

# **Rules for the Grant of Loans to the Forest Labourers Co-operative Societies Registered under the Co-operative Societies Act, 1953**

RAJASTHAN

India

## **Rules for the Grant of Loans to the Forest Labourers Co-operative Societies Registered under the Co-operative Societies Act, 1953**

### **Rule**

### **RULES-FOR-THE-GRANT-OF-LOANS-TO-THE-FOREST-LABOURERS- of 1953**

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Rules for the Grant of Loans to the Forest Labourers Co-operative Societies Registered under the Co-operative Societies Act, 1953 Now See the Provision of Rajasthan Co-operative Society Act, 2001.RJ85

#### **1.**

Loans may be granted to the Forest Co-operative Societies registered under the Rajasthan Co-operative Societies Act, 1953 to provide working capital for the coupe or coupes allotted to them under the orders of the State Government.

#### **2.**

Application for any loan may be presented to the Divisional Forest Officer of the area wherein the forest coupe is allotted.

#### **3.**

Application for loans shall be in writing in the prescribed form hereto annexed. The Society applying for the loan shall declare in the application that the loans applied for along with other loans incurred

by its does not exceed the maximum credit "limit prescribed for the Society under Section 41 of the Rajasthan Co-operative Societies Act and its authority to raise the loan in accordance with its bye-laws.

#### 4.

Subject to provision of these rules loans shall be granted by the authorities and to the extent specified below :

(a) Divisional Forest Officer .....Rs.2,500/-

(b) Conservator of Forest .....Rs.10,000/-

(c) Chief Conservator of Forests .....Rs.25,000/-

Loans for more than Rs.25,000/- shall be referred to the State Government for sanction.

#### 5.

The Divisional Forest Officer is entertaining the application shall either make an enquiry himself or cause one to be made by his subordinate officer for the purpose of ascertaining the particulars mentioned in the application form.

#### 6.

If the Divisional Forest Officer is empowered to grant the loan by rule 4 above, he may himself grant or refuse the loan otherwise he shall forward the application with his report and recommendations thereon through the usual channel to the Conservator of Forests or to the Chief Conservator of Forests to the State Government as the case may be.

#### 7.

No loan shall be granted unless the grantor shall be satisfied of the sufficiency of the security with a margin for safety and the entire produce of the lot sold to the Society shall be mortgaged to the State Government against the loan and-the scale of the produce extracted shall be made in direct consultation and with the permission in writing of the Divisional Forest Officer or the Officer authorised by him in this behalf.

#### 8.

The maximum limit of the quantum of loan shall not exceed six times the paid up capital of the Society and 60% of the value of the Forest produce.

**9.**

The unpaid amount of loan and the interest shall be a first charge on the 50% amount of the sale proceed of the procedure extracted from the lot allotted to the society and the produce sold shall not be removed without paying said percentage of the sale proceeds.

**10.**

The loan shall be paid by the Divisional Forest Officer to the Society in one or more instalments as may seem fit to the grantor. Large loans will ordinarily be paid in four or more equal instalments.

**11.**

The loan shall carry interest @, 6-1/4% per annum and the entire loan with interest shall be repayable within the period of two years.

**12.**

Until one loan is fully paid up further loans shall be limited to not more than three times the paid up capital.

**13.**

A society which has worked the lot fully and has not repaid the loan with interest in full, will not be eligible for a loan for second lot without the specific sanction of the Government.

**14.**

When the loan has been sanctioned, the whole amount of loan or instalment thereof. As the case may be, shall be paid to a duly authorised representative of the society on execution of the Bond in the prescribed form.

**15.**

The cost, if any incurred in making loan and executing the Bond shall be paid by the Society.

**16.**

The Divisional Forest Officer, if at any time is satisfied that the Society has failed to comply with any of the conditions shall: (a) If the failure appears to be due to the misapplication of the loan, and (b) may, if the failure is due to any other cause after recording in writing the grounds of his decision, proceed to recover any sum payable by the society from the produce of the various coupes in the manner he deems fit. The Divisional Forest Officer shall obtain the previous approval of the

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authority granting the loan before taking action under this rule.

