so admits, include its successor, and assigns) of the first part.(B)(1)\_\_\_\_\_, son of \_\_\_\_\_(2)\_\_\_\_\_, son of \_\_\_\_\_(3)\_\_\_\_\_, son of \_\_\_\_\_(4)\_\_\_\_\_, son of \_\_\_\_\_ Residing At \_\_\_\_\_ and himself constituting the sole or only proprietor being all the partners to of the \_\_\_\_\_ carrying on business at \_\_\_\_\_ in the name and style of \_\_\_\_\_ (hereinafter on behalf of himself/themselves \_\_\_\_\_/their heirs, legal representatives, assignees, jointly and severally referred to as the Borrower) of the first part.And Secondly, the Governor of Haryana through the District Industries Officer \_\_\_\_\_ (hereinafter to as the Government) on the second part.Whereas the Borrower has applied under Section of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Haryana for a loan of Rupees \_\_\_\_\_ for the purpose of \_\_\_\_\_.Now This Agreement Witnesseth That :-

**1. [In pursuance of the said agreement and for purpose of in party securing the said sum of Rs. \_\_\_\_\_ (receipt whereof the Principal/Mortgagor hereby acknowledges) the Principal/Mortgagor hereby covenants with the Government to pay to the Government before the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ the said sum of rupees \_\_\_\_\_ with interest thereon at the rate of rupees \_\_\_\_\_ per cent per annum with a debate of four per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled and for so long as any part there of shall remain owing to pay interest at the rate as aforesaid on the moneys for the time being so remaining owing provided never the less that :-] [Preamble Substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.]**

(i)the Borrower shall pay the said sum of rupees \_\_\_\_\_ within the period not exceeding six months :(ii)it shall be lawful for the Borrower at any time to repay the whole or any portion of the said loan prior to the said dates;(iii)the said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935, and any rules made or to be made there-under;(iv)the period of the lease of the shed in favour of the Borrower shall extend beyond the period of repayment of the said loan;(v)the borrower shall not give up the lease of the shed rented out to him so long as the loan taken by him for the purchase of raw material, etc., is fully

repaid : (vi) the Borrower shall contribute 3 - 1/3 per cent of the total value of the raw material etc. to be purchased ; (vii) the amount of loan granted shall be deposited in the State Bank of India \_\_\_\_\_ in the joint names of the District Industries Officer and the Borrower. The Borrower shall not be entitled to withdraw any amount from the deposit without the authorisation and countersignatures of the District Industries Officer, but the said District Industries Officer \_\_\_\_\_ shall have the rights to operate the joint account without the consent or authority of the Borrower. The Borrower shall be allowed to withdraw from the said joint account only when the raw material etc., is received and stocked with the District Industries Officer ; (viii) the Borrower shall not withdraw from the Industrial concern for the purpose for which the said loan is hereby granted so long as any part of the loan remains unpaid or this agreement remains in force; and (ix) if the Borrower shall make default in compliance with any of the terms or conditions of this agreement or in the repayment of the loan hereby granted or any part thereof together with any interests that may be due thereon on the date on which such money and such interest shall be payable the said District Industries Officer \_\_\_\_\_ may himself issue a notice under Section 23 of the said Act and the money decree therefor had been shall become immediately payable as if a money decree therefor had been passed by a Civil Court in the exercise of its ordinary jurisdiction.

**2. And This agreement further witnesseth that in further pursuance of the said agreement and as security for the said sum of \_\_\_\_\_ rupees and interest the Borrower both hereby agree that if he shall make default in the repayment of the loan hereby granted or any part thereof or of any interest thereon within a period of six months form the date on which the loan was advanced then the same shall become due and payable by the Borrower and the Government shall be at liberty to recover the same by disposal of the material stocked by the Borrower with the District Industries Officer \_\_\_\_\_ through sale, auction or negotiation and the balance due if any, shall be recovered from the Borrower under the provisions of the Punjab State Aid to Industries, Act, 1935, and any rules made or to be made thereunder.**

**3. It is further agreed by the Borrower the notwithstanding anything hereinafter contained, the Director of Industries, Haryana may by the appointment of his own Directors or otherwise exercise such control over the conduct of the Industries to which the loan has been given, as shall suffice in his opinion to safeguard the interest of the Government in such industrial concern, and that the Borrower shall forthwith comply with recommendations made by the Director of Industries, Haryana, or the Director so appointed.**

