

MONEY-LENDERS RULES, 1349

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MONEY-LENDERS RULES, 1349

In exercise of the powers conferred by sub-section (1) of Section 15 of the Money Lenders Act No. 5 of 1349 Fasli the Government is pleased to make and enforce the following rules relating to the registration, and issue of money-lending licences to money lenders and maintenance of accounts of debts.

1. Title and commencement :-

These rules may be called the Money-Lenders Rules and shall come into force from the date of publication in the Official Gazette.

2. Definitions :-

In these rules, unless there is anything repugnant in the subject or context:

(1) "Act" shall mean the Money Lenders Act, No. 5 of 1349 Fasli;

(2) Words and expressions used in these rules shall have the same meaning as assigned to them in the Money-Lenders Act.

(3) "Authorised Attorney" shall mean such attorney as has been appointed to be an attorney by a general or special power of Attorney.

3. Officers authorised to register money-lenders :-

(1) The power to register the name of money-lender and to grant him a licence under sub- section (2) of the Section 3 of the Act, shall vest

(a) in the Municipal limits of the cities of Hyderabad and Secunderabad, in the Collector, Hyderabad District; and

(b) in other areas in Tahsildar concerned.

(2) A licence issued under sub-rule (1) may be signed either by the officer empowered in that sub-rule or on his behalf by any other officer subordinate to him and authorised by him for this purpose.

4. Functions of officer as to registration of money-lender :-

The register maintained under sub-section (1) of Section 3 of the Act

for the purpose of registering money-lender shall be in the form of the Schedule "A" attached hereto. Each page of the register shall bear the serial number of the pages and seal of the concerned office also shall be affixed thereto. At the end of the register the officer concerned shall, under his hand, make an endorsement as to the total number of pages of such register and affix his signature thereto.

5. Form of application :-

The application to be submitted by money lenders for registering themselves and obtaining money-lending licences shall be in the form of the Schedule 'B' attached hereto.

6. Court fee shall be charged on application :-

The Court fee payable on an application made under Rule 5 or 15 shall be the same as is prescribed in the Court Fees Act, in accordance with the status of the Department concerned.

7. Mode of making an application :-

Every application under Rule 5 may be made in person or through a pleader or an agent.

8. Form of licence :-

A money lending licence, granted under sub-section (2) of Section 3 of the Act shall be in the form of the schedule "C" attached hereto.

9. Fees for issue of licence :-

The fee to be charged under sub- section (3) of Section 3 of the Act on every licence before the issue thereof shall be rupees twenty five.

10. Application to whom presented :-

Every money-lender may get himself registered and obtain a licence by presenting an application to the officer empowered under Rule 3 within whose jurisdiction the original place of his business or a branch thereof is situated.

11. Procedure on presentation of application :-

As soon as an application is made in the prescribed form, the competent officer shall enter the date of receipt thereon and if the application is in accordance with the rules, shall proceed as follows :

(a) He shall require the applicant to deposit licence fee prescribed under 9 which shall be credited in the concerned treasury under the Revenue Head.

(b) After the fee is deposited the application shall, so far as it is relevant, be entered in the register mentioned in Rule 4 and after duly filing up the licence, relevant serial number and date of the aforesaid

register shall be entered therein, and the licence shall within two weeks from the date of depositing the amount be given to the applicant on acknowledgement of receipt by him.

12. Money lender having business in more than one District :-

A licence granted under Rule 11 shall be useful for one District only. A money lender having his business in more than one District shall obtain a separate licence for each district on payment of fees mentioned in Rule 9 for every licence.

13. Period for obtaining licence :-

Every Money-lender shall, within a period of three months from the date of commencement of these rules, get himself registered and obtain money-lending licence; otherwise he may be proceeded against under Clause (b) of sub-section (5) of Section 3 of the Act.

14. Period for destruction of records pertaining to registration and licence :-

The files relating to applications for registration and issue of licences shall be preserved for six years and may thereafter be destroyed.

15. Procedure in case a licence is lost, destroyed or spoiled :-

If any licence issued is lost, destroyed or rendered doubtful by any reason or has become so spoiled as not to be legible a copy of the licence may be obtained from the competent officer by making an application and on payment of a fee at rupees five per copy thereof, and on such copy the word "copy" shall be written with red ink in bold letters.

16. Renewal of licence :-

Every money-lender shall before the expiry of the period of licence obtain another licence.

17. Procedure in case licence is not obtained for three months after the commencement :-

Where after the expiry of three months from the commencement of these rules, an officer mentioned in Rule 3 has reason to believe that any money-lender is carrying on money-lending business within the limits of his jurisdiction without a licence, he shall summon the money-lender and investigate the matter. Where the Investigating Officer is of an inferior rank than that of a (Talukdar) "Collector" he shall, after completing the investigation, forward the report to the (Talukdar) "Collector". On receipt of the report the (Talukdar) "Collector" may pass orders in accordance with the provisions of Section 3 of the Act. If the investigating officer is himself a (Talukdar) "Collector" he may after completing the investigation pass such orders

as he deems fit and the (Talukdar) "Collector" may direct any officer subordinate to him to investigate such contravention, forward a report and may, on submission of such report, pass order under Section 3 of the Act. But every such order under Section 3 shall be communicated to the concerned licensing authority. The (Talukdar) "Collector" shall pass an order after hearing the money-lenders.

