

# The Orissa Loan Stipend Fund Rules

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### Rule THE-ORISSA-LOAN-STIPEND-FUND-RULES of 1968

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The Orissa Loan Stipend Fund Rules

#### 1.

These rules may be called "The Orissa Loan Stipend Fund Rules".

#### 2. Creation and administration of the Fund.

(a) There shall be constituted a Fund called the Orissa Loan Stipend Fund and the Fund shall be administered by the Government in the Education and Youth Services (L.S.F.) Department on the advice of a Committee constituted by Government from time to time. Two non-official members are to be nominated by Government to the Committee and they shall hold office for a period of two years or till their successors are nominated by Government. The Committee shall have powers to co-opt any person or persons to help them in regard to the disposal of any application for loan if they consider it necessary. (b) Persons contributing or making substantial donations to the Fund may be enrolled as patrons, life members or, benefactors of the Fund. A donor (whether an individual or a firm) shall be enrolled as patrons, life member or benefactor if he makes a contribution of Rs. one lakh in course of five years, Rs. 20,000 in a year and Rs. 10,000 in a year respectively.

#### 3. Corpus of Fund.

(a) The Fund shall consist of Government grants and donations made from time to time by private individuals and institutions. (b) The contributions to the Fund and the interest earned on the corpus of the Fund and the amounts recovered from the loanees shall be utilised for giving loans to deserving students. The Funds shall be held in the Government Treasuries or Reserve Bank or in securities. Any surplus of a year may be invested in securities approved by the State Government in the Finance Department, and shall form the corpus.

#### 4. Accounting procedure of the Fund.

- The accounting procedure with regard to the Fund should be as follows ;(i)The loan stipend shall be debited to account under "Demand No. 10-677-Loans for Education, Art and Culture-(b) other Educational loans-(A) scholarships and advances to stipendiaries from Orissa Loan Stipend Fund";(ii)The advances when recovered from the stipendiaries shall be credited in the accounts under the receipt head "829-Development and Welfare Funds-(a)-Development Fund for Educational purposes-(A)-Orissa Loan Stipend Fund (Receipt)";(iii)The interest, if any, realised from the stipendiaries may be taken credit of under the receipt side of the head "829-Development and Welfare Funds -(a)-Development Funds for Educational purposes-(A)-Orissa Loan Stipend Fund (Receipt)";(iv)The contribution made by Government from time to time from the consolidated Fund of the State shall be booked under the head "277-Education -H -General-Other Expenditure-(E) Loan Stipend Fund-Inter Account Transfer";(v)The amount transferred from the consolidated Fund as indicated above shall be taken credit of, under the receipt side of the head "829 -Development and Welfare Funds(a)-Development Fund for Educational purposes-(a) -Orissa Loan Stipend Fund (Receipt)";(vi)Donation received from the Philanthropists will also be taken credit of under the receipt head "829-Development and Welfare Funds-(a)-Development Funds for Educational purposes-(A)-Orissa Loan Stipend Funds (Receipt)";(vii)The sums out of the accumulations in the Fund when invested in securities shall be debited to the head "829-Development and Welfare Funds-Development Fund for Educational purposes -Orissa Loan Stipend Fund (Outgoings)" and the proceeds of the securities when sold shall be taken credit under the receipt side of the head "829-Development Welfare Funds-(a)-Development Fund for Educational purposes-(A)-Orissa Loan Stipend Fund (Receipt)";(viii)The irrecoverable loan stipend when written off by Government shall be debited to Fund under the head "Irrecoverable loan stipends written off" in the outgoing side of the head "829 -Development and Welfare Funds-(A)-Development Fund for Educational purposes-(A)-Orissa Loan Stipend Funds";(ix)Gain or loss on realisation of securities shall be credited or debited to the appropriate head in the receipt or Outgoing side of the Fund;(x)The Travelling Allowance of non-official members of the, Committee will be debited to the head in the outgoing side of the Reserve Fund;(xi)The excess amount recovered when refunded shall be accounted for under the receipt side of the head "829-Development and Welfare Funds-Development Fund for Educational purposes-Orissa Loan Stipend Fund-Deduct Refund";(xii)Payment to stipendiaries both in India and in foreign countries shall be debited direct to the Reserve Fund and it is not necessary that the State Legislature shall be required to vote against the actual expenditure from the fund as contemplated in Article 43 (2) of the Audit Code;(xiii)Detailed accounts of each stipendiary shall be maintained by the Education and Youth Services (L.S.P.) Department of the Government and the same shall be audited locally by Accountant-General, Orissa;(xiv)The Secretary, Education and Youth Services (L.S.F.) Department shall be the Estimating and Controlling Officer in respect of the heads mentioned above and the Education and Youth Services (L.S.F.) Department shall be the Administrative Department. Secretary, Education and Youth Services (L.S.F.) Department or any officer authorised by him will be Drawing and Disbursing Officer of the Orissa Loan Stipend Fund.