**4. It is further agreed that the stamp on this instrument shall be borne by the Borrower.**

It witness whereof the parties have hereunto set their hands in the \_\_\_\_\_ year of the Republic of India.(a)(In case of an individual) Shri \_\_\_\_\_ in the presence of :- (1) Witness \_\_\_\_\_ (2) Witness \_\_\_\_\_. Proprietor of \_\_\_\_\_. (b) In the case of Co-operative Society) Signed for and on behalf of the above named Society. The seal of the \_\_\_\_\_ (the Society hereinbefore referred to was hereunto affixed by virtue of the resolution of the Managing Committee No. \_\_\_\_\_ dated the \_\_\_\_\_ of \_\_\_\_\_. In the presence of :- Member or the Managing Committee. Member or the Managing Committee. Member or the Managing Committee. In the presence of :- (1) \_\_\_\_\_ Signature for and on behalf of Governor of Haryana by District Industries Officer, Haryana. Witness. (2) \_\_\_\_\_ Form 'R' Form of deed for a loan exceeding Rs. 5,000 to Rs. 50,000 against the personal security of the applicant (s) and his/their sureties and the security of machinery existing or to be purchased with the loan. This agreement made on the \_\_\_\_\_ day of \_\_\_\_\_ 196 \_\_\_\_\_. Between :- (A) The \_\_\_\_\_ a Society registered under the Punjab Co-operative Societies Act, 1961, with principal place of business at \_\_\_\_\_ (hereinafter referred to as the Society which expression shall where the context so admits, include its successor, and assigns) of the first part. (B) (1) \_\_\_\_\_, son of \_\_\_\_\_ (2) \_\_\_\_\_, son of \_\_\_\_\_ (3) \_\_\_\_\_, son of \_\_\_\_\_ (4) \_\_\_\_\_, son of \_\_\_\_\_ Residing At \_\_\_\_\_, and himself constituting the sole or only/proprietor being all the partners of the carrying on business at \_\_\_\_\_ in the name and style of \_\_\_\_\_ (hereinafter on behalf of himself/themselves its/his/their heirs, legal representatives, assignees, jointly and severally referred to as the Borrower) of the first part. And Secondly, Shri \_\_\_\_\_, son of \_\_\_\_\_, residing at \_\_\_\_\_ (hereinafter referred to as the Surety) of the third part. Whereas the Borrower has applied under section 17 of the Punjab State Aid to Industries Act, 1935, to the Director of Industries, Haryana, for a loan of \_\_\_\_\_ rupees for the purpose of \_\_\_\_\_. And Whereas The Government has accordingly agreed to grant a loan of \_\_\_\_\_ rupees to the Borrower subject to the conditions hereinafter appearing. Now This Agreement Witnesseth That :- (1) [In pursuance of the said agreement and for purpose of in party securing the said sum of Rs. \_\_\_\_\_ (receipt whereof the Principal/Mortgagor hereby acknowledges) the Principal/Mortgagor hereby covenants with the Government to pay to the Government before the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ the said sum of rupees \_\_\_\_\_ with interest thereon at the rate of rupees \_\_\_\_\_ per cent per annum with a debate of four per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised or has been utilised for the purpose or purposes for which it was granted and the conditions on which it was granted are being or have been duly fulfilled and for so long as any part there of shall remain owing to pay interest at the rate as aforesaid on the moneys for the time being so remaining owing provided never the less that :-] [Preamble Substituted by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] (i) the Borrower shall repay the said sum of \_\_\_\_\_ rupees alongwith interest at the rate of \_\_\_\_\_ rupees per cent \_\_\_\_\_ per annum in the following instalments on or before the dates mentioned

below :-(1)Rupees\_\_\_\_\_ on the\_\_\_\_\_ day of\_\_\_\_\_

196\_\_\_\_\_. (2)Rupees\_\_\_\_\_ on the\_\_\_\_\_ day of\_\_\_\_\_

196\_\_\_\_\_. (3)Rupees\_\_\_\_\_ on the\_\_\_\_\_ day of\_\_\_\_\_

196\_\_\_\_\_. (4)Rupees\_\_\_\_\_ on the\_\_\_\_\_ day of\_\_\_\_\_

196\_\_\_\_\_. (5)Rupees\_\_\_\_\_ on the\_\_\_\_\_ day of\_\_\_\_\_

196\_\_\_\_\_. (6)Rupees\_\_\_\_\_ on the\_\_\_\_\_ day of\_\_\_\_\_

196\_\_\_\_\_. The first instalment shall fall due on the expiry of two years from the date of this agreement and the Borrower shall on the same date pay with each instalment interest at the rate aforesaid from the date of this agreement on the said sum or on so much thereof as shall remain due on the said dates; (ii) the Borrower shall utilise the amount of loan within a period of [six months] [Haryana GSR 102/PA 5/35/Section 46/Amd dated 26-9-1980.] from the date of disbursement or such extended period as may be allowed by the Director of Industries. Haryana or any officer authorised by him from time to time in this behalf; (iii) it shall be lawful for the Borrower at any time to repay the whole or any portion of the said loan exceeding the instalments referred to above prior to the said due date; (iv) the said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935, and any rules made or to be made thereunder; (v) the period of the lease of the shed in favour of the Borrower shall extend beyond the period of repayment of the said loan; (vi) the Borrower shall not give up the lease of the shed rented out to him so long as the loan taken by him for the purchase of machinery is fully repaid; (vii) the Borrower shall contribute 33-1/3 per cent of the total value of the machinery to be purchased. (viii) the amount of loan granted shall be deposited in the State Bank of India\_\_\_\_\_ in the Joint names of the District Industries Officer and the Borrower. The Borrower shall not be entitled to withdraw any amount from the deposit without the authorisation and countersignatures of the District Industries Officer\_\_\_\_\_, but the said District Industries Officer\_\_\_\_\_ shall have the right to operate the joint account without the consent or authority of the Borrower. The Borrower shall be allowed to withdraw from the said joint account only when the machinery is received for installation. (ix) the Borrower shall not except with the approval of the Director of Industries, previously obtained, withdraw from the Industrial concern for the purpose of which the said loan is hereby granted so long as any part of the loan remains unpaid or this agreement remains in force; and (x) if the Borrower shall make default in compliance with any of the terms or conditions of this agreement or in the repayment of any instalment of the loan hereby granted and the moneys hereby secured or any part thereof, together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default the Government shall be entitled to charge interest [at the rate of rupees..... per cent per annum] [Substituted for 'at an enhanced rate of ten per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without prejudice to other rights and remedies of the Government, the said Director of Industries may himself, issue a notice under section 23 of the said Act for the balance recoverable from the Borrower and the moneys duly specified therein shall become immediately payable as if a money decree had been passed by a civil court in the exercise of its ordinary original jurisdiction.

