

Tamil Nadu Co-Operative State Land development bank failed wells fund Rules, 1974

TAMILNADU

India

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Rule

TAMIL-NADU-CO-OPERATIVE-STATE-LAND-DEVELOPMENT-BANK-F of 1974

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1. Short title, extent and commencement.

- These rules may be called the Tamil Nadu Co-operative State Land Development Bank Failed Wells Fund Rules, 1974.

2. Definitions.

- In these Rules, unless the context otherwise requires, -(a)"Circle Deputy Registrar" means the Deputy Registrar having jurisdiction over the Circle in which the Primary Land Development Bank is situated;(b)"Fund" means the fund established under Rule 3;(c)"Government Security" means, a security created and issued by the Central Government or by the State Government for the purpose of raising a public loan and having any of the forms prescribed under sub-section (2) of section 2 of the Public Debt Act, 1944 (Central Act XVIII of 1944);(d)"Government" means the Government of Tamil Nadu;(e)"Primary Land Development Bank" means a Co-operative Land Development Bank registered or deemed to be registered under the Tamil Nadu Cooperative Societies Act, 1961 (Tamil Nadu Act 53 of 1961) and admitted as a member of the State Land Development Bank;(f)"Registrar" means the Registrar of Co-operative Societies for the State of Tamil Nadu;(g)"Small Farmer" means an agriculturist considered as such by the Primary Land Development Bank while sanctioning the loan to him according to the orders in force;(h)"State Land Development Bank" means the Tamil Nadu Co-operative State Land Development Bank Limited;(i)"Well" means dug well, dug-cum-bore

well, filter point or tube-well;

3. Removal of the eyes of deceased persons.

- There shall be established a fund known as "Failed Wells Fund" to the credit of which shall be paid-(i) a sum equivalent to 10% of annual net profit of the State Land Development Bank.(ii) Such sums as may be contributed by Government from time to time.(iii) The interests accruing from the investment of the amount standing to the credit of the Fund.

4. Power to make rules.

- The amount standing to the credit of the fund shall be with the State Land Development Bank and shall except so far as it has been or is required to be disbursed under these rules be invested in Government securities or in such other manner as may be prescribed by the Registrar.

5.

The fund shall be applied for provision of subsidy to the members of Primary Land Development Bank, for sinking of new wells on or after 1st April, 1968 and which have failed.

6.

A well shall be deemed to have failed in the following circumstances:- (i) The well should have been put up only in compliance with the clearance from the Directorate of Ground Water, the condition relating to spacing between wells and the approved estimates. This condition will not, however, apply to cases, for which loans were sanctioned between 1.4.1968 and 1.11.1971. (ii) A dug well should have been dug up to the depth according to the estimates, provided that it shall not be necessary to dig up to the depth referred to above if after the commencement of the well work bona fide and in good faith hard rock or fresh rock devoid of any fracture joint fault or fissures had been encountered and or poor quality of water (not suitable for irrigation was met with according to competent technical opinion) or loose formation of soil has been met with, necessitating the discontinuance of the work to avoid further infructuous expenditure. When the well has been dug up to the estimated depth it should yield no water or the yield should be less than 5000 gallons per day. If the yield of water is less than 5,000 gallons per day the well shall be deemed to be failed well. In the case of dug-cum-bore well in the hard rock areas, it shall be deemed to be a failure if the yield of water from the well is less than 5,000 gallons per day even though it has been sunk up to the estimated depth and in the case of a dug-cum-bore well in sedimentary depth it should be deemed to be a failure if the yield of water is less than 2,000 gallons per hour even though the well has been sunk up to the estimated depth and also in cases where the well work could not be completed for technical reasons such as encountering of hard rock, loose formation of soil, etc. (iii) In the case of a filter point or shallow tube-well and medium tube well or deep tube-well, the well shall be deemed to be a failure, if the yield of water from the well is below 2,000 gallons per hour or 3000 gallons per hour respectively, even though the well has been sunk up to the estimated depth also in cases when the

well work has been stopped halfway for technical reasons such as encountering of hard rock etc., with reference to the technical opinion of Agriculture Department.(iv)If the water discharged by the well is found to be not suitable for cultivation according to competent technical opinion at any time during the currency of the loan, the well may be deemed to have failed. The competent technical authority for this purpose will be as fixed by the Registrar of Co-operative Societies.(v)The well may be deemed to have failed-(i)If after the execution of the dug well work in accordance with the specifications in the estimate it has collapsed any time during the currency of the loan unfit for cultivation.(ii)If the well had collapsed while under construction and rendered unfit for cultivation for reasons beyond the control of the borrower such as heavy rains, floods etc. In cases where the original estimate was deviated from and the well had collapsed, a Failed Wells Team should certify, on inspection, that the collapse of the well was not on account of such deviation.

7.