## **5. Subject and criterion for grant of loan.**

(a)The Government shall on the recommendation of the Committee settle the subject or subjects for the study of which loan shall be granted during the year. The State Government may invite applications for loans in prescribed forms in the Schedule 'A' annexed hereto by public advertisement in Press.(b)(i)Loan shall be granted from the Fund for higher studies in Engineering, Technical Education and Post Graduate studies in Science and Humanities both inside and outside the State.(ii)No loan shall be granted from the Fund for study outside the State in subjects for which facilities are available within the State.(iii)Highly meritorious and brilliant students may. be allowed the facility of loan stipend in any reputed Universities in India for higher studies respectively of whether any of the Universities of Orissa offers the subjects.Note. - A student having constantly a good career having secured 1st class throughout will be considered as exceptionally brilliant for this purpose.(iv)Students who have come out successful in All India Competitive Tests relating to the Engineering subjects and by virtue of that have been admitted into their respective institution shall be eligible for loan stipend.(v)Students who have secured admission in the institution outside the State against the seats reserved for Orissa State and have requisite percentage of marks fixed for Engineering and technological course shall be eligible for loan stipend.(vi)Scheduled Caste, Scheduled Tribe and women candidates may be given relaxation in the percentage of marks for studies in all subjects except Post-graduate studies in Science and Humanities to be decided by Government from time to time.(vii)Students reading both B.Sc. (Ag.) and M. Sc. (Ag.) relaxation up to 5% on the prescribed percentage of marks may be made if the student belongs to a small farmer's family.Note. - A small farmer is one who has 5 acres of land or less in his possession.(viii)Government may also relax the above conditions for grant of loan stipend from time to time, if necessary.(c)Loan stipends will not, however, be admissible to those who after being employed join Post-Graduate studies. Medical students desirous of higher specialisation even after P. G. studies may be granted loan stipend if they have brilliant academic career.

## **6.**

(i)The financial position of every applicant for loan shall be ascertained to the satisfaction of the State Government by reference to District Officers or such other authorities. In granting loans the financial position of the parents of the applicants shall be taken into consideration and loan shall be granted only to such persons who are unable to meet the expenses of their education.(ii)For training in India only half the usual stipend shall be given to candidate whose parent's or guardian's monthly income is more than 1,000 per month and that no loan stipend shall be given in cases where the income exceeds Rs. 1,500 per month.(iii)The amount of loan stipend payable to various categories of students prosecuting studies in and outside the State shall be as decided by Government from time to time.

## **7. Grant of loan for study abroad.**

- Loan shall be paid for study/training abroad subject to the following : (i)No loan stipend shall be sanctioned for defraying the cost of maintenance of the scholar abroad;(ii)Loan shall however be given to a person for defraying the cost of travel for higher studies abroad only on the

recommendation of the Committee constituted for the purpose. The Committee shall consider each case in accordance with the principles decided by Government;(iii)Government in the Education and Youth Services (L.S.F.) Department shall issue orders constituting the Committee from time to time;(iv)The cost of travel shall be limited to actual one-way fare by air. A loan stipend for the return fare can be considered only if the candidate completes his studies successfully and submit a fresh application for sanction of the loan. The sanction of a loan for meeting the cost of onward passage does not commit Government to sanction a loan for defraying the cost of the return passage;(v)The Committee shall not consider any application unless the applicant furnishes evidence that arrangements for his maintenance have been made during the period of study;(vi)No loan shall be sanctioned where the income of the parents,' guardians of the applicant exceeds Rs. 1,500 per month;(vii)The loan stipend shall not be admissible unless the candidate travels by Air India or books his passage through Air India;(viii)No loan stipend shall be sanctioned in favour of candidates employed in non-Government Organisation.