18. Procedure for summoning witness and requiring production of documents :-

For the purposes of Rule 17 the officer-concerned shall have the same powers with regard to summoning of witness, requiring production of documents, recording evidence and other proceedings as are provided in Chapter X of the Land Revenue Act.

19. Disposal of fines recovered :-

The sums recovered under sub-section (5) or sub-section (6) of Section 3 of the Act in respect of penalty or compromise shall be credited under the head 'pecuniary fines'.

20. No action to be taken on application for registration and grant of licence in case of contravention of the Act :-

Where an investigation is going or against any money-lender on the ground of contravention of sub-section (5) of Section 3 of the Act, no action shall be taken under Rule 11 on the application by such money-lender for registration and grant of a licence until such investigation has been finally disposed of. On completion of investigation action shall, however, be taken in accordance with the result thereof.

21. Application shall be in writing enclosing copies of papers relied upon :-

Every application presented under sub-section (2) of Section 4 of the Act shall be in writing and shall be accompanied with formal copies of such papers, as are relied upon by the applicant.

22. Civil Courts shall forward extracts of judgments, etc. :-

The Civil Courts shall, from time to time after the expiry of the period of appeal and if appeals have been filed, after the passing of judgments in such appeals communicate to the (Talukdar) "Collector" particulars of matters mentioned in Clauses (a) to (d) of sub-section (1) of Section 4 of the Act forwarding extracts of final judgments. The aforesaid extracts and copies shall be sent to the (Talukdar) "Collector" free of charge.

23. Procedure as to cancellation and suspension of licence :-

The (Talukdar) "Collector" shall before passing a final order under Section 4 of Act, cause a notice to be served upon the money-lenders,

fixing a date and requiring him to show cause why his licence should not be suspended or cancelled or renewal thereof be prohibited for the contravention. The (Talukdar) "Collector" shall, if the money-lender files objections before the date fixed in the notice, after considering the same and if the money-lender does not file objections before the date fixed then after the said date, pass reasonable order in accordance with Section 4 of the Act, which shall be communicated to the money-lender and the licensing authority concerned.

24. Form of statement of account :-

The statement of account mentioned in Clause (b) of sub-section (1) of Section 5 of the Act shall be in Form (D) of the Schedule attached hereto.

25. Form of inventory of articles taken in pawn :-

a pawnbroker shall furnish to the pawner in Form (E) of the Schedule annexed hereto, an inventory of the articles taken in pawn.

26. Form of receipt for money paid :-

The receipt which shall be given by the money-lender under Section 8 of the Act for the money paid by the debtor shall be in Form (F) of the Schedule attached hereto.

27. Prescribed forms shall be furnished by money-lender :-

The form prescribed by these rules shall be furnished by every money lender at his own cost.

28. Language of numerals to be used :-

The numerals in the entries of the statement of account referred to in Rule 24 and the inventory of articles taken in pawn referred to in Rule 25 shall be of the same language in which the statement has been prepared.

29. Name and residence of the debtor and his fathers name shall be entered in the account :-

Full name, nationality and residence of every debtor together with father's name and full name, nationality and residence of every joint debtor, if any, together with his father's name shall be written on the top of the account maintained by a money-lender in accordance with the provisions of sub-section (1) of Section 5 of the Act.

30. Accounts to be maintained datewise :-

The advance of every loan and payment thereof shall be entered separately and datewise in the account of debt as also in the statements of debt as also in the statements of account.

31. Fixation of the period for forwarding statement of account

:-

The statement of account mentioned in Rule 24 shall be sent to the debtor within one month after the date mentioned below relating to each statement:

For cash accounts **Diwali**

For accounts pertaining to grains **Thirteenth day**

of Vaisakh

32. Entries in the Statement shall tally with the entries in the account books :-

The entries pertaining to the amount of loan, date of advancing loan, rate of interest and the amounts repaid made in the Statement of account mentioned in Rule 24 shall tally with the entries made in the account books of a money-lender maintained under the Act.

33. Mode of furnishing statement of account to debtor :-

(a) A copy of the statement of account shall with the debtor's expenses be sent by post to the debtor at his address and the postal expenses shall be charged to the debtor's account. The money-lender shall, while sending the statement of account by post, obtain a certificate of posting and preserve it.

(b) In case there are two or more joint debtors, in the absence of an agreement to the contrary, the statement shall be furnished as aforesaid to all such debtors as are concerned with the debt.

(c) In case a statement of account is handed over to the debtor, joint debtor, the receipt from such debtor or joint debtor, shall be obtained on a separate paper and preserved on which the signature or thumb impression of the debtor or the joint debtor shall be affixed:

SCHEDULE A

Money-lenders Rules

Schedule (A)

Money-lenders Rules

Money-lenders Register provided in sub-section (1) of Section 3 of the Act and referred to in Rule 4

Maintained at the office of.....Taluq.....

