

Rajasthan Agricultural Credit Operations (Removal of Difficulties) Rules, 1976

RAJASTHAN

India

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Rule

RAJASTHAN-AGRICULTURAL-CREDIT-OPERATIONS-REMOVAL-OF-DIFFICULTIES-RULES-1976

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Rajasthan Agricultural Credit Operations (Removal of Difficulties) Rules, 1976 Published vide notification No. F.2(I) Agri./V/76, dated 10.3.1976 (Published in Rajasthan Gazette Ex.-ord., Pt. IVC(1), dated 10.3.1976)

022.

G.S. Rule 154.- In exercise of the powers conferred by section 30 of the Rajasthan Agricultural Credit Operations (Removal of Difficulties) Act, 1974 (Rajasthan Act 22 of 1974), The State Government hereby makes the following rules:-

1. Short title & extent.

(1) These Rules shall be called the Rajasthan Agricultural Credit Operations (Removal of Difficulties) Rules, 1976.(2)They shall extend to the whole of the State of Rajasthan.(3)They shall come into force from the date of their publication in the Rajasthan Gazette.

2. Definition.

(1) In these rules unless the context otherwise requires: (a)'Act' means the Rajasthan Agricultural Credit Operations (Removal of Difficulties) Act, 1974 (Rajasthan Act, 22 of 1974):(b)'Section' means the Section of the Rajasthan Agricultural Credit Operations (Removal of Difficulties) Act, 1974 (Raj. Act 22 of 1974).(2)Words and expressions defined in the Rajasthan Agricultural Credit operations

(Removal of Difficulties) Act, 1974 shall wherever used herein, be constructed to have the meaning assigned to them therein.

3. Registration of charge and mortgage in favour of banks.

The time stipulated by the State Government for the purpose of section 9 (1) shall be {Substituted for the expression "15 days" by G.R.S. No. 64 vide notification No. F. 2(1) Agri./ V/70, dated 4.8.1976, Published in Rajasthan Gazette Part IV-C, dated 26.8.1976, Pages 253 & 254} [one month]. A document relating to a charge or mortgage or their variation, to be registered effectively under this section, must be sent by the Bank to the Sub-Registrar concerned with this time limit.

4. Distraint and Sale of Crop or other movable property.

(1)The District Collector/Assistant Collector/Additional Collector of the District/Sub-Divisional Officer of the Sub-Division, within whose jurisdiction, the bank or its branch which disburse the loan is situated, shall be the official designed by the State Government for exercising powers for the purpose of section 5(3). However, in case of standing crop. other produce or other movable property attached to or installed on the land, the Collector/Additional Collector/ Assistant Collector of the District/Sub-Divisional Officer/Assistant Collector officer of the Sub-Division where the property is situated shall be the designed official, in case the bank or its branch is not located in that District/Sub-Division.(2)For the purpose of distraint and sake in the event of failure of the cultivator to pay an overdue loan, Branch Manager/Agent of the Bank shall make an application to the Collector/Additional Collector/Sub-Divisional Officer concerned giving the following particulars: (i)Name of the cultivator [his heir or legal representative, as the case may be] [Vide notification No. F.2(I) Agri./V/76, dated 10.3.1976 (Published in Rajasthan Gazette Ex.-ord., Pt. IVC(1), dated 10.3.1976)],(ii)Certified copy of loan agreement;(iii)Certified statement of account;(iv)Amount overdue towards principal and towards interest with date on which it became overdue;(v)Description crop/other movable property charged, including location and details of defaulter's interest or share thereof;(vi)Description of property required to be distrained and sold;(vii)Description of efforts made by the Bank to effect recovery, if any; and(viii)Reasons, if known to the Bank for non-payment.(3)On receipt of the application, along with the necessary documents and information, if the Collector/additional Collector/ Sub-Divisional Officer/Assistant Collector concerned is satisfied that (a)the cultivator has taken a loan from the bank against a charge on the property sought to be distrained;(b)the Charge has been properly affected;(c)the loan or an instalment of it is over due;(d)the Bank has issued a demand notice by registered post with acknowledgement due asking the cultivator to pay the overdue amount and a period of one month has elapsed without payment being made; he shall make an order for distraint of the said property.(4)The Collector/Additional Collector/Sub Divisional Officer/ Assistant Collector concerned shall also issue a show cause notice to the defaulter asking him to make payment within 15 days or to explain why the distrained property may not be put to sale in case of default. Copy of this notice should also be sent to the Bank/Branch manager/Agent of the Bank.(5)After the period of show cause notice has expired, if the defaulter has not made payment or has not entered into any satisfactory arrangements with the authorised representative of the Bank for payment '[or where the cause shown in considered to be insufficient] The Collector/Additional Collector/Sub-Divisional