## **8.**

Loan amount as one way Passage fare abroad shall be paid only after loanee produces attested copies of letter of admission, visa, passport and Foreign Exchange Permit.

## **9.**

(i)The loan shall be given only to candidates who are Oriyas or domiciled in the State of Orissa. Permanent State Government servants of Orissa and their children shall be eligible for the loan.(ii)Loan stipend may be paid to the children of the Central Government servants serving in the administrative control of the State Government- The children of the Central Government servants serving in Railways, Income Tax Department, Post-Offices, etc., should not be given loan stipend.(iii)Loan stipend may be given to a bona fide refugee candidate provided-(a)he or his parents have property in the State to the extent of the amount of loan stipend ; or(b)he produces at least one surety who must be a permanent resident of this State :Provided further that he or his parents must have been residents in this State for a period of five years.(iv)Oriyas who do not belong to the outlying tracts and have permanently settled in other States should not be eligible for the loan stipend.

## **10. Procedure for grant of loan.**

(a)Subject to the provisions of Rule 6 no other consideration except merit shall be the criterion in deciding the grant of loan. In estimating merit the whole career of the candidate in colleges and schools and the results of the Board of Secondary and University Examinations and proficiency in subsequent academic and professional work shall be taken into consideration.(b)The candidate shall be required to furnish a certificate of good moral character from a respectable person and also a certificate from the principal of the institution in which he last studied.(c)Candidates shall be required to submit attested copies of mark sheets of different examinations alongwith their loan applications.

## **11.**

The candidate before final selection shall be required to produce a medical certificate in the form prescribed in Schedule 'B' annexed hereto from a registered assistant surgeon. The certificate shall contain a statement of the average expectation of life of the candidate and the examination shall be conducted in the same manner as in life insurance cases. The cost of medical examination shall be borne by the candidate and the certificate shall be required after it is decided to grant the loan but before it is actually sanctioned. The fact of receipt of a medical certificate shall be specified in the Government order sanctioning the loan.

## **12.**

(i) Loan stipend admissible may be reduced in case of students getting assistance from other sources except free studentship as decided by Government from time to time. No loan stipend is admissible to the students who are getting National Scholarship from the Government of India in the Ministry of Education and Social Welfare. Scheduled Tribe and Scheduled Caste candidates who are getting postmetric scholarships are also not eligible to get loan stipend. (ii) It shall be the duty of the loan stipendiary to inform the State Government whenever he receives any such scholarships/pecuniary help after the grant of the loan.

## **13. Interest.**

- All such sums as may be advanced, paid to or spent on behalf or for the benefit or on account of the stipendiary shall be taken as constituting a debt owing from him to the State Government. No interest shall be charged on such loans. In case of wilful neglect in payment of instalments, interest may be charged at rates varying from 4 per cent to 6 per cent at the discretion of the State Government in accordance with the circumstances of each case. The State Government shall be the sole judge of the fact of wilful neglect.