**2. And this agreement further witnesseth that in further pursuance of the said agreement and as security for the said sum of Rs\_\_\_\_\_ and interest the Surety both hereby agree that if the Borrower shall make default in the payment of the loan hereby granted or any part thereof or of any interest thereon the date or dates on which the same shall be or become payable then the whole of the said loan and interest whether added to the principal and itself being interest on not/or such part as may then or thereafter be due and unpaid shall become due and payable by the Surety and the Government shall be at liberty to recover the same from the Surety by a notice under the Punjab State Aid to Industries Act, 1935, as the Government may think fit.**

**3. It is, further, agreed by the Borrower and the Surety that notwithstanding anything hereinbefore contained, the Director of Industries, Haryana, may by the appointment of its own Directors or otherwise exercise such control over the conduct of the industries, to which State aid has been given as shall suffice in his opinion to safeguard the interest of Government in such industrial concern and that the Borrower shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**4. It is further agreed that the stamp duty on this instrument shall be borne by the Borrower.**

In Witness Whereof the parties have hereunto set their hand on the dates, respectively mentioned against their signatures in the\_\_\_\_\_ year of the Republic of India.(a)(in case of an individual) Shri\_\_\_\_\_ in the presence of :-

**1. Witness\_\_\_\_\_**

Proprietor of\_\_\_\_\_

**2. Witness\_\_\_\_\_**

(b)(In the case of Co-operative Society).(Signed for and on behalf of the above named Society).The seal of the\_\_\_\_\_ (the society hereinbefore referred to) was hereunto affixed by virtue of a resolution of the Managing Committee No.\_\_\_\_\_ dated the \_\_\_\_\_ of \_\_\_\_\_.In the presence of :-Members of the Managing Committee.Members of the Managing Committee.Members of the Managing Committee.Signature of the Surety.In the presence of :-Witness

1. \_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_ In the presence of :-Witness

1.

\_\_\_\_\_ Signature for and on behalf of \_\_\_\_\_ Governor of Haryana.

2.

\_\_\_\_\_ Director of Industries, Haryana. \_\_\_\_\_ Form 'S' Form of mortgage deed for a loan exceeding exceeding Rs. 5,000 to Rs. 50,000 against the security or machinery existing or to be purchased.] This Mortgage Deed made this \_\_\_\_\_ day Of \_\_\_\_\_ 19 \_\_\_\_\_ between :- (A) The \_\_\_\_\_ A Society registered under the Punjab Co-operative Societies Act, 1961 with principal place of business at \_\_\_\_\_ (hereinafter referred to as the Mortgagor which expression shall, where the context so admits, include its successor and assign) of the first part. (B) 1. \_\_\_\_\_ son of

2.

\_\_\_\_\_ son of

3.

\_\_\_\_\_ son of

4.

\_\_\_\_\_ son of Residing At \_\_\_\_\_, and himself, constituting the sole or only proprietor/being all the partners of the \_\_\_\_\_ carrying on business at \_\_\_\_\_ in the name and style of \_\_\_\_\_ (hereinafter on behalf of themselves/themselves, its his/their heirs, legal representatives, assigns, jointly and severally referred to as the Mortgagor) of the first part. And Secondly, the Governor of Haryana through the Director of Industries, Haryana (hereinafter referred to as the Government) of the second part. Whereas a loan of \_\_\_\_\_ Rupees was advanced by Government to the Mortgagor for the purchase of the machinery for the development of \_\_\_\_\_ industry on the terms and conditions contained in the agreement registered on \_\_\_\_\_ (hereinafter called the Principal Deed). And Whereas one of the terms of the Principal Deed was that the



Mortgagor shall within a period of [six months] [Substituted by Haryana GSR 102/PA 5/35/Section 46/Amd at 26-9-1980.] from the date of disbursement a Deed mortgaging the same to the Government as a security for the amount advanced to him and interest due thereon. And Whereas The Mortgagor with the amount withdrawn from the said joint account opened with the State Bank of India and cash contribution of Rs. \_\_\_\_\_ made by the Mortgagor purchased the machinery the said machinery being detailed or described more particularly in Schedule I to this Deed) from \_\_\_\_\_ vide order No. \_\_\_\_\_ on \_\_\_\_\_ and has assured the Government that he is the sole owner of machinery and the same is not mortgaged or charged or otherwise encumbered in any way. Now This Indenture Witnesseth That :-

**1. The Mortgagor for consideration mentioned in the Principal Deed and to secure the said loan of \_\_\_\_\_ Rupees and interest due thereon both as beneficial owner of the machinery hereby grant, convey and assign unto Government -**

(a) all the machineries mentioned in the said Schedule I and the machinery and other material that may hereafter be purchased in connection with the industry; (b) all the assets, present and to be hereafter acquired by the Mortgagor whether the said assets now or in future be in his own name or the of \_\_\_\_\_ including book-debits, stocks and stores and machinery whether existing or to be purchased with the aid of the loan hereby granted or with the portion thereof, and whether referred to in Schedule I or not, to have and to hold the same unto and to the sue of the governments, its successors and assigns for ever subject to the provision for redemption hereinafter contained.

**2. Provided always when the covenants for payment contained in the Principal Deed shall have been satisfied and the Principal sum together with all interest due thereon shall have been entirely paid the Government as Mortgagee shall at the request and cost of the Mortgagor reconvey the properties mortgaged or remainder thereof as he shall direct.**

**3. And in further pursuance of the agreement and covenants referred to above, the Mortgagor hereby agrees to insure against fire up to the full amount of the loan, the entire factory building and machinery and stock in the said concern \_\_\_\_\_ and all other property hereby mortgaged and that the policy of insurance shall be taken out in the joint names of the mortgagor and the Haryana Government and that it shall be deposited with the Director of Industries, Haryana. The Mortgagor shall pay all premiums, and at his own cost renew the policy every year during the currency of the loan, failing which the government may pay the same and such premiums shall form part of the loan secured with interest under their mortgage.**

