

¹ RULES MADE UNDER THE LAND IMPROVEMENT
LOANS ACT, 1883

LAND IMPROVEMENT LOANS RULES, 1910

1. Officers who may grant loans.--² [Within the limits of funds allowed to them for the purposes, the following officers are empowered to grant loans:--

	Rs.
(i) Tehsildar, Assistant and Extra Assistant Commissioner, upto	1,000
(ii) Project Executive Officer/Assistant Project Officer holding Independent charge of a Project and Block Development Officers in relation to the implementation of community Project/National Extension Service Programme in the State up to	3,000
(iii) Collectors up to	5,000
(iv) Commissioners up to	10,000
(v) Development Commissioner in relation to Community Project/National Extension Service Schemes up to	50,000
(vi) Financial Commissioner	50,000

Officers subordinate to the Collector will exercise these powers only when permitted to do so by the Collector. No such permission will be required by Project Executive Officers, Block Development Officers and Assistant Project Officers to exercise their powers.

The limits apply to the amounts which may be granted in any individual case. Commissioner may, in very special circumstances, on the recommendation of the Collector invest selected Naib-tehsildars with the powers of a Tehsildar, as regards the granting of loans].

2. ³ [(1) Interest shall be charged at the rate notified by the State Government from time to time.]

(ii) ⁴ [Simple interest at enhanced rate] will not be charged on instalments which have been suspended by order of competent authority, but in other cases will ordinarily be charged at the ⁵ [the rate of one per cent per annum above the normal rate of interest] ⁶ [on the Principal overdue], when the delay exceeds [one month].

Compound interest will in no case be charged, and the Collector may remit or reduce the ¹ [simple interest at enhanced rate] when he is satisfied that the failure is due to inability to pay or that the levy of such interest would be productive of hardship.

3. Security.--(a) When the value of the applicant's interest in the land to be improved is sufficient to cover the loan, no collateral security need be required.

(b) When a loan is made to members of a village community, who bind themselves jointly and severally as provided in section 9 of the Act, the personal security of the applicants may be accepted. It is not necessary that all the members of the community should combine; loans may be made to any suitable group of persons who agree to be jointly and severally bound.

1. Punjab Government Notification No. 284, dated 13th August, 1910.

2. Rule 1 substituted by Punjab Government Notification No. 14307-CP/55/3781, dated 31 July, 1956.

3. Substituted by Punjab Government Notification No. 4643-A-53/2641, dated 22nd July, 1953.

4. Substituted for the words "Penal interest" by G.S.R. No. 149, dated 5th June, 1964.

5. Substituted by Punjab Government notification No. G.S.R. 307/C.A. 19183/S. 10/Amd. (3)/65, dated 15th December, 1965.

6. Substituted by Punjab Government notification No. 13731-TL/58/4673, dated the 23rd July, 1958.

7. Substituted for the word "fifteen days" by Government notification No. 434-TL/57/5257, dated the 25th September, 1957.

Note:—These rules are in force in the areas added to H.P. vide section 5 of Punjab Reorganisation Act, 1966.

(c) In all cases not covered by clause (a) or clause (b) of this rule collateral security, either real or personal, should be required, but movable property should rarely be accepted as such security.

4. The borrower should be required to sign on the order of payment an agreement in a form prescribed and should be given a copy of this agreement.

5. **Dates of payments of instalments.**—The dates for payment of instalments should usually be the dates fixed for the payment at each harvest of the first instalments of the land revenue.

6. **Inspection of works.**—All works for which advances are made by instalments should be inspected and reported on before each instalment subsequent to the first is paid. In the case of all such works no instalment subsequent to the first should be paid until a competent officer is satisfied that the loan is being properly applied.

¹[7. **Suspension.**—(1) Instalments may be suspended on proof of failure of crops or other exceptional calamity.

(2) In areas under fluctuating assessment, the Collector of the district may order such suspension up to a limit of Rs. 5,000 for a single tehsil, or a total of Rs. 10,000 for the whole district in any one harvest provided that the amount involved at a time in any one case shall not exceed Rs. 1,000

(3) In areas under fixed assessment, the same limits as aforesaid shall apply, except that in those cases in which suspension of taccavi follow suspension of land revenue, the Collector may exercise unlimited powers of suspension.

(4) Proposal for suspensions in excess of the limits specified in sub-rules (2) and (3) shall be submitted by the Collector of the district to the Commissioner of the division who shall have unlimited powers of suspension as in the case of land revenue.

(5) Notwithstanding anything contained in sub-rules (2), (3) and (4), the Government shall have unlimited powers to grant suspension.

(6) All suspensions of taccavi whenever granted shall be reported without delay through the Commissioner of the division for the information of the Financial Commissioner.]

8. When any portion of a loan under these rules is found to be irrecoverable, or when from any special cause it appears that the loan ought not to be recovered, a special report should be made to the Commissioner of the division, who has power to grant remission up to a limit of Rs. [1,000] in any one case. If the amount proposed for remission exceeds Rs. [1,000], the Commissioner should forward the report to the Financial Commissioner, who has power to sanction remissions without limit.

1. Substituted by G.S.R. No. 211 dated 31st August, 1965.

2. Substituted for "500" by Punjab Government Notification No. 5694-A-532899, dated the 14th August, 1953.