## **14. Mode of recovery.**

(a)(i) Recoveries shall commence on the month following expiry of one year from the successful completion of the study for which the loan is advanced ; provided that in case the borrower secures an employment within this period, the recovery shall begin from the month following that in which employment is secured, if this be earlier. (ii) In cases where the loanee secures an employment, the instalments be as per the terms of the bond executed by him. (iii) The rate at which a loanee who has not secured a salaried employment will repay towards the loan and the number of instalments in which complete repayment shall be made shall, unless otherwise ordered by Government, be the same as for persons of equivalent qualification who have secured employment under Government : Provided that where it is not possible to determine the national salary the rate of repayment shall be rupees thirty per month. (iv) Government shall be competent to relax the time-limit referred to in Sub-rule (1) or the rate and instalments referred to in Sub-rules (ii) and (iii) in any case, or class of cases, where it appears to them that such relaxation is necessary. (b) Government shall also relax the

above condition in case the loanee repays the loan to some other Universities/Organisations/ Institutions who advanced to the said candidate in addition to the loan stipend granted by the Orissa Loan Stipend Fund in consultation with the above authorities if it is found that the candidate has simultaneously to pay monthly instalment to the Institution, so that at any time the loanee may not have to repay more than 20 per cent of his monthly emoluments.(c)Recovery of loan stipend already taken may be kept in advance during the period of higher study, provided such higher study is in the same subject for which loan stipend had already been granted. This concession will, however, be given with effect from the 1st April, 1968 and be limited to a period of 3 years at the maximum.The concession will not apply to the following type of cases-(i)Where the loanee has resigned or was removed or dismissed from Government service.(ii)The loanees who are treated as on duty and draw duty pay and D.A. during the period of higher study except when such higher study is outside the State.(iii)Loanees who are 3rd Class in M.A./M.Sc., and since there is hardly any scope for employment as Lecture they have taken up further studies in different subjects with a view to obtain higher class(iv)Government in the administrative Department may allow the concession in relaxation of the above conditions in deserving cases involving hardship subject to such other conditions as may be considered reasonable and proper.In case of default in payment of any instalments by borrower who has secured a salaried employment, Government shall effect deduction of the defaulted instalments as well as future instalments from the monthly salary of the borrower through the appropriate authority.

## 15.

If the stipendiary neglects or in the opinion of the State Government proves incompetent or incapable of prosecuting with reasonable prospect of success the courses of study undertaken by him or if he has in the opinion of the Government misconducted himself or is convicted of any offence which in the opinion of the State Government disentitled him to further help, he shall cease to receive further help from the Government and that in all cases as aforesaid he shall be liable to repay the Government forthwith the total amount due from him and the State Government shall forthwith take such steps towards the realisation of the total amount advanced as they deem necessary. Before discontinuance, the loanee shall be given a chance to submit, his explanations and in case the discontinuance is decided upon, passage for his return journey if he is in foreign country, if considered out of this Fund.

## 16.

If Government consider it necessary, the selected candidate shall be required to insure his life in favour of the Government for a sum equivalent to the total amount of the stipend estimated to be paid. The loanee shall normally pay the premium. In case he is unable to do so and keep the policy in force till such time as the loanee is able to earn, the premium due on the policy may be paid out of the Fund and such payment shall be treated as part of the loan with interest at six per cent per annum from the date the candidate begins to earn, he shall pay the premium submitting premium receipts for inspection. The existence of the policy shall not debar the Government from taking any legal steps for recovery of the amount due. The Insurance Policy shall be assigned by the candidate to the State Government and shall be reassigned by them on the stipendiary repaying all the

amounts due. Expenses of assignment and reassignment shall be borne by the loanee.

## **17. Surety.**

- The candidate who is given a loan shall be required to provide a surety (where loan stipend is more than Rs.1,000 of two sureties) for its repayment and the surety (sureties) shall along with the candidate execute a bond in the form prescribed in Schedule 'C' annexed hereto binding himself (themselves) and the candidate jointly and severally for the repayment of the entire amount of loan with interest, if any; provided that if the candidate who is given a loan happens to be a minor, his natural guardian shall execute the bond and agreement on behalf of the minor along with a surety binding himself and the surety (sureties) jointly and severally for the repayment of the entire amount of loan with interest, if any.

## **18.**

The candidate shall after completing his studies for which the loan was advanced serve the State Government for a period of not less than five years, if so required, within six months of his leaving the institution after completion of training and during the said period of employment shall always diligently and efficiently do all acts and discharge all duties which may be assigned to him in his capacity as an employee of the State Government.