**17.**

The Forest Department shall keep the account of all loans in such forms as the State Government may from time to time prescribe. Form of Application for Loan to the Forest Labourer's Co-operative Societies (Registered under the Co-operative Societies Act, 1953)

**1. Name of society..... with registered office at.....**

**2. Registered under the Rajasthan Co-operative Societies Act, 1953, on ...**

**3. Date of last audit, if any, of the Society with name of the auditor ..... Audit classification or remarks.**

**4. Working capital of society.....**

(a) Deposit by members. (b) Deposits and loans by non-members. (c) Loans from Banks. (d) Loans from State Government. (e) Share capital (f) Reserve Fund (g) Other capital (h) Paid up capital

**5. The loan is required for working the forest coupe purchased by the Society (give particular of the coupes).**

**6. The amount of loan required in Rs .....**

**7. The Security offered for the loan to be borrowed is .....**

**8. The Society agree to pay 6-1/4% interest per annum on the loan to be borrowed.**

**9. The money is required to be borrowed for term of year all at a time on.....or in.....instalments of Rs...../ each, the first instalment to be taken on.....**

**10. The outstanding balance of previous loans if any taken from the State Government is Rs.....**

**11. Certified that the loan applied for along with other loans incurred by the Society does exceed the maximum credit limit of Rs (prescribed for the Society under Sec. 41 of the Rajasthan Co-operative Societies Act).**

## **12. Certified that the Society is willing to execute a bound mortgaging the entire produce or the said forest coupe allotted to it and embodying the terms and condition mentioned in the rules.**

Date.....Signature of SecretarySignature of ChairmanSignature of Committee member(To be written on Stamp Paper and got registered)This Bond is executed on .....day of.....200 by ..... Forest Labourers' Co-operative Society registered under ..... the Rajasthan Co-operative Societies 'Act, 1953 (hereinafter called "the borrower") in favour of the Governor of the State of Rajasthan (hereinafter called "the Government") under the terms and conditions herein mentioned:Whereas the borrower has purchased or been allotted a forest coupe by Forest Department order No.....dated.....in Tehsil.....District.....and whereas the borrower has applied on the prescribed from the Government for the advance of a loan of Rs..... repayable with interest @ 6-1/4% per annum with in the period of two years from this day for working the said coupe.And, whereas the Government has agreed to advance the said loan on the condition that the borrower transfers the entire produce of the said coupe by way simple mortgage to the State Government.And, whereas the Government has agreed to advance the said loan on the condition that the borrower transfers the entire produce of the said coupe by way simple mortgage to the State Government.And, whereas the borrower has agreed to transfer the same repayment of such loan in the manner hereinafter appearing;Now this Bond witnesses as under :-(1)that on consideration of the sum of Rs.....advanced by the Government to the borrower (the receipt whereof the borrower hereby acknowledges) and the Government having promised to advance a further sum of ..... by instalments is under;and in consideration of the terms and conditions contained in this Bond, the borrower hereby transfers and conveys by way of simple mortgage the entire produce of the said forest coupe within the intent that the said produce hereby mortgaged shall remain and be charged by way of simple mortgage as security for the repayment to the Government of the said principal money and interest;(2)That the borrower covenants with the Government to repay the said principal money with interest a 6-1/4% per annum within the period of two years from this day;(3)that the borrower hereby further covenants with the Government that the said produce is free from encumbrances and the sale of the produce extracted shall be made by the borrower is direct consultation and with the permission in writing of the Divisional Forest Officer or the officer authorised by the Divisional Forest Officer in this behalf;(4)That the unpaid amount of loan and interest shall be a first charge on the 5% of the amount of the sale proceeds of the produce extracted from the said coupe; and the produce sold shall not be removed without paying the said percentage of the sale proceeds to the Divisional Forest Officer or the officer authorised in this behalf and obtaining a receipt thereof;(5)that the borrower will use the proceeds of the loan evidenced by this bond for working the said forest coupe and not for any other purpose;(6)that the stamp duty payable on this bond shall be borne by the borrower;(7)that the borrower will give necessary facilities for the inspection of the coupe and the produce thereof to the Divisional Forest Officer or any other officer authorised by him on receipt of a notice in writing;(8)that upon the occurrence of any one or more of the following events the unpaid loan amount and the interest thereof shall at the option of the Government immediately mature and become due and payable without demand, protest on notice of any kind which are hereby expressly waived and the same shall be recoverable as an arrear of Land Revenue or Public Demand under the Rajasthan Public Demands Recovery Act;(a)any representation in the prescribed application in connection with this loan shall be materially

false;(b)non-payment of the principal and interest or any part thereof within the period of two years;(c)any breach or failure of the borrower to comply with any provisions of this bond;(d)the borrower shall be adjudicated a bankrupt, or a trustee or a receiver shall be appointed for it or of all of a substantial part of its property in any court proceeding.In witnesses whereof the borrower has set his hands the day and year first above written.Signature of the borrower with dateWitness(1).....Address.....Witness (2).....Address.....