Officer/Assistant Collector concerned shall order sale of the property distrained.(6)The proceeds of the sale shall be appropriated to payment, of all dues outstanding including cost of recovery, to the Bank and the surplus, if any, shall be paid back to the cultivator.

5. Recovery of dues of the Banks by sale of immovable property.

(1) The District Collector/Additional Collector/Sub-Divisional Officer/Assistant Collector having jurisdiction in the area wherein the immovable property is situated shall exercise the powers of the prescribed authority under section 13 (1) of this Act.(2)The Branch manager/Agent of the Bank concerned shall for the purpose of this section make an application to the Collector/ Additional Collector/Sub-Divisional Officer/Assistant Collector concerned giving the following particulars with respect to the loan sought to be recovered: (i)Name of the cultivator, [his heir or legal representative, as the case may be] [Added by G.S.R. No. 64, Notification No. F. 2(I) Agri./V/70, dated 4.8.1976 (published in Rajasthan Gazette. part IV-C, dated 26.8.1976 at page 253)];(ii)Certified copy of loan agreement;(iii)Certified statement of account;(iv)Amount overdue towards principal and towards interest and date on which it became overdue;(v)Certified copy of documents creating mortgage or charge with evidence regarding its registration;(vi)Other details of the immovable property sought to be sold such as valuation, detail of co-owners etc. Which may be available with the Bank;(vii)Details of any other effort made by the Bank to effect recovery; and(viii)Reasons, if known to the Bank for non-payment.(3)If upon receipt of this application along with the information detailed above, Collector/Additional Collector/Sub-Divisional Officer/ Assistant Collector is satisfied.(a)that the loan has been duly taken and the loan amount or an instalment is overdue;(b)the Bank has issued a demand notice by registered post with acknowledgement due, asking the cultivator to pay the overdue amount, and more than one month has elapsed.(c)the property sought to be sold has been mortgaged/Charged to the bank against the overdue loan; he may issue a notice to the cultivator informing him, (i)that an application for recovery of the loan due along-with the necessary documents has been filed by the concerned Commercial Bank for action under section 13 (1) of Rajasthan Agricultural Credit Operations (Removal of Difficulties) Act, 1974;(ii)if the cultivator wishes to deny liability for payment of the amount determined as due, he should within 30 dyas of the receipt of this notice, file a petition denying liability and produce documentary and other proof to support his claim;(iii)the notice should state that if the cultivator does not deny liability or make payment, proceedings will be taken to effect recovery of the amount determined as overdue, through a sale of the immovable property specified in the notice.(4)If the cultivator denies his liability the Collector/Additional Collector/Sub-Divisional Officer/Assistant Collector shall after hearing him decide his petition within a further period of two months.(5)If the cultivator does not deny liability or cannot shown sufficient cause for non payment, the Collector/Additional Collector/ Sub Division Officer/Assistant Collector shall order sale of the immovable property as per the application made by the Bank.(6)The proceeds of the sale of such property shall be appropriated for payment of the dues of the Bank and the cost of recovery and balance amount, if any, shall be paid to the cultivator.(7)[For all distrains and all sales effected under sub-section 3 of section 5 or sub-section (1) of section 13 the procedure followed shall be similar to that prescribed for attachment and sale of movable or immovable property for recovery of arrears of land revenue under the Rajasthan Land Revenue Act, 1956, and rules framed thereunder".] [Substituted by G.S.R. No. 64 vide notification No. F. 2(I) Agri/V/70,