## **19.**

In the course of employment under the State Government the candidate shall be paid for such service, such pay and allowances as may be considered suitable by the State Government keeping in view of qualifications of the candidate. In case of such employment the candidate shall be entitled to all the rights and privileges in respect of pay and allowances accorded to the employees of the State Government in accordance with the rules and regulations for the time being in force of the State Government.

## **20. Penal interest.**

(a) All amount due to the Government under the terms of the bond under Rule 17 shall, if not paid in time, be recoverable as arrears of land revenue and shall bear interest at the rate of 4 per cent per annum from the date when such payments fall due up to the date of payment of recovery. (b) Government shall charge penal interest of 6 per cent in case of default or wilful neglect to repay the loan in time at their discretion.

## **21.**

The travelling expenses of any member of the Committee other than those who are whole-time Government servants shall be paid from the Fund at the rate admissible to non-official members of Committees and conferences.

## **22. Terms of write-off.**

- (i) Loan stipend advanced shall be written off in the event of a stipendiary becoming incapacitated or invalid during the course of his study so as to become unable to complete the study and earn any income and in the event of death of the stipendiary before the study is completed. (ii) A doctor not below the rank of a Civil Surgeon will be competent to certify whether a stipendiary has become incapacitated or invalid so as to be unable to prosecute the study or earn any income. (iii) In the event of an incapacity or invalidity of the nature referred to in Sub-rule (1) occurring after the completion of the study but before the full repayment of the loan, so much of the loan as remains unpaid on the date of the incapacity or invalidity or death, as the case may be, shall be written off: Provided that if repayment of the loan has been in default in terms of the agreement executed by loanee, then so much of the loan as would have remained unpaid on the date of the incapacity, invalidity or death, as the case may be, had repayment been made strictly in terms of the agreement executed by the loanee, shall be written off: Provided further that the State Government may where they are satisfied the operation of sub-rule will cause undue hardship, write-off the entire loan.

## **23. Refund.**

- The excess amount recovered shall be adjusted towards interest, if any, and if after adjustment there still remains any excess, then the same shall be refunded to the loanee on his written request.

## **24. The State Government may frame subsidiary rules which shall be in conformity with these rules for carrying out the business of the Fund and other ancillary matters.**

### **'A'**

[See Rule 5] Form of application for loans to students for technical and scientific education from Orissa Loan Stipend Fund

**1. Name of the applicant (in block letters).....**

**2. Age and date of birth.....**

**3. (i) Permanent home address-**

Village Street.....Lane.....P.O.....P.S.....Tahsil.....District.....(ii) Present address.....



#### 4. State whether-

You are (i) a permanent resident of Orissa, an Oriya settled in an outlying tract of (outside) Orissa or son/daughter of an Orissa Government servant.....You belong to (ii) a Scheduled Tribe, Scheduled Caste or other Back-ward Class and give details for purposes of verification.....

#### 5. Name of the Institution attended and particulars of the examination passed-

Name of High School, College, University, etc.	Date of entering	Date of passing	Examination passed	Class or division	Subject taken	Percentage of marks secured
1	2	3	4	5	6	7

#### 6. Present occupation of student-If in service-

(i)Government or non-Government service .....(ii)Temporary or permanent.....(iii)Designation and pay and time-scale of pay.....(iv)Date of first appointment.....(v)Is there any likelihood of your being retained in the post now held, after completion of proposed, studies.....

#### 7. (a) Details of financial help such as (a) free studentship, scholarship, etc., if any, received during the school or college career .....

(b)the amount of loan stipend, if any, received previously from Education (L.S.F.) Department .....

#### 8.

(a)Name of the parents or guardians (with relationship) .....(b)Business or profession of parents or guardian... ..(c)Gross annual income of parents or guardian-(i)Land.....(ii)Building.....(iii)Business .....(iv)Profession or service .....(d)Capacity of parents or guardian to support the applicant. The amount of monthly help should be specifically mentioned.....