**4. It is further agreed by the Mortgagor that, notwithstanding anything hereinbefore contained, the Government or the Director of Industries, Haryana, may by the appointment of its own directors or otherwise exercise such control over the conduct of the industry to which the state Aid has been given, as shall suffice in their or his opinion to safeguard the interests of the Government in such industrial concern, and that the Mortgagor shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**5. The said loan of \_\_\_\_\_ Rupees and interest due thereon shall be recoverable under the terms and conditions contained in the Principal Deed in accordance with the provisions of the Punjab State Aid to Industries Act, 1935, and the rules made thereunder.**

**6. It is further agreed that the stamp duty on this instrument shall be borne by the Government and the same shall be presented for registration by the Mortgagor and registered at his own cost.**

**I**

I. Machinery and other assets including book-debits, stocks, stores and shares and equipment, existing or to be purchased \_\_\_\_\_. II. Personal security of the Mortgagor. In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the \_\_\_\_\_ year of the Republic of India. I (a) In case of the individual) Shri \_\_\_\_\_ Signed by the above-named Mortgagor, Proprietor of \_\_\_\_\_ In the presence of :-

**1. Witness \_\_\_\_\_**

**2. Witness \_\_\_\_\_ Proprietor of \_\_\_\_\_**

(B). In the case of Co-operative Society). Singed for and on behalf of the above named society. The seal of the \_\_\_\_\_ (the society hereinbefore referred to) was hereunto affixed by virtue of a resolution of the Managing Committee No. \_\_\_\_\_ dated the \_\_\_\_\_ of \_\_\_\_\_. In the presence of :- Members of the Managing Committee. Members of the Managing Committee. Members of the Managing Committee. In the presence of :- Witnesses

1.

\_\_\_\_\_  
Signature for and on behalf of the \_\_\_\_\_ Governor of  
Haryana.

2.

\_\_\_\_\_  
Director of Industries, Haryana. \_\_\_\_\_ Form  
'T' Affidavit In the matter of granting loan under the State Aid to Industries Act,

1. I \_\_\_\_\_, son of Shri \_\_\_\_\_ solemnly  
affirm and declare that I am the sole owner of the immovable property  
described below of the value of \_\_\_\_\_ Rupees which is free from  
all encumbrances and I have not stood surety for any person.

2. I further declare the I have not obtained any financial assistance in respect  
of my business from any source and have not applied for loan against the  
said property to any agency.

3. I further declare that I do not constitute joint Hindu Family or hold any  
property or business jointly with the applicant/applicants or his/their surety.

4. I further declare that I have agreed to stand surety for the repayment of  
loan of \_\_\_\_\_ Rupees applied to the Director of Industries, Haryana,  
by Shri/Messrs. \_\_\_\_\_ under the State Aid to Industries  
Act, 1935, for the purchase of machinery to be installed in the shed of  
Industrial Estate \_\_\_\_\_ and the interest on the aforesaid amount  
in case Shri/Messrs. \_\_\_\_\_ makes default in the repayment of the  
aforesaid loan and interest or remove the machinery to be mortgaged with  
the Government By Shri/Messrs. \_\_\_\_\_ before clearing all  
Government dues.

5. That the statement made in paragraphs 1 to 3 is true to my knowledge and  
belief and that made in paragraph 4 is based on the information received  
from Shri/Messrs. \_\_\_\_\_ which I believe to be true and nothing  
has been concealed therein.

Serial No. Description of the property Value

Place \_\_\_\_\_ Deponent Dated \_\_\_\_\_  
 (\_\_\_\_\_) Attested Signature and seal of the Magistrate 1st Class. Form 'U' Form of deed for a further loan to be taken by the applicant against his property and the property of the sureties already mortgaged with the Government. This Further charge is made this \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_. between (A) The \_\_\_\_\_ Limited, a company in-corporated in India registered under the Indian Companies Act, 1913/1956 with registered officer at \_\_\_\_\_. (B) A society registered under the Punjab Co-operative Societies Act, 1961 (No. 25 of 1961), with principal place of business at \_\_\_\_\_. (C) 1. \_\_\_\_\_, son of \_\_\_\_\_, son of \_\_\_\_\_.

**2.**

\_\_\_\_\_, son of \_\_\_\_\_, son of \_\_\_\_\_.

**3.**

\_\_\_\_\_, son of \_\_\_\_\_, son of \_\_\_\_\_. son of \_\_\_\_\_ residing at \_\_\_\_\_, and himself/themselves (Constituting the sole or only proprietor of the \_\_\_\_\_ being all the partners) And Carrying on Business at \_\_\_\_\_ in the name and style of \_\_\_\_\_ himself/themselves, Its/his/their hereinafter \_\_\_\_\_ Legal representative assigns, jointly and severally referred to as the mortgagor) of the first part. Secondly,

**1.**

\_\_\_\_\_, son of \_\_\_\_\_, son of \_\_\_\_\_.

**2.**

\_\_\_\_\_, son of \_\_\_\_\_, son of \_\_\_\_\_.

**3.**

\_\_\_\_\_, son of \_\_\_\_\_, son of \_\_\_\_\_. (hereinafter Himself/themselves, His/their heirs, legal representatives, and assigns, hereinafter referred to as the surety/sureties) of the second part. And Thirdly, the Governor of Haryana, through the Director of Industries (hereinafter referred to as Government) of the third part :- Whereas by a mortgage deed, dated \_\_\_\_\_ made between the mortgagor surety/sureties and Government (hereinafter called the principal deed) the mortgagor and surety/sureties conveyed certain property therein and particularly specified in the Schedules I and II to the principal deed, for securing payment to the Government of the principal sum of Rs. \_\_\_\_\_ with interest thereon at the

rate of per cent per annum. And whereas out of the said principal a sum of Rs. \_\_\_\_\_ together with interest still remains owing to the government on the security of the principal deed; And whereas the mortgagor and surety/sureties have assured Government that they are the sole owners of the aforesaid property and that except the mortgage made in the principal deed subject to which this mortgage is made, the said property is not mortgaged, charged or otherwise encumbered in any way whatsoever. And whereas the mortgagor has applied under Section 17 of the Punjab State aid to Industries Act, 1935, to the Director of Industries, Haryana, for a further loan of Rs. \_\_\_\_\_ for the purpose of \_\_\_\_\_. And whereas the Director of Industries, Haryana, with the previous sanction of the Government of the State of Haryana, has agreed to grant the said loan to the mortgagor, subject to the conditions hereinafter appearing :- Now This Indenture Witnesseth That :-