dated 4.8.1976 (Published in Rajasthan Gazette Part IV-C dated 26.8.1976)](8)When land or other immovable property is offered for sale by public auction in pursuance of an order for sale under section 13 for recovery of a loan due to the Bank, and no one offers to purchase it, for a price sufficient to pay to the Bank the money due to it, the Bank may instead of waiting for resale, close the recovery proceedings by acquiring the land or interest there under or other immovable property charged or mortgaged to it, in exercise of the powers vested in it under section 14.(9)For this purpose the Bank Manager or Agent concerned may apply to the Collector informing him of the intention of the bank to exercise this right.(10)The Collector shall thereupon stop all recovery proceedings and pass an order directing that necessary entries be made by the Sub-Registrar and Tehsildar concerned, in their books and record of rights, -vesting the rights to the property which belonged to the defaulting cultivator, in the name of Bank in discharge of all liabilities of the cultivator, for the amount of loan, for which the property was charged.(11)The Collector/Additional Collector/Sub-Division Officer/ Assistant Collector shall also if so requested take steps to handover the possession of such land or other immovable property to the Branch Manager/ Agent of the Bank concerned.(12)The Bank shall in such cases, sell the property so required by it within a period of [five] [Substituted by G.S.R. No. vide notification No. F. 2(I) Agri./V/70, dated 4.8.1976 (published in Rajasthan Gazette Part IV-C, dated 26.8.1976).] years from the date of taking over possession.(13)It may during this period lease out the property as per provisions of section 14 (3).(14)Any sale of such property shall subject to the following restrictions: (1)The buyer must be an agriculturist as defined in the Act.(2)[Land acquired from a person who is a member of a Scheduled Caste or Schedule Tribe shall not be sold to persons who are not members of Scheduled Castes or Scheduled Tribes.] [Substituted by G.S.R. No. vide notification No. F. 2(I) Agri./V/70, dated 4.8.1976 (published in Rajasthan Gazette Part IV-C, dated 26.8.1976).](3)The buyer should not on acquisition of such land by sale, exceed the ceiling limit applicable to him under the law relating to ceilings on agricultural holdings.

6. General.

(1) All notices, summons and proclamations required to be issued for the purpose of this Act, shall be issued, in the manner laid down in the Rajasthan Land Revenue Act and Rules framed thereunder for notices, summons and proclamations.(2)The Bank shall, while making applications for recovery to the prescribed officer/designated officer concerned under these rules, add a flat rate of 5% as recovery charges, to the overdue amount. These shall be leviable from the defaulter, in case recoveries are effected through distraint or sale of movable/ immovable property. The recovery charges shall be deposited in the Government Treasury. Recovery charges at the rate of 2% shall, however, be leviable in case the cultivator makes payment after recovery proceedings have started, but no distraint or sale has been affected.(3)Collector/Additional Collector/Sub-Division Officer/ Assistant Collector shall maintain in their offices a register containing the following particulars: (1)Name of the Bank.(2)Date of application.(3)Name of the cultivator.(4)Amount determined as overdue.(5)Amount recovered.(6)procedure adopted for recovery.(7)Costs charged.(4)The Collector of the Districts shall send to the Revenue Board every quarter, information, regarding recovery of bank dues in the following proforma: (1)Name of the Bank.(2)Total number of Pending applications.(3)Amount overdue.(4)Amount recovered during the quarter.(5)Reasons for non recovery of the remaining amount.(5)Collectors/shall also send information relating to the

progress of recoveries to the Bank Manager/Agent of the lead Bank at the District head quarter and to the Branch Manager of the Bank concerned.