#### 9. Subject and branch of study.....

#### 10. (a) Name of Institute and country where the proposed study is to be taken up.....

(b)Duration of course of study of the subject.....(c)Present year of study.....(d)Approximate dates of commencement and completion of study....(e)Estimated cost-(i)Cost of living, year by year.....(ii)Passage money (both ways).....(iii)Outfit allowance.....(iv)Books, instruments and institution fees, etc.....(v)Others.....

Total

**11. Has the applicant the requisite qualification for the proposed study or training ? .....**

**12. If the study or training is to be taken up in a country other than India -**

(a)State if facilities for such studies are not available in India....(b)If the applicant has acquired the preliminary training available in India in the subject in which he wants to study in foreign country, the details of such training.....(c)If the applicant is agreeable to fly with Air India.....(d)Has the applicant arranged his maintenance in foreign country during his study period ? Quote authority.....

**13. Has the applicant secured a seat in the Institute where he wants to study ? Quote authority.....**

**14. (a) Is his study in connection with any scheme of the Government of India or State Government ?.....**

(b)Whether the sponsoring authority will meet any portion of the total estimated expenditure and, if so, to what extent ?.....(c)Whether the help from sponsoring authority is in shape of loan or free grant ?.....

**15. Net amount required year by year from the Orissa Loan Stipend Fund (details of calculation together with authority should be furnished).....**

**16. (a) Names of two persons who will stand as sureties for executing the money bond required under the rules. (Father must stand as one of the sureties if he is not otherwise ineligible) .....**

(b)The present and permanent address, financial condition and occupation of the sureties. Give also designation and salary in case of Government servants.....(c)Relation of the applicant with his sureties.....

**17. Details of any financial help applied for expected, promised or obtained from any source. (No loan Stipend should be granted to National Scholarship holders).....**

**18. Is the candidate agreeable to abide by all rules of the Loan Stipend Fund ?.....**

**19. A list of testimonials and other papers, attested copies of University certificates and mark lists, conduct certificate from the head of the institution where he last studied should be enclosed with the application**

Date.....Signature of applicant in fullParent's/Guardian's Income Certificate(This certificate should be signed by a Revenue Officer not below the rank of Deputy Collector or Tahsildar)I certify that to the best of my knowledge the monthly income from all sources of the parent/guardian/husband of Mr./Miss./Mrs.....son/daughter/wife of Mr.....resident of village/Street/Lane (Permanent home address).....P.O P.S. Tahsil.....District.....is.....Rs.....Seal.....Signature.....Name (in block letters).....Designation.....Full address.....

**'B'**

[See Rule 11]Medical fitness certificate form for examination of the Loan Stipendiaries

**1. Name in full.....**

**2. Date of birth.....**

**3. Apparent age.....**

**4. Height (without shoes).....**

**5. Weight.....**

**6. Pulse rate (a) Sitting.....**

(b)Standing.....Character of pulse .....

**7. What is condition of the arteries ?.....**

**8. Blood Pressure (a) Systolic.....**

(b)Diastolic.....

**9. Is there any evidence of disease of the main organs-**

(a)Heart(b)Lungs(c)Liver(d)Spleen(e)Nervous system(f)Eye(g)Ear

**10. Genito Urinary system-**

(i)Any evidence of Hydrocele, varicocels, etc.(ii)Urine analysis-(a)Albumen(b)Sugar(c)Specific gravity(d)Casts(e)Cells

**11. Has the applicant a rupture ? If so, state the kind and if reduceable-**

**12. Describe the scars or identifying marks-**

**13. What is the applicant's average expectation of life-**

**14. Is there anything in the health of the candidate likely to render him unfit for the efficient discharge of his duties in the service for which he intends to qualify ?.....**

**15. Remarks.....**

Registered Assistant Surgeon or College Medical OfficerSeal.....Date.....20.....

