

The M.P. Krishi Udhar Pravartan Tatha Prakirn Upabandha (Bank) Niyam, 1974

MADHYA PRADESH

India

The M.P. Krishi Udhar Pravartan Tatha Prakirn Upabandha (Bank) Niyam, 1974

Rule

THE-M-P-KRISHI-UDHAR-PRAVARTAN-TATHA-PRAKIRN-UPABANDH of 1974

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1. Short title.

- These rules may be called the Madhya Pradesh Krishi Udhar Pravartan Tatha Prakirn Upabandha (Bank) Niyam, 1974.

2. Definitions.

- In these rules, unless the context otherwise requires,(a)"Act" means the Madhya Pradesh Krishi Udhar Pravartan Tatha Prakirn Upabandha (Bank) Adhiniyam, 1972 (32 of 1973);(b)["distraîner" means an official of the State Government designated by it for the purposes of sub-section (3) of Section 4;] [Substituted by Notification No. 2598-4505-XV-1, dated 12-8-1977.](c)"Form" means a Form appended to these rules;[(c-i) "prescribed authority" means an official of the State Government notified by the State Government as the prescribed authority under sub-section (1) of Section 11;] [Inserted by Notification No. 5-6-73-I-XV, dated 20-5-1975.](d)"Section" means the section of the Act.

Chapter II

Distrain and Sale of Crops or Other Produce or Other Movable Property and Declaration Relating to Creation of Charge

3. Procedure in the distraint and sale of crops or other produce or other movable property.

(1) If any money payable to the bank under charge on the crop or other produce or any other movable property to the bank under charge on the crop or other produce or any other movable property remains unpaid for more than one month from the date on which it fell due, the bank may make an application to the Distrainer for the recovery of the money by distraint and sale of the crop or other produce or other movable property charged to that bank to the extent of the agriculturists' interest herein. (2) No application made under sub-rule (1) shall be admitted unless the bank deposits with the application the necessary security for the cost of distraint and sale on a scale fixed by the State Government. (3) The application shall be in Form I and shall be signed by a person authorised by the bank. On receipt of the application the Distrainer shall, if satisfied that the particulars set forth in the application are correct, prepare a notice of demand in duplicate in Form II, setting the name of the defaulter and the amount due including interest thereon for which the distraint is made and shall, subject to the provisions of sub-section (3) of Section 4, take such action as is necessary to distrain the property or such part thereof as is necessary to satisfy the demand together with the expenses of the distraint and the cost of the sale. (4) The notice of demand shall be dated and signed by the Distrainer and shall be served upon the defaultant agriculturist by delivering a copy thereof to him or to some adult male member of his family at his usual place of abode or to his authorised agent, or, if such service cannot be effected, by affixing a copy thereof on some conspicuous part of his place of abode or his land. (5) No distraint shall be made before sunrise and after sunset. (6) As soon as distraint is made the Distrainer shall deliver to the defaultant agriculturist a list of property distrained and shall give him intimation in writing of the place and the day and hour at which the distrained property will be sold if within fifteen days from the date of service of the notice of demand referred to in sub-rule (4) the defaultant agriculturist does not pay the amount for which the distraint is affected: Provided that where owing to the absence of the defaultant agriculturist it is not possible to deliver such list to such agriculturist the Distrainer shall cause a copy of such list to be affixed on some conspicuous part of the agriculturist's usual place of residence endorsing thereon the place where the property is kept and the place and day and hour at which the property will be sold. (7) The Distrainer shall make proper arrangements for the custody and preservation of the distrained property during the interval between the distraint and the sale. The applicant bank shall if required by the Distrainer undertake the custody and preservation of the property distrained and shall be responsible for any loss or damage caused to the distrained property owing to the applicant-bank's negligence. (8) If crops or other ungathered produce of the land belonging to a defaultant agriculturist are distrained, the Distrainer may cause them to be sold, when fit for being reaped or gathered in due season and stored in a proper place until sold. (9) It shall be lawful for the Distrainer to force open any stable, cow-house, granary, godown, out-house, other building and to enter any dwelling house the outer door of which may be open and to break open the