**1. In pursuance of the said agreement and for the purpose of in part securing the said sum of Rs. \_\_\_\_\_ (receipt whereof the mortgagor hereby acknowledges) the mortgagor hereby covenants with Government to repay to Government the said sum of Rs. \_\_\_\_\_ with interest thereon at the rate of Rs. \_\_\_\_\_ per cent per annum, [with a rebate of 4 per cent per annum if the repayment of the principal and the payment of interest are made on due dates and the loan is being utilised and the condition on which it was granted are being or have been duly fulfilled.] [Added by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] computed from \_\_\_\_\_ in the following instalments :-**

First instalment of the sum of Rs. \_\_\_\_\_ representing the interest on the loan at the said rate for a period of one year recommencing from \_\_\_\_\_ to \_\_\_\_\_ shall be payable on the \_\_\_\_\_ day of \_\_\_\_\_. Second instalment of Rs. \_\_\_\_\_ out of the principal amount shall be payable on the \_\_\_\_\_ day of \_\_\_\_\_. Third instalment of Rs. \_\_\_\_\_ out of the principal amount shall be payable on the \_\_\_\_\_ day of \_\_\_\_\_. Fourth instalment of Rs. \_\_\_\_\_ out of the principal amount shall be payable on the \_\_\_\_\_ day of \_\_\_\_\_. Fifth instalment of Rs. \_\_\_\_\_ out of the principal amount shall be payable on the \_\_\_\_\_ day of \_\_\_\_\_. Sixth instalment of Rs. \_\_\_\_\_ out of the principal amount shall be payable on the \_\_\_\_\_ day of \_\_\_\_\_. Seventh instalment of Rs. \_\_\_\_\_ out of the principal amount shall be payable on the \_\_\_\_\_ day of \_\_\_\_\_. And the mortgagor shall with each of the second to seventh instalments pay interest at the rate aforesaid accrued on the entire amount of loan remaining due immediately before such payment : Provided that the Director of Industries, may for sufficient reasons, postpone of payment of interest on the due date for a period of one year at a time. If the payment of interest is so postponed the amount of interest so postponed shall be considered added to the principal amount then remaining due and shall be payable by the \_\_\_\_\_ to government with interest at the rate aforesaid and the amount of each instalment of the principal then remaining due shall be increased by the amount equal to the amount of interest so postponed divided by the

number of instalments as have not become due at that time :Provided further that the Director of industries, may at the written request of the mortgagor and in his sole discretion when the amount is below Rs. 5,000 and with previous sanction of Government when the loan is Rs. 5,000 or above, extend the due date of payment of one or more instalments provided that the total period of repayment of the loan with interest does not exceed ten years from the date of disbursement of the loan amount.

**2. It shall be lawful for the mortgagor at any time to repay the whole or any portion of the said loans in excess of the instalments referred to above or prior to the due date.**

**3. The said loan is made under and shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935, and the rules made or to be made thereunder.**

**4. The mortgagor shall not, except with the approval of the Director, of Industries, Haryana, previously obtained, withdraw from the Industrial concern for the purpose of which the said loan is hereby granted any profits or declare or distribute dividends in excess of such percentage rate upon the amount of the capital of the Industrial concern as may be determined by the Director of Industries, Haryana, in each case, so long as any part of the loan or the State aid remains unpaid or this deed remains in force.**

**5. The amount of loan shall be utilised by the mortgagor in the following manner within [six months] [Substituted by Haryana GSR 102/PA 5/35/Section 46/Amd/80 dated 26/9/1980.] from the date of disbursement or such extended period, as may be allowed by the Director of Industries, Haryana, or any Officer authorised by him from time in this behalf :-**

(i)as working capital Rs.\_\_\_\_\_.(ii)for purchase of machinery Rs.\_\_\_\_\_.(iii)construction of factory building Rs.\_\_\_\_\_.

**6. If the mortgagor makes default in compliance with any of the terms or conditions of this deed or the principal deed or in the repayment of the loan hereby granted and the moneys hereby secured or any part thereof together with any interest that may be due thereon on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan outstanding against him shall become immediately payable and from the date do default Government shall be entitled to charge interest [at the rate of**

**rupees..... per cent per annum] [Substituted for 'at an enhanced rate of 7-1/2 per cent per annum' by Haryana Notification No. GSR 20/PA5/35 Section 46/Amd(1)/77 dated 28.1.1977.] and without prejudice to other rights and remedies of Government, the Director, of Industries, Haryana, may himself issue a notice under Section 23 of the said Act and the money duly specified therein shall become immediately payable as if a money decree therefore had been passed by a civil court in the exercise of its ordinary original jurisdiction.**

**7. The mortgagor and surety/sureties as beneficial owners both hereby :-**

(i)Charges by way of legal mortgage the property comprised in the principal deed and with the payment of further sum of Rs.\_\_\_\_\_ now but with interest due hereunder and the other money payable by the mortgagor to the Government under this deed, in addition to the sum secured by the principal deed and the interest due or to become due thereunder :(ii)Declares that the property comprised in the principal deed shall not be redeemable without payment by the mortgagor to the Government of all principal money, interest and other moneys payable by the Mortgagor under the principal deed and this deed.(iii)All the powers, covenants and provisions contained in the principal deed shall apply for enforcing payment of all principal money, interest and other money, interest and other moneys payable by the Mortgagor under the principal deed and this deed.

