

# **The Punjab Scheduled Areas Traders' (Facilities for Loans) Rules 1956**

PUNJAB

India

## **The Punjab Scheduled Areas Traders' (Facilities for Loans) Rules 1956**

### **Rule**

### **THE-PUNJAB-SCHEDULED-AREAS-TRADERS-FACILITIES-FOR-LOANS of 1956**

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The Punjab Scheduled Areas Traders' (Facilities for Loans) Rules 1956 Published vide Punjab Government Notification No. 2904-RR(CH), 56/2399, dated 9.5.1958.

#### **1. Short title.**

- These rules may be called the Punjab Scheduled Areas Traders (Facilities for Loans) Rules, 1956.

#### **2. Officers empowered to grant loans.**

- Within the limits of funds allotted to them for the purpose, the following officers are empowered to grant loans :-

- |  |                             |
|--|-----------------------------|
| (1) Sub-Division Officer (Civil), Kulu | Upto Rs. 2,500              |
| (2) Deputy Commissioner, Kangra        | From Rs. 2,501 to Rs. 5,000 |
| (3) Financial Commissioner             | Above Rs. 5,000             |

The limits apply to the amounts which may be granted in any individual case.

#### **3. Interest.**

(1) Interest will be charged at the rate of 5¼ per cent per annum. (2) Penal interest will not be charged on instalments which have been suspended by order of competent authority, as mentioned

in rule 7 following, but in other cases will ordinarily be charged at 2 per cent per annum in addition to normal rate (of  $5\frac{1}{4}$  per cent per annum), simple interest, on the total of the overdue instalment, when the delay exceeds one month. Compound interest will in no case be charged and the Deputy Commissioner, Kangra, may remit or reduce the penal interest, when he is satisfied that the failure is due to the inability to pay or that the levy of such interest would cause hardship.

#### **4. Security.**

- The officer advancing the loan shall require the loanee to produce two persons who will become surety for the repayment of the loan with interest, where charged, or necessary security may be given by the loanee in the form of hypothecation of immovable property of a value equal in the opinion of the sanctioning authority to not less than  $1\frac{1}{2}$  times the amount of the loan.

#### **5. Agreement.**

- The borrower shall be required to sign on the order or payment an agreement in a form as prescribed in the Appendix of these rules and shall be given a copy of this agreement.

#### **6. Dates of payment of instalment.**

- Loan will be recovered in an individual case in 10 equal half yearly instalments and interest, together with the penal interest, if any, in an additional instalment. These instalments will become due on 1st May and 1st November each year.

#### **7. Suspension.**

- Instalments of loan due may be suspended by order and at the discretion of Deputy Commissioner, Kangra, up to a limit of Rs. 1,000 in any one case on proof of inability of the borrower to make payment by the due dates. The Commissioner, Jullundur Division, may suspend instalments to any amount provided he is satisfied that the financial position of the borrower is weak to make the payment. In all cases, formal order of suspension, in writing, shall be passed.

#### **8. Remission.**

- When any portion of a loan under these rules is found to be irrevocable, or when from any special cause, it appears that the loan ought not to be recovered, a special report should be made by Deputy Commissioner Kangra, to the Commissioner, Jullundur Division, who is empowered to grant remission up to a limit of Rs. 500/- in any one case. If the amount exceeds Rs. 500/- the Commissioner shall forward the report to the Financial Commissioner, who is empowered to sanction remission without limits. Appendix Form of Order and Agreement to be used when a loan is made under the Scheduled Areas Trader's (Facilities for Loan) Rules. Village Whereas AB

\_\_\_\_\_ son of \_\_\_\_\_ and CD  
\_\_\_\_\_ son of \_\_\_\_\_ Village \_\_\_\_\_

If| I make any of us makes| default in the punctual payment of my debt then I \_\_\_\_\_ X and Y (sureties) are responsible jointly and his share then the others of us and severally to Government for the payment of it. (Where sureties give personal security).

As between ourselves we the applicants are responsible for repayment of the loan in the following shares :-The loan shall be applied solely to the purpose specified above, and if it shall be proved to the satisfaction of the Collector that any part of the loan has been misplaced, the whole amount of the loan shall, with such interest as may have become due thereon be deemed to become at once due. Whereas collateral security for the punctual of the repayment of the loan according to the terms of the order is demanded. I/We mortgage to Government the immovable property mentioned in the Schedule below as a collateral security. (Where immovable property is hypothecated as collateral security). I/We the undersigned acknowledge the receipt of Rs. \_\_\_\_\_ borrowed by me/us and hereby agree to the conditions of repayment specified above. In witness whereof we have hereunder set our thumbmarks and signatures on the dates specified, respectively. Signatures of the officer making the grant Signature of the applicant and sureties

1	2	3	4	5
No.	Name of applicant or surety	Amount of loan	Signatures and thumbmarks	Date of execution
(Where there are sureties their names should be shown as such along with the name (or names) of the principal, and the word "surety" added) Inspection				

1	2	3
Date	Remarks	Signature of officer

## Repayments

1	2	4
Date	Amount	Signatures of Tehsil Officer