door of any room in such dwelling house for the purpose of distraining the produce of the land or other movable property stored therein :Provided that it shall not be lawful for such Distraîner to break open or enter any apartment in such dwelling house used as a Zanana or for the residence of women except as hereinafter provided.(10)(a)Where the Distraîner has a reason to suppose that the produce of the land or other movable property is lodged within a dwelling house the outer door of which is shut or within any apartments used as a Zanana or for the residence of women, the Distraîner shall represent the fact to the officer-in-charge of the nearest police station.(b)On such representation the officer-in-charge of the said police station shall send a Police Officer to the spot, in the presence of whom the Distraîner may force open the outer door of any room within the house except the Zanana.(c)The Distraîner may also in the presence of the Police Officer, after due notice given for the removal of women within Zanana and after furnishing means for their removal in a suitable manner (if they are women of rank who according to the customs of the country cannot appear in public) enter the Zanana apartments for the purpose of distraining the produce of the land or other movable property if any stored therein but such produce or property if found shall be removed immediately from such apartments after which they shall be left free to the former occupants.(11)(a)The Distraîner shall cause proclamation of the time and place of the intended sale to be made in Form III by beat of drum in the village in which the defaultant agriculturist resides or produce or other movable property is kept and in such other place or places as the Distraîner may consider necessary to give due publicity for the sale. The Distraîner shall also send a notice of sale to the applicant in Form IV.(b)No sale shall take place until after the expiration of a period of 15 days from the date of service of notice of demand referred to in sub-section (3).(12)At the appointed time and place the Distraîner shall sell by auction the distrained property or such part thereof as may be necessary in one or more lots as the Distraîner may consider desirable and dispose of the same to highest bidder.(13)The price of the property sold under sub-rule (11) shall be paid in cash at the time of sale or as soon thereafter as the Distraîner shall appoint and the purchaser shall not be permitted to carry away any part of the property until he has paid the price in full.(14)If the purchaser fails to pay the purchase money the property shall be re-sold.(15)Where prior to the day fixed for sale the defaultant agriculturist or any person acting in his behalf or any person claiming interest in the property distrained pays the full amount due including interest, and other expenses incurred in distraining and proclaiming the sale, the Distraîner shall not proceed with the sale and shall release the property forthwith.(16)(a)Where any claim is preferred by any person other than the defaultant agriculturist to any right or interest in the distrained property the Distraîner shall investigate the claim and dispose of it on merits :Provided that no such investigation shall be made where the Distraîner considers that the claim was designedly or unnecessarily delayed.(b)Where the property to which the claim is applied has been advertised for sale the Distraîner may postpone the sale pending the investigation of the claim.(17)The proceeds of every sale be applied by the Distraîner as follows :-(a)from the proceeds of the sale, a deduction shall be made at a rate not exceeding six paise in the rupee on account of cost of the sale;(b)from the balance shall be deducted the expenses incurred by the Distraîner on account of the distraint;(c)the remainder, if any, shall be applied to the discharge of the amount for which the distraint was made;(d)the surplus, if any, shall be delivered to the person whose property has been sold and he shall be given a receipt for the amount discharged from the proceeds of the sale.

4. Form of declaration.

- The declaration to be made by an agriculturist under sub-section (1) of Section 5 shall be in Form V.

Chapter III

Charges and Mortgages in Favour of Banks and their Priorities

5. [Time within which the documents shall be sent to the Sub-Registrar. [Substituted by Notification No. 5-6-73-I-XV, dated 20-5-1975.]

- The copy of the documents creating a charge on land or any other immovable property or interest therein, or in respect of which a variation has been made or of mortgage shall be sent by the Bank under sub-section (1) of Section 8 by registered post/or personally within a period of thirty days from the date of the execution of such documents.]

6. Time for giving intimation to the Tahsildar.

- Intimation of the charge or mortgage on land or interest therein created in favour of a bank by an agriculturist shall be given by the bank, under Section 9 to the Tahsildar within a period of thirty days from the date of the creation of such charge or mortgage or interest therein in favour of such bank.