**8. And in further pursuance of the agreement and covenants referred to above, the mortgagor and/surety/sureties hereby agree to insure against fire upto the full amount of the loan secured by this deed and the principal deed, the entire factory building, machinery and stock in mortgagor,s Industrial concern and the properties, comprised in Schedules I and II annexed to the principal deed and if government so desires all other properly hereby mortgaged and that the policy of insurance shall be taken out in the joint name of the mortgagor and surety/sureties and the Government and that it shall be deposited with the Director of Industries, Haryana/District Industries Officer. The mortgagor shall pay all premiums, and at his own cost renew the policy every year during the currency of the loan, failing which Government may pay the same and such premiums when paid by Government shall form part of the loan secured with interest under this mortgage.**

**9. The mortgagor shall be required to put up engraved metal plates of the prescribed size containing the word pledged to "Government" at his own cost on every machine and shall be liable to pay on liquidated damages a**

**sum not exceeding Rs. 500 if he wilfully removes or defaces the plates.**

**10. It is further agreed by mortgagor and surety/sureties that notwithstanding anything herein before contained, Government or the Director of Industries, Haryana, may by the appointment of its own Director or otherwise exercise such control over the conduct of the industry to which State aid has been given, as shall suffice in their or his opinion to safeguard the interest of government, in such industrial concern and that the mortgagor shall forthwith comply with all recommendations made by the Director of Industries or the Director so appointed.**

**11. It is further agreed that any plant or machinery purchased by the mortgagor with the loan and mortgaged hereby whether specified in the deed as security or not shall, until the amount due under this deed and the principal deed are repaid in full, remain hypothecated to the Government as collateral Security and any transfer thereof, assignment of any rights, title or interest therein or the creation of any mortgage, encumbrance or any other charge thereon by the mortgagor, shall be void against Government unless it has been made or created with previous written consent of the authority sanctioning the loan.**

**12. And this Indenture further witnesseth that in further pursuance of the said agreement and as security for the said sum of Rs. \_\_\_\_\_ and the interest thereon the surety/sureties as beneficial owner, both hereby grant convey and assign unto the Government, all and several of the properties referred to in the said Schedule II to the principal deed to have and to Hold the same unto and to the use of Government, its successors and assigns forever, subject to the provision for redemption hereinafter contained and the surety, doth further covenant that if the mortgagor shall make default in the payment of the loan hereby granted and the moneys hereby secured or any part thereof or of any interest thereon on the date of dates on which the same shall be or become payable, then the whole of the said loan and interest whether added to the principal and its being interest or not or such part as may then or thereafter be due and unpaid, shall become due and payable by the sureties jointly and severally and Government shall be at liberty to recover the same from the surety or from the property hereby mortgaged by the sale thereof or by a notice under the Punjab State Aid to Industries Act,**



**1935, as Government may think fit whether Government have pursued all or any of its remedies against the mortgagor or his property hereby mortgaged or not.**

**13. It is further agreed that until the entire amount is repaid with interest the mortgagor will undertake free training of apprentices selected by the Director of Industries, Haryana, not three in number, at any one time, in the work carried on by the mortgagor and that non-fulfilment of the condition shall be deemed a default in compliance with this deed.**

**14. It is further agreed that the stamp on this instrument shall be borne by the mortgagor and the same shall be presented for registration by the mortgagor and registered at his own cost.**

**15. Government shall be entitled to enforce this mortgage subject to its rights under the principal deed dated \_\_\_\_\_ without suing on the basis of the said principal deed.**

In witness whereof the parties have hereunto set their hands on the dates, respectively, mentioned against their signatures in the Twenty-second year of the Republic India.(A)(In case of an individual or firm)Signed by the above-named mortgagor Shri \_\_\_\_\_ proprietor of \_\_\_\_\_.In the presence of :-Signed by the above-named sole proprietor or partner(s) of the said firm.

**1. 1. Signature**

**2. Occupation**

**3. Address**

**2. 1. Signature**

**2. Occupation**

**3. Address**

N.B. - The Director of Industries, Haryana, should be satisfied from a partnership deed or otherwise that the executant has full power as such to bind the firm and attention is called to Section 58(d) of the Indian Partnership Act, 1932, failing which special power of attorney should be demanded from absent partners in favour of the persons signing, which should be retained with Government's copy

of the mortgage.(B)(in the case of a society)The seal of the\_\_\_\_\_ society, was hereunto affixed by virtue of a resolution of Governing Committee No.\_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.In the presence of :-Member of the Governing Committee.Member of the Governing Committee.Member of the Governing Committee.(c)(in the case of company)The seal of the\_\_\_\_\_ company, Limited, was affixed by virtue of a resolution of Board No.\_\_\_\_\_ dated\_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.In the presence of :-DirectorDirectorSecretary.N.B. - In the case of either a Society under Act 25 of 1961 or a Company incorporated under the Companies Act, the Director of Industries should require a copy of the resolution above referred to certified correct by one of the members of the Governing Committee of the Society or by Director or Secretary of the Company as the case may be, authorising the particular executants to sign or to affix the seal. It is however, not necessary for the persons mentioned above always to execute the mortgage itself, and it is sometimes not convenient for them to do so in person as it involves all the officers in question appearing before the sub-registrar and bringing with the the seal of the Society or Company if they so desire they may execute a special power of attorney authorising any respectable person preferably one of their own body to do all things necessary for the single transaction viz. the completion of the mortgage which will be referred to in the preamble to such power of attorney. In that case the power of attorney will require to be executed on paper stamped at Rs. 2 and though it need not be registered or authenticated by the Sub-Registrar (vide circular No. 49/3076/1-30 from the Inspector-General of Registration, Punjab, dated the 7th August, 1953). The Director of Industries may require the same to have been attested under Section 85 of the Indian Evidence Act, where the mortgage is executed by an attorney it will (if for a term exceeding one year) be presented for registration by attorney.