(a)(i)The subsidy under the Failed Wells Fund may be made available to all small and marginal farmers and groups of small and marginal farmers (including Lift Irrigation Co-operatives) as well as others.(ii)The quantum of subsidy may be up to 90% of the value of work done or 90% of the loan amount disbursed whichever is less, in the case of small farmers or marginal farmers (including Lift Irrigation Co-operative Societies) and up to 75% of the value of work done or 75% of the loan amount disbursed, whichever is less, in the case of others, less subsidy or refund which the borrower received or has become entitled to from any other source or agency in connection with the sinking of the well. Besides, 90% of the interest payable by the borrowers from the date of disbursement of loan till the date of actual credit of subsidy to loan account may be provided as subsidy in the cases of small farmers, or marginal farmers or groups of marginal farmers (including Lift Irrigation Co-operative Societies) and 75% in the case of others. In the case of a dug well which collapsed or caved in for reasons beyond the control of the borrower such as heavy rains, floods, etc., or where the water was found unsuitable for cultivation at any time during the currency of the loan, as contemplated under Rule 6, the quantum of subsidy may be up to 90% of the loan outstanding excluding the annual instalment or instalments payable by the borrowers on the date of collapse or caving in or on the date on which the water was rendered unsuitable for irrigation as the case may be; in the case of small farmers or marginal farmers or groups of marginal farmers (including Lift Irrigation Co-operative Societies) and up to 75% of the loan outstanding excluding the annual instalment or instalments payable by the borrowers in the case of others less the subsidy or refund which the borrower received or had become entitled to from any other source or agency in connection with the sinking of the wells:Provided that in any individual case, other than Lift Irrigation Co-operative Societies, the quantum of subsidy shall be limited to Rs. 10,000 under principal: Provided however, in the case of small farmers and marginal farmers belonging to Scheduled Caste and Scheduled Tribes the entire cost excluding the farmer's personal labour in the investment will be given as subsidy.(b)(i)An application for assistance from the fund shall be made by the borrower of the primary land development bank in such form and in such manner as may be presented by the Registrar.(ii)The application shall be made through the primary land development bank concerned within 3 months from the date of completion of the well or from the date of collapse or caving in of the well. Provided that in the case of wells for which loans have been sanctioned between 2.11.1971 and 30.4.1974 and which have failed as per Rule 6, the application should have

been made before 31.7.1974 and in the case of loans sanctioned from 1.2.1968 to 1.11.1971 and which have failed as per Rule 6, the application should be made before 31.12.1979. Provided further that the Joint Registrar of the region concerned may relax this time-limit if he is satisfied that there is valid reason for not preferring the claim within the said period.

8.

A team consisting of the Deputy Registrar, the Manager of the branch of the State Land Development Bank or District Technical Cell and the Engineer of the Agricultural Engineering Department shall issue the cases coming under Rule 6 (iv), the team shall issue its certificate only on the basis of competent technical opinion. The application for subsidy shall be disposed of by the Circle Deputy Registrar. In case of difference of opinion, the decision of the Regional Joint Registrar shall be binding on the Circle Deputy Registrar in the disposal of the application. In cases where the filter point or tube-well is sunk by the Department of Agriculture and declared by that department as a failure, there will not be any further inspection by the team mentioned above. The Circle Deputy Registrar shall consider the application for subsidy for such wells on the strength of the certificate and yield test report, if any, furnished by that Department. The State Land Development Bank should arrange to conduct yield test at its cost in the first instance. If the well is a failure, the cost of such test may be adjusted from out of the subsidy payable to the borrower, and if proved otherwise the cost of the test may be recovered from the borrower along with the dues.

9.

On receipt of the sanction order from the Circle Deputy Registrar, the State Land Development Bank shall draw from the fund and credit the amount to the respective loan account under intimation to the Primary Land Development Bank which in turn shall credit the amount as contemplated under Rule 7(a) (ii) to the loan account of the member concerned. The balance of the loan account shall be recovered from the member concerned in usual annual instalments within the balance period available as per the original mortgage deed. The subsidy eligible as per rule (both principal and interest) may be paid to the borrower in the following cases:-(i) If the loan had been fully cleared, the entire subsidy sanctioned may be paid to the borrower. (ii) If on the day of adjustment of subsidy, the loan outstanding is less than the sanctioned subsidy, the amount of subsidy available after adjustment may be paid to the borrower.

10.

(a) The payment from this fund shall be exgratiated. Any person aggrieved by the order of the Circle Deputy Registrar sanctioning or rejecting the application referred to in the Rule 8, shall make an appeal within 3 months from the date of receipt of communication sanctioning or reducing or rejecting the claim, to the Joint Registrar of the region concerned whose decision shall be final. The Joint Registrar of the concerned region may admit an appeal preferred after the said period of three months, if he is satisfied that the appellant had sufficient cause for not preferring the appeal within the said period.

11.

After the end of each financial year, the Registrar shall forward to Government, in such form as may be prescribed by them a statement of the accounts relating to the fund and shall also at the same time a report on the assistance granted from the fund.

12.

The Registrar may require, a primary land development bank-(a)to keep or continue in its books all claims in respect of the debts, in respect of which relief is required and to take or continue to take such steps as may be necessary or expedient to recover such debts, notwithstanding the fact that assistance has been or may be granted in respect of such debts;(b)to credit to the failed wells fund any recovery which may be made in respect of any debt in consideration of which assistance has been given from the fund.