7. Manner of causing a note to be made in the record of rights.

- On receipt of intimation from the bank under Section 9, the Tahsildar shall cause a note to be made of the particulars of charge or mortgage in record of rights in the manner provided under Section 110 of the Madhya Pradesh Land Revenue Code, 1959 (No. 20 of 1959), for mutation of acquisition of right in Field Book and other relevant land records.

Chapter IV

Arrangements for Recovery of Dues by Banks

7A. [Forms and procedure for application to the prescribed authority and for his order. [Inserted by Notification No. 5-6-73-I-XV, dated 20-5-1975.]

- For sale of any land or any interest therein or any other immovable property upon which the payment of money is charged or mortgaged under the provisions of Chapter IV of the Act the following procedure shall be observed :-(a)Before making an application under Section 11 of the Act the Bank shall issue a demand notice to the defaulter and others having an interest in the property, in Form V-A.(b)(i)The bank shall apply to the prescribed authority in Form V-B. The application

shall be signed by the person duly authorised by the Bank. It shall state the amount due for recovery including interest and expenses incurred in the service of the notice and name and address of the borrower and other persons having claim in the property. It shall also contain the description of the immovable property applied for sale with every details to identify the property.(ii)On receipt of the application, the prescribed authority shall give notice in writing in Form V-C to the defaulter agriculturist or his heir or legal representatives calling upon him to pay amount due as shown by the Bank within 15 days from the date of receipt of the notice. The notice shall state the amount claimed by the Bank for service of notice and particulars of properties to be sold in case of non-payment within prescribed time.(c)If before expiration of the time allowed in the notice under sub-clause (ii) of clause (b) the amount specified in such notice is not paid the prescribed authority shall make an order in Form V-D on the agriculturist or his heirs or legal representatives directing the payment of the sum due to the Bank by sale of the land or interest therein or any other immovable property upon which the payment of such money is charged or mortgaged.]

8. Period for disposing the acquired property by sale.

- Any land or interest therein or any other immovable property acquired by a bank shall be disposed of by it by sale under sub-section (2) of Section 12 within a period of two years from the date of its acquisition.

Chapter V

Financing of Co-Operative Societies by Banks

9. Reference of a dispute.

- Every dispute shall, under sub-section (1) of Section 17, be referred in writing to the Registrar in Form VI. Wherever necessary the Registrar may require the party referring the dispute to him to produce a certified copy of the relevant records on which the dispute is based and such other documents or records as may be required by him before proceeding with the consideration of the reference.

10. Manner of hearing dispute.

- The Registrar or his nominee or Board of nominees shall, subject to the provisions of Sections 18, 19, 20 and 21, hear the dispute in the manner provided under Sections 67 and 68 of the Madhya Pradesh Co-operative Societies Act, 1960 (No. 17 of 1961).

11. Period within which the dispute shall be disposed of.

- Every dispute referred to the Registrar or his nominee or Board of nominees shall be disposed of within a period of six months from the date of its reference. Form I[See sub-rule (3) of Rule 3]Application for distraint and sale of crop, other produce and other movable

propertyToThe.....

1. The.....Bank Applicant.

2. Shri.....son of..... of. village.....tahsil.....district....Defaultant agriculturists.

3. Date of declaration of charge/mortgage deed and amount.....

4. Date of Default.....

5. Amount due in respect of instalment.....

6. Interest thereon from date of default to the date of the application....

7. Cost of distraint and Sale.....

8. Amount for which Distraint is claimed.....

(Total of columns 5 and 6).

9. Pray that the total amount of Rs together with interest on the defaulted instalment from the date of this application to the date of payment and the cost of distraint and sale actually incurred in recovering the defaulted amount be realised by the distraint and sale of the crops/produce of the charged/mortgaged land lying in premises or/and the standing crops on the charged/mortgaged property viz. Survey No./Khasra No. in village of. and other movable property.

I declare that what is stated herein is true to the best of my knowledge and belief.

Station :

Dated.....197 Signature of Person authorisedby the ApplicantBank.