District of 13..... F/19.....A.D.

Serial number

Date of registration

Money-lender's name together with his father's name

Nationality or religion

Residence together with particulars about locality, village, taluk
and district

Head-quarters of business within the district and other places
where branches are situated

Reference to the depositing of licence fee :

Name of treasury

Amount of licence fee

Page No. of ledger

Date Signature of licensing authority

Signature of the applicant in acknowledgement of the receipt of required licence

Brief remarks of contravention together with particulars about punishment, file
number and signature of the competent authority

SCHEDULE B

Form of application for Registration and Grant of Money-Lending licence

Schedule (B)

Money-lenders Rules

Form of application for Registration and Grant of Money-Lending licence
(As provided in sub-section (2) of Section 3 of the Act and referred to
in Rule 5)

To

The Tahsildar

.....'Collector'

Taluq.....

District.....

Sir,

In accordance with the provisions of sub-section (2) of Section 3 of the Money-Lenders Act, 1349 F., I would like to register my name as money-lender. Therefore I request you to kindly register me as a money-lender and grant me a money-lending licence as per rules. I am prepared to pay the licence fee, prescribed by the Government in cash.

My permanent residence is Locality/village

Taluq.....District.....My nationality is.....and my religion

is.....Headquarters of my money-lending business in

town/village.....Taluq.....District/village.....Taluq.....

District.....for which licence is required.

Dated :

Petitioner,

Full name.....and

Father's Name

Signature or thumb impression

SCHEDULE C

Money-lenders Licences

Schedule (C)

Money-lenders Rules

Money-lenders Licences

(As provided in sub-section (2) of Section 3 of Money-lenders Act
and referred to in Rule 8)

Serial No. of Money-lender's Register ()

I certify that Mr. or Mrs..... son of/wife
of.....Community.....or religion.....resident
of.....Taluq.....District.....has been registered
today.....135 F./19.....A.D. as money-lender under sub-section (3)
of Section 3 of the Money-lender's Act, 1349 F. for District.....and permission
is hereby accorded to the said Mr. or Mrs.....to carry on money-lending
business

in the said District.

"Collector"

(Tahsildar)

Tahsildar District

Taluq

SCHEDULE D

Money-lenders Rules

Schedule (D)

Money-lenders Rules

Statement of accounts as provided in Clause (b) of sub-section (1) of Section 5
of the Act and referred to in the Rule 24

Account of debt due froms/onationality
.....R/oArrears of previous interest
.....Capital.....total

Loan advanced :

1. Date

2. Details of total loan advanced

Amount of Loan :

3. Cash

4. Kind with particulars of weight or quantity or number

5. Value of kind mentioned in column (4)

Amount of Interest :

6. Rate of interest per annum

7. Capital on which interest was charged

8. Period for which interest was charged

9. Amount of interest

10. Remarks

Payment :

11. Date

12. Details of total payment in cash or kind

Figures of payment :

13. Cash

14. Kind with particulars of weight or quality or number

15. Value of kind mentioned in column (4)

Details of Payment :

16. Interest

17. Capital

18. Remarks.

Abstract of Transaction

(1) Outstanding arrears Interest Capital Total

(2) Loan advanced during

the current year Interest Capital Total

Total Interest Capital Total

(3) Payment during the

current year Interest Capital Total

(4) Arrears upto the

end of 13.. F./19.. A.D. Interest Capital Total

SCHEDULE E

Money-lenders Rules

Schedule (E)

Money-lenders Rules

Inventory of articles taken in pawn as provided in sub-section (2) of
Section 6 of the Act and referred to in Rule 25.

Pawnbroker's name.....S/o.....Nationality R/o.....

Locality/Village.....Taluq

District

(Money-lending licenceNumber.....of.....13.....F./19.....A.D.)

1. Date of taking in pawn.
2. Name of pawner together with father's name.
3. Nationality or religion.
4. Age.
5. Residence with particulars of his locality, village, taluk and district.

Date of articles taken in pawn with particulars of commodities
etc.

6. Name of commodity.
7. Weight, quantity or number.
8. Amount of debt.
9. Period fixed for the redemption of the pledge.

10. Rate of interest per annum.

11. Remarks.

Signature of pawner.

Signature of pawnbroker or Agent.

Date month 13.. F./19.. A.D.

SCHEDULE F
RECEIPT

Schedule (F)

Money-lender Rules

RECEIPT

(As provided in Section 8 of the Act and referred to in Rule 26)

Money-lender's name

Father's name.....Nationality R/oLocality/Village
.....Taluq District.....Money-lending licence
number.....of 13.....F/19.....A.D.

I.G. Rs.....Np.....

(.....) Maunds and (.....) Seers of (.....)valued I.G.
Rs.....Np.....

from Mr.....s/o..... Nationality and R/o.....towards
repayment of his debt and credited

to his account.

Money-lender/Agent

Signature.