

Rajasthan State Agricultural Credit (Relief & Guarantee) Fund Rules, 1961

RAJASTHAN

India

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Rule

RAJASTHAN-STATE-AGRICULTURAL-CREDIT-RELIEF-GUARANTEE-FUND-RULES-1961

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023.

In suppression of the rules sanctioned previously under Government Order No. F. 5 (87) Coop.-57 dated 7.4.1958, the Governor Has been pleased to approved the attached rules for the maintenance & Administration of the State Agricultural Credit (Relief & Guarantee) Fund Rules: This issues with concurrence of Finance Department (C. & A.) given vide their No. ID. 476/F. (CA)/61 dated 13.11.1961.

1.

These Rules may be called the Rajasthan State Agricultural Credit (Relief and Guarantee) Fund Rules, 1961.

2. In these Rules, unless the context otherwise requires.

(a)"Committee" means the Committee constituted under Rule 7.(b)"Competent authority" means the Registrar, where the amount of assistance sought or sanctioned from the fund, taken together with the amounts, if any, already due to the fund is not in excess of two thousand five hundred rupees, and the committee in any other case.(c)"Co-operative Credit Institution" means a primary credit society registered or deemed to be registered under [Rajasthan Co-operative Societies Act,

1965] [Rajasthan Co-operative Societies Act 1965 Repealed by Rajasthan co-operative Societies Act, 2001 (Now see the New Act, 2001).] a Co-operative Central Bank, the State Co-operative Bank a primary land Mortgage Bank or a Central Land Mortgage Bank as the Case may be.(d)"Financial year" means the year ending (the 31st day of March).(e)"Fund" means the fund established under rule 3.(f)"Government security" means a security created and issued by the Central Government or by a State Government for the purpose of raising a public loan and having any of the forms specified in or prescribed under clause (2) of section 2 of the Public Debt. Act, 1944.(g)"Government" means the Government of Rajasthan.(h)"Registrar" means the Registrar, Co-operative Societies appointed under the [Rajasthan, Co-operative Societies Act, 1965] [Rajasthan Co-operative Societies Act 1965 Repealed by Rajasthan co-operative Societies Act, 2001 (Now see the New Act, 2001).], and includes any person appointed to assist the Registrar, when exercising all or any of the powers of the Registrar;

3. The amount to the credit of the fund shall consist of.

(i)such sums as Government may from time to time determine;(ii)the interest occurring from the investment of the amount standing to the credit of the fund;(iii)the dividends actually received by Government "During any Financial Year" on account of the shares held by it in a co-operative credit institution in excess of four percent on the nominal value of such shares in respect of that year: and(iv)such sums as may be recovered in accordance with these rules from the persons to whom assistance has been given from the fund.

4. The fund shall be applied for the following purposes, namely

(a)assisting a co-operative credit institution to write off arrears of any debts the recovery of which has proved to be difficult, where the aggregate of such debts owed to the co-operative credit institution is of such magnitude as to threaten its stability, and the arrears of such debts, which are sought to be written off, are shown to the satisfaction of the competent authority to have arisen on account of widespread floods, famine, failure of crops or any other natural calamity, or other similar causes beyond the control of the institution;(b)the recouping of losses; sustained by a co-operative credit institution, on account of loans granted in an economically backward area or to a special class or classes of the population, such as scheduled castes or scheduled tribes, where such loans have been granted at the instance of Government and on the understanding that Government will recoup, in whole or in part, the losses incurred thereby;(c)the recouping of losses sustained by a co-operative credit institution on, account of loans granted for agricultural purposed, out of short term or medium term funds from the Reserve Bank of India, or from any other source and guaranteed in either case by Government ;(d)payment of the principal or interest in respect of debentures issued by the state land mortgage bank in pursuance of any guarantee executed or given by Government.

5.

(i)No payment shall be made from the Fund for any of the purposes mentioned in Rule 4 except on application made to the Registrar by the institution desiring assistance from the fund.(ii)An

application for assistance from the fund shall be in such form as may be prescribed by the competent authority and shall be forwarded to the Registrar(a)in the case of a primary credit society, through the central co-operative bank to which it is affiliated and also through the State Co-operative Bank;(b)in the case of a central co-operative bank through the State Co-operative Bank, and(c)in the case of a primary land mortgage bank through the central land mortgage bank; and to the Registrar, direct in all other cases.(iii)Every institution through which an application is forwarded under this rule shall transmit the application to such other institution or the Registrar as the case may be, with its comments, if any, on the application and shall also indicate whether it is proposed to grant, to the applicant institution any assistance from its own funds.