## 1. In the presence of :-

1. | - 2. Signed by surety and sureties.

In the presence of :-

1. Signed on behalf of the governor of Haryana.

2. Deputy/Assistant Director of Industries

Secretary to Government Haryana

Form 'V'(See Rule 37)Form of application for loan in lieu of Inter-State Sales Tax by an eligible Industrial unit the Punjab State Aid to Industries Act, 1935.ToThe Director of Industries, Haryana.Dear Sir,I/We beg to apply for a loan of Rs.\_\_\_\_\_ only for the development of \_\_\_\_\_ industry/Industries under the Punjab State Aid to Industries Act, 1935 and the rule made thereunder.The required particulars are given below :- (1)Name and style if applicant(s) concern alongwith principle place of business and location.(2)Whether sole proprietorship/partnership/company/co-operative society.(3)A list of branch offices and associates or subsidiary concern, if any.(4)Name of industry and type of goods produced.(5)Number of persons employed.(6)Whether a small scale units registered with Department of Industries ? If so, registration number and date.(7)Whether registered with Director General, Technical Development Government of India ? If so, give particulars.(8)Whether established under a licence from Government of India under the Industries (Development and Regulations) Act,1951 ? If so give

details.(9)Total investments :-(a)Building and land.(b)Machinery.(c)Working capital.How the above finances were arranged.(i)From own resources.(ii)Raising of loans from :-(a)Private resources.(b)Haryana Financial Corporation.(c)Industries Department.(d)Investment Finance Corporation.(e)Industrial Development.(f)Bank of India.(g)Haryana State Industrial Development Corporation.(h)Banks/other resources.(Whether loans as aforesaid have been refunded ? If not, the details of outstanding be given)(10)Whether registered with haryana Excise and more Central Sales Tax No. Taxation Department for Sales Tax Purposes ? If so, give registration number and date.(11)Whether all sales are being effected from Haryana. Yes/No.(12)Amount of inter-State Sales Tax paid during financial year.

## **1970.**

-71

## **1971.**

-72and so on(it must be accompanied by receipted treasury challans and certificate from concerned Assessing Authority in form 'V').(13)Whether assessment of Inter-State Sales Tax have been made by the Assessing Authority for the year, which forms basis for loan.(14)Amount of tax paid on the purchases of raw material made within Haryana during the year which forms basis for loan.(15)Total amount of Sales Tax paid in Haryana during financial year, -

Under the Punjab General Sales Tax Act 1948

1970-71

1971-72 and so on.

(16)Would you like to offer any security for repayment of the loans ?If so, please specify.(17)Any other information not covered above.I/We declare that the statements made/particulars given above are true and correct to the best of my/our knowledge and belief.Signature of the applicant.Form 'W'(See rules 38 and 39 and 40)Certificates

### **1. Name and address of the unit.**

### **2. Sales tax Registration Number -**

(a)Under the Punjab General Sales Tax Act, 1948(b)Under the Central Sales Tax Act, 1956.

### **3. Amount of tax paid by the**

Unit 1970-71 1972-73

(i)Under the Central Sales Tax Act, 1956(ii)On the purchase of raw materials within the State of Haryana.

**4. Whether assessment for the year 1970-71 or so on has been made, if so, the amount due from the firm over and above the sales tax already deposited.**

Assessing Authority"Form 'X'(See rule 39)Form of agreement deed for interest free loan in lieu of inter State sales tax paid or payable by an industrial unit.This agreement made on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.(A)The \_\_\_\_\_ Ltd., a company incorporated in India and registered under the Indian Companies Act, 1956, with registered officer at \_\_\_\_\_(B)\_\_\_\_\_ a society registered under the Punjab Co-operative Societies Act, 1961, with principal place of business at \_\_\_\_\_(C)(1)\_\_\_\_\_, son of \_\_\_\_\_(2)\_\_\_\_\_, son of \_\_\_\_\_(3)\_\_\_\_\_, son of \_\_\_\_\_(4)\_\_\_\_\_, son of \_\_\_\_\_(5)\_\_\_\_\_, son of \_\_\_\_\_ residing at \_\_\_\_\_ and himself constituting the sole or only \_\_\_\_\_ proprietor of the \_\_\_\_\_ carrying on business at \_\_\_\_\_ in the name and style of \_\_\_\_\_ (hereinafter on behalf of himself/themselves, its/his/their legal representatives, assignees, jointly and severally referred to as the principal of the first part;And(1)\_\_\_\_\_, son of \_\_\_\_\_ residing at \_\_\_\_\_ on behalf of \_\_\_\_\_ themselves, their heirs, legal representatives and assigns (hereinafter referred to as the sureties) of the second part :And Thirdly, the Governor of Haryana through the Director of Industries (hereinafter referred to as "the Government") of the third part.Whereas the Principal has applied under Section 19 of the Punjab State Aid to Industries Act, 1935 to the Director of Industries, Haryana for a loan of Rs. \_\_\_\_\_ for the purposes of development of Industrial in-lieu of the Inter-State Sales tax period to the Haryana Excise and Taxation Department.Whereas(1)\_\_\_\_\_, son of \_\_\_\_\_(2)\_\_\_\_\_, son of \_\_\_\_\_ have agreed in accordance with rule 43 to stand as sureties for the repayment of the said loan;And Whereas the Government have agreed to grant a loan of Rs. \_\_\_\_\_ to the Principal subject to the conditions hereinafter appearing, for the purpose of development of Industries :-Now This Agreement Witnesseth That :