Form II[See sub-rule (3) of Rule 3]Notice of DemandThe.....Bank.....applicant.Shri.....Son of..... of..... village.....tahsil.....district.....Defaultant Agriculturists.I have been authorised to distraint and sell the property of the undermentioned defaultant agriculturist for money due by him to the.....Bank.

- 1. Name of the village and tahsil and district.....**
- 2. Name, Father's name and Caste of the defaulter.....**
- 3. Date of Default.....**
- 4. Date of receipt of application for recovery of money by distraint and sale from the bank.....**
- 5. Amount of instalment due as per mortgage deed.....**
- 6. Interest due on the instalment from the date of default upto the date of the bank's application.....:.....**
- 7. Amount for which distraint order is passed (Total of Columns 5 and 6).....**
- 8. Cost of distraint and Sale.....**

The said defaulter is hereby given notice that if the amount shown against para 7 above together with interest up to the date of payment and costs of distress be not paid within 15 days from the date of service of this notice the party/other property shall be brought to sale.

Station :

Dated : Distraint.

Form III[See clause (a) of sub-rule (11) of Rule 3]Proclamation Notice of sale of Distraint Property[Rule 5 (f) (i)]The.....Bank.....applicant.Shri.....Son of.....of.....village.....tahsil.....district Defaultant Agriculturists.It is hereby notified that the crop/produce/other movable property belonging to Shri....., son of Shri.....in the village.....a defaultant agriculturist to the.....Bank situated in..as detailed in the list hereunder has been distrainted in satisfaction of money due by him and that unless these arrears with interest and other charges shall be previously paid the said property will be sold by public auction at..... near the house of..... at the said village on..... day of month of 19..... or any other day to which the sale may be adjourned. The sale shall commence at..... a.m./p.m. and the property' will be knocked down to the highest bidder for ready cash. The purchaser will not be permitted to carry away any part of the property until he has paid for it in full. Re-sale in case of default-When the purchaser may fail in the payment of the purchase money, the property shall be re-sold and the defaulting purchaser shall be liable for any loss arising as well as the expenses incurred on the re-sale.The notice was fixed on the Defaultant agriculturist's house or premises (as the case may be) where the property was distrainted on the..... 19.....

of property Distrained

Station :

Dated.....19..... Distrainer.

(Reverse side) Inventory of the Distrained property List of movable property of
Shri.....in the village of.....distrained by.....for
Money due by the defaulter.....

SI. No.	Description of articles	Estimated value	Amount due	Date of distraint Survey after land charged ormortgaged	Survey of Khasra No. of the land charged ormortgaged	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Station :

Dated.....19..... Distrainer.

Form IV[See Clause (a) sub-rule (11) of Rule 3] Preliminary notice to the Applicant
BankThe.....Bank.....applicant.Shri.....Son of..... of.....
village.....tahsil.....district.....Defaultant Agriculturists.Take notice that in pursuance of
your application for distraint filed on19.....,I shall proceed to village for selling by auction the
crops/produce and other movable property of Shri defaulter, on and that you are hereby requested
to be present on..... 19., to render necessary aid to me for making the sale and arranging or
undertaking the safe custody of the property so attached as required by the Madhya Pradesh Knshi
Udhar Pravartan Tatha Prakirn Upabandha (Bank) Niyam, 19/4.

Station :

Dated.....19..... Distrainer.

Form V[See Rule 4] Declaration WHEREAS.....(Bank) has given financial assistance in the shape
of loan/advance/guarantee..... of the sum of Rs. or agricultural purpose to Shri.....son
of.....resident of.....Tahsil.....district.....Now, Therefore, I..... son of..... resident
of....hereby under sub-section (1) of Section 5 of the Madhya Pradesh Krishi Udhar Pravartan Tatha
Prakirn Upabandha (Bank) Adhiniyam, 1972 (No. 32 of 1973), declare that all land and immovable
property described in the Schedule below and my all interests therein shall henceforth be a security
for and be charged with the payment of the said sum of Rs with interest at the rate and on the
conditions agreed between me and the said Bank to the (Bank) and that no part of the said land and
immovable property and my interest therein shall be redeemable until the said sums have been fully
paid to the said....(Bank).