6.

(1)The Registrar may on receipt of an application make or cause to be made by any officer subordinate to him an inspection or audit of the applicant institution or any other institution through which the application has been forwarded, and where such an inspection or audit is not considered necessary, the Registrar may ask for such particulars or information relating to the affairs of any institution mentioned in this rule as may be necessary.(2)An institution which is required to be inspected by, or to furnish information to the Registrar, under this rule shall produce for his information all such balances, books, accounts, securities and other documents, as may be in its possession, and shall also furnish any statement or information relating to its affairs within such time as may be specified.

7.

(1)There shall be a committee to consider and dispose of all matters relating to applications or loans in respect of which the Registrar is not the competent authority under Rule 2(b) of these Rules.(2)The Committee shall consist of : (i)the Secretary to Government in the Department of finance (in the absence of finance Secretary Accounts Officer (Commercial) will attend as observer);(ii)the Secretary to Government In-charge of co-operation;(iii)the Development Commissioner, or the Secretary In-charge of Planning;(iv)a representative of the State Co-operative Bank, to be nominated by the Bank;(v)a representative of the central land mortgage bank, to be nominated by that bank; and(vi)the Registrar.(3)The Chairman of the Committee shall be appointed by Government.(4)The Secretary of the Committee shall be the Registrar.(5)The Committee shall have powers to regulate its own procedure.

8.

(1)Where upon the consideration of an application, and after such inspection, enquiry or investigation as may be deemed necessary, the competent authority is satisfied that assistance should be granted to an application from the fund, the payment of a grant upon the amount applied for or any smaller amount may be authorised from the fund, the payment of a grant either unconditionally or subject to such conditions as may be imposed.(2)In particular and without prejudice to the generality of the forgoing powers, the competent authority may require an application institution to which assistance has been or is proposed to be granted from the

fund: (a)to reconstruct its balance-sheet in such manner as may be prescribed by the competent authority after considering the report on the inspection or audit of the institution carried out in connection with the application or any previous inspection or audit report;(b)to establish and maintain reserve or stabilisation fund, where such funds are not already being maintained;(c)to keep or continue on its books all claims in respect of the debts the recovery of which has proved to be difficult, 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 to the applicant institution in consideration of such debts;(d)to obtain the sanction of the competent authority before writing off on its books any such debts as are referred to in sub-clause (c) of clause (2) of this rule;(e)to credit to the reserve or stabilisation fund any recovery which may be made in respect of any debt in consideration of which assistance has been given from the fund;(f)to credit to the reserve or stabilisation fund such percentage, not exceeding twenty out of the profits of the applicant institution in respect of any accounting period or periods following the payment of a grant from the fund as the competent authority may prescribe;(g)to convene a general meeting of the society, and to place before such general meeting of the inspection or audit report in connection with the application or such other matter as the competent authority may direct; and(h)to execute, where the competent authority deems this to be necessary, a bond in such form as that authority may require, undertaking to refund or repay any amount disbursed to the applicant institution from the fund in the event of a failure by that institution in the opinion of the competent authority, to comply with any of the conditions on which such assistance has been granted.(3)The payment of a grant from the fund, whether conditionally or otherwise shall be ex gratia, and the decision of the competent authority in regard to any such payment shall not be subject to any appeal.(4)Government may, from time to time, or at any time issue such directions to the competent authority as may be necessary.

9.

(1)The amount standing to the credit of the fund shall be included within the public account of the State of Rajasthan and shall, except so far as it has been or is required to be disbursed under these Rules, be invested in Government securities.(2)The investments of the fund shall not be sold or realised, except for the purposes mentioned in these Rules;(3)After the end of each financial year, the Registrar, shall forward to Government, in such form as may be prescribed by it, a statement of the accounts relating to the funds, as audited by the Comptroller and Auditor General of India and shall also submit at the same time a report on the assistance granted from the fund and the application of such assistance for the purposes for which it was intended.(4)The statement of accounts and the report referred to in the preceding clause shall be placed by Government on the table of the House of the Legislature of the State.