**1. In pursuance of the said agreement and for purpose of in part securing the said sum of Rs. \_\_\_\_\_ (the receipt whereof the Principal hereby acknowledged) the Principal hereby covenants to pay to the Government before the \_\_\_\_\_ day of \_\_\_\_\_ 197, the said of Rs. \_\_\_\_\_ provided nevertheless that :-**

(i)If the Principal shall pay the said sum of Rs. \_\_\_\_\_ by the following instalments :-FIRST INSTALMENT OF Rs. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.SECOND INSTALMENT OF Rs. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.THIRD INSTALMENT OF Rs. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.FOURTH INSTALMENT OF Rs. \_\_\_\_\_ on

the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.FIFTH INSTALMENT OF Rs.\_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.SIXTH INSTALMENT OF Rs.\_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.SEVENTH INSTALMENT OF Rs.\_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.NINTH INSTALMENT OF Rs.\_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.NINTH INSTALMENT OF Rs.\_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.TENTH INSTALMENT OF Rs.\_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_\_.Until the whose sum due shall be paid, then subject to the terms and conditions hereinafter contained, the Government will accept payment of the said sum of Rs.\_\_\_\_\_ by such instalments and will not take any steps to obtain payment of the said sum of Rs.\_\_\_\_\_.(ii)that it shall be lawful for the Principal at any time to repay the whole or any portion of the said loan exceeding the instalments referred to above prior to the said due date;(iii)the said loan is made under them shall remain in any case subject to the provisions of the Punjab State Aid to Industries Act, 1935, and any rules made or to be made these under;(iv)The Principal shall not, except with the approval of the Director of Industries, previously obtained, withdraw from the Industrial concern for the purpose of which the said loan is hereby granted any profits (or declare or distribute dividend) in excess of such percentage rate upon the amount of the capital of the industrial concern as may be determined by the Director of Industries, Haryana, in such case so long as any part of the loan remains unpaid or this agreement remains in force.(v)if the Principal shall make default in complying with any or the terms and conditions of this deed or in the repayment of any instalment of the loan hereby granted and the moneys hereby secured or any part thereof on the date or dates on which such moneys and such interest shall be payable, the entire amount of the loan withdrawn by him and outstanding against him shall become immediately payable and from the date of default Government shall be entitled to charge interest at the rate of 12 percentum per annum, without prejudice to other rights and remedies of the Government, the said Director of Industries, or any officer authorised by the government in this behalf may issue a notice under Section 23 of the said Act and the moneys duly specified therein shall become immediately payable.

**2. As security for the sum of Rs.\_\_\_\_\_ the sureties doth hereby agree that if the Principal shall make default in the repayment of the loan hereby granted or any part thereof or on any interest thereon on the date or dates on which the same shall be or become payable then the whole of the said loan and interest if levied, whether added to the principal or itself, being interest or nor such part as may then or thereafter be due and unpaid shall become due and payable by the sureties jointly and severally and the Government shall be at liberty to recover the same from the sureties.**

**3. Notwithstanding anything hereinbefore contained, the Director of Industries, may by the appointment of its own Directors or otherwise exercise such control over the conduct of the Industries to which loan has been given as shall suffice in his opinion to safeguard the interest of the Government in such industrial concern and that the principal shall forthwith**

**comply with all recommendations made by the Director of Industries or the Directors so appointed.**

**4. The stamp duty on this instrument shall be borne by the Principal.**

**5. It is further agreed that until the entire amount is repaid (with interest if levied) the Principal will undertake free training of apprentices selected by the Director of Industries, Haryana, not exceeding five in number at any one time, in the work carried on by the Principal and that non- fulfilment of this condition shall be deemed to be default in compliance with this deed.**

**6. The Principal agree that it shall effect all inter-State sales from a place in the State of Haryana.**

In Witness whereof the parties have set their hands in the \_\_\_\_\_ year of the Republic of India.(a)(in the case of a firm)N.B. - The department should be satisfied from a partnership deed or other be that the executant has full power as such to bind the firm. Failing over in the partnership deed, a special power of attorney should be demanded from absent partners in favour of the persons signing, which should be retained with Governments copy of the agreement.(a)(In the case of society).The seal of the \_\_\_\_\_ (the Society hereinafter referred to) was hereto affixed by virtue of a resolution of Governing Committee No. \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_ 197 \_\_\_\_\_.In the presence of :-Member of the Governing Committee.Member of the Governing Committee.Member of the Governing Committee.(c)(In the case of a Company)The seal of the \_\_\_\_\_ Company, Limited, was affixed by virtue of the resolution of the Board No. \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_ 197 \_\_\_\_\_.In the presence ofDirector.Director.Secretary.N.B. - In the case of either a society under Co-operative Societies Act of 1967 or a Company incorporated under the Companies Act, 1956, the Department should require a copy of the resolution above referred to certified to be Correct (either by one of the members of the Governing Committee of the Society or by a Director or Secretary of the Company as the case may be) authorising the particular executant or executants to sign or to affix the seal. It is, however, not necessary for the persons mentioned above invariably to execute the instrument itself and it is sometimes not convenient for them to do so in person as it involves all the officers in question appearing before the Sub-Registrar and bringing with them the seal of the Society or company. If they so desire they may execute s special power of attorney authorising any respectable person preferably one of their own body to do all things necessary for the single transaction, viz. "the completion of the instrument" which will be referred to in the preamble to such power of attorney, in that case the power of attorney will require to be executed on papers stamped at Rs. 3, and though it need not be registered or authenticated by the Sub-REGistrar, - vide Circular No. 49/3076/A-30 from the Inspector- General of Registration, Punjab dated 7th August, 1933 the Department may require the same to have been attested under Section 85 of the Indian Evidence Act.Signatures of the sureties.

**1.**

\_\_\_\_\_

**2.**

\_\_\_\_\_ In the presence of Witnesses

**12.**

Witnesses<sup>12</sup> Signed for and on behalf of the Governor of Haryana.