Schedule 2

Name of village with settlement No.	Patwari Circle number	Tahsil	District	Particulars of land and immovable property and interests therein	Survey number or plot number
(1)	(2)	(3)	(4)	(5)	(6)

Area	Land Revenue	Approximate value	Particulars of other debts charged on the Land and immovable property or interests therein	Remarks
(7)	(8)	(9)	(10)	(11)

Dated.....197.....Signature of the Agriculturist.[Form V-A]
 [Inserted by Notification No. 5-6-73-I-XV, dated 20-5-1975.][See Rule 7-A (a)]Demand
 NoticeThe.....Bank Ltd.To(1)Shri.....defaulter.(2)Shri.....person interested in the property.Take
 notice-That default having been committed in the payment of the sum of Rs being the
 instalment/instalments or balance thereof which payable to this Bank on date/dates the Bank has
 decided to recall the entire balance of Rs outstanding against Shri.....(Name of defaulter) and
 has decided to bring to sale his immovable property mortgaged with the Bank as specified in the
 Schedule below.

2. That if he fails to pay up the said sum of Rs together with interest upto the date of payment and cost of service of this notice at the registered office of the Bank within one month from the date of the service of this notice, action to sell the property will be taken.

3. That if you have got any objection to the action of the Bank to bring the property to sale, you must send within 15 days from the date of this notice the objection or objections in duplicate to the Bank's Office.

4. That if no objection is received from you by the Bank it will be understood that you have no objection to the proposed sale of the said mortgaged immovable property.

Schedule 3

Tahsil	Village	Name of the defaulter	Description of immovable property
(1)	(2)	(3)	(4)

Estimated extent of area	Assessment	Details of any encumbrances to which the property is liable	Amount to be recovered	Remarks
(5)	(6)	(7)	(8)	(9)

Station :

Dated..... Signature of person authorised by the Bank.

Form V-B[See Rule 7-A(b)(i)]Application for sale of Mortgaged Property

1. The.....Bank Ltd.....Applicant.

**2. Shri.....Son of Shri residing in the
village.....tahsil.....district.defaulter.**

3. Date of mortgage deed and amount.....

4. Mortgage money due, with date to which it relates.....

**5. Interest on No. 4 from the date of default upto the date of
application.....**

**6. Date of service of demand notice in Form No. V1I-A to all interested parties
(Copy to be enclosed).....**

7. Expenses incurred in the service of the notice referred to above.....

8. Amount for which sale is applied for (Total of Cols. 4,5 and 7).....

9. Cost of demand notice, etc.....

**10. Name and address on whom demand notice in Form VII-A was
served.....**

**11. Description of the immovable property to be sold (Survey No.,
boundaries, area, nature of land or Khasra Assessment etc. to be
specified).....**

12. Interest of the defaulter in the immovable property.....

13. Prior encumbrances, if any.....

I/We pray that the total amount of Rs.....together with interest upto the date of payment and the cost of sale be realised by sale of the mortgaged immovable property. I /We declare that what is stated herein is true to the best of my/our knowledge and belief.

Station.....

Dated..... Signature of person Authorised by the Applicant Bank and its Seal.

Form V-C[See Rule 7-A (b) (i)]Notice To (1) Shri..... Defaulter. (2) Shri..... person interested in the property. Take notice-That default having been committed by you in the payment of the sum of Rs being the instalment/instalments or balance thereof which was payable to Bank Ltd., on date/dates the Bank has decided to recall the entire balance of Rs..... outstanding against you and has applied to the undersigned to pass an order for bringing to sale your immovable property mortgaged with Bank and specified in the Schedule below.

2. You are hereby called upon to pay the said amount of Rs together with interest upto the date of payment and cost of service of the demand notice at the registered office of the Bank within 15 days from the date of service of this notice, failing which order will be passed for the sale of the immovable property mortgaged with Bank as specified in the Schedule below :-

Schedule 4

Tahsil	Village	Name of the defaulter	Description of the immovable property
(1)	(2)	(3)	(4)

Estimated extent of area	Assessment	Amount to be recovered	Remarks
(5)	(6)	(7)	(8)

Copy to..... Bank, for information..... Signature of the prescribed authority. Form V-D[See Rule 7-A (c)]Order (1)..... Bank Ltd..... Applicant. (2)..... Non-applicant. (3)..... person having interest in the property of non-applicant Consequent upon default having been committed by the non-applicant Shri..... Rs..... in the payment of sum of Rs..... being the instalment/instalments or balance of sum due to the Bank on account of financial assistance availed of by the non-applicant, the applicant Bank has under Section 11 of the Madhya Pradesh Krishi Udhar Pravartan Tatha Prakirn Upabandha (Bank) Adhiniyam, 1972 applied for issue of order for sale of the immovable property mortgaged with the applicant Bank and specified in the Schedule below.

2. Whereupon the non-applicant was served with a notice under sub-clause (ii) of clause (b) of Rule 7-A by the undersigned calling upon the non-applicant to pay the said amount of Rs..... together with interest upto the date of payment and cost of demand notice, the registered office of the Bank within 15 days from the date of service of the notice served under sub-clause (ii) of clause (b) of Rule 7-A.

3. That the non-applicant has failed to make payment of the said sum due to the Bank even after lapse of the 15 days' notice as specified in para 2 above.

4. The undersigned is satisfied that there are sufficient grounds to pass an order under Section 11 of the Madhya Pradesh Krishi Udhār Pravartan Tatha Prakim Upabandha (Bank) Adhiniyam, 1972. It is hereby, therefore, ordered that the immovable property specified in the Schedule below and any interest therein, be sold by public auction and sale proceeds be adjusted towards payment of sums due to the applicant Bank.

Issued this..... day of..... month, 1975 under my seal and signature.

Schedule 5

Tahsil	Village	Name of the defaulter	Description of immovable property
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(1)	(2)	(3)	(4)
-----	-----	-----	-----

Area	Assessment of Land Revenue	Amount to be recovered	Remarks
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(5)	(6)	(7)	(8)
-----	-----	-----	-----

.....Signature of the prescribed authority(Seal)]Form VI[See Rule 9]Application regarding reference of a dispute under sub-section (1) Section 17 of the Madhya Pradesh Krishi Udhār Pravartan Tatha Prakim Upabandha (Bank) Adhiniyam, 1972 (No. 32 of 1973)Before the Registrar of Co-operative Societies, Madhya Pradesh, Bhopal.The.....day of.....19.....Dispute touching the constitution, management or the business of the co-operative society, between the bank financing the co-operative society and the co-operative society so financed.

..... -Applicant.

.....

Versus

..... -Respondent.

.....

The applicant states as follows :-

1. That.....

2. That.....

3. That.....

4. That.....

In support of the above reference I/We enclose documents and papers as per list annexed hereto.

Date..... Applicant or

Address..... Authorised Representative, if any

I/We.....Applicant hereby declare that the facts stated above are true to the best of my/our knowledge and belief.

Date..... Applicant or

Address..... Authorised Representative, if any

Notification[Notification No. 3710-XV-1-75, dated 22-9-1975.] [Published in the M.P. Rajpatra Part I, dated 6-2-1976 at page 170.] - In exercise of the powers conferred by sub-rule (2) of Rule 3 of the Madhya Pradesh Krishi Udhār Pravartan Tatha Prakirṇ Upabandha (Bank) Niyam, 1974, the State Government hereby fixes the scale of security as in the schedule below :-

Schedule 6

	Nature of process	Amount of security	
	(1)		(2)
	Rs. Ps.		
1. Demand notice or distraint order to be issued in Form No. U.1.00			
2. For distraint and sale of crops or other produce or othermovable property :-			
	(a) for arrears below Rs. 200	1-50	
	(b) for arrears between Rs. 201 and Rs. 500	2.00	
	(c) for arrears between Rs. 501 and Rs. 1,000	2.50	
	(d) for arrears above Rs. 1,000	3-00	
3. Notice of sale of difetrained property in Form No. III.	2.00		
4. Tem-Tom Charges	0.25		
5. Any process not specified above.	1-00		
6. The poundage for the sale of property. On each rupees of the sale proceeds.	0.05		