**'C'**

[See Rule 17]Bond (with sureties) for a loan from the Orissa Loan Stipend Fund repayable in equal instalmentsThis deed is made the.....day of.....Two thousand and.....between Shri/Shrimati.....aged.....son/daughter of Shri.....resident of village.....P.O.....P.S .....district.....by profession.....acting through his/her father/natural guardian Shri.....(hereinafter called "the Borrower") of the first part (i) Shri..... aged;.....son of Shri.....resident of village.....P.O.....P.S.....district .....by profession.....(ii) Shri.....aged.....son of Shri resident of village. P.O.....PS..... district ..... by profession.....(Sureties) (hereinafter referred to as the sureties) of the second part and the Governor of Orissa which expression unless repugnant to the context shall include his successors and assigns (hereinafter called 'the Creditor') of the third part;Whereas the Borrower has applied to the Creditor for the advance of a loan of Rs.....(Rupees.....) only for the purpose of continuing his/her studies/training in.....in.....(College/Institute or such other institutions as the Borrower may be permitted to join or change);And whereas the sureties have agreed to give security for the repayment of such loan in the manner hereinafter appearing and Creditor has agreed to advance such loan on such security in suitable instalments till the completion of the course of study for which the loan, is advanced subject to the Creditor's satisfaction as to the Borrowers, satisfactory

progress in study and securing promotion to the next higher class regularly; Now this deed witnesseth as follows :

**1. In pursuance of the said agreement and in consideration of the payments made or to be made to the Borrower (which shall for the purpose of these presents hereunder) be taken to be the sum of Rs (Rupees ..... ) only subject to final adjustment by the Creditor, the Borrower and the Sureties hereby jointly and severally covenant with the Creditor as follows**

(i) The application by the Borrower for the loan and the Orissa Loan Stipend Fund Rules shall be deemed to be a part of his Bond and the Creditor reserves the right to withhold or reduce at his sole discretion the total amount of loan agreed to be advanced or any instalment thereof to such extent and in such manner as may be provided in the said rules; (ii) Immediately after successful completion of study or training for which the loan was advanced the Borrower shall intimate Government in writing the fact of such completion. He shall be liable to serve the creditor for a period of not less than five years, if so required, within six months of his successful completion of studies and during the said period of employment shall always diligently and efficiently do all acts and discharge all duties which may be assigned to him in his capacity as an employee of the Creditor; (iii) in the event of the Borrower setting himself employed, he shall be bound to intimate the Creditor, within a fortnight of such employment, the details, viz., designation, initial pay, the scale of pay, allowances, the date of joining the appointment and the name and designation of the official superior, by registered post; (iv) In case the Borrower accepts any employment under an employer other than the Creditor, he shall be bound to quit service as soon as the offer in terms of Sub-clause (ii) is reserved by him.

**2. The Creditor also hereby agrees that in the course of employment under him the Borrower shall be paid for such service such pay as may be considered suitable to his/her qualification and shall be entitled according to his pay and grade to all the rights and privileges in respect of pay and allowances accorded to the employees of the said Creditor for the time being by the rules and regulations of the said Creditor :**

Provided always that the Creditor shall be the sole Judge of the suitability of the pay to be offered to the Borrower in the matter;

**3. In the event of the Borrower being provided with a job (Government or private) the Borrower and/or sureties shall repay the Creditor the sum of Rs.....(Rupees ..... ) only or such other amounts as might have been actually advanced, in regular monthly instalments at the following rate from the day which the Borrower will earn after completion of his study till the debt is fully satisfied**

- |      |   |  |
|------|---|--|
| (i)  | When pay is less than Rs. 300 a month for the first two years | Rs. 60 (Rupees sixty) a month.                   |
|      | For the subsequent 2 years                                    | Rs. 80 (Rupees eighty) a month and so on.        |
| (ii) | When pay is Rs. 300 or more a month for the first two years   | Rs. 80 (Rupees eighty) a month                   |
|      | For the subsequent 2 years                                    | Rs. 100 (Rupees one hundred) a month and so on : |

Provided that if the Borrower does not secure a salaried employment, the rate at which he should repay the monthly instalment shall, unless otherwise ordered by Government, be the same as for persons of equivalent qualification who have secured employment under Government :Provided further that if it is not possible to determine the national pay as per the aforesaid proviso the Borrower shall repay at the rate of Rs. 30 (Rupees thirty) only per month, during the period of such unemployment after expiry of twelve months as allowed in para 3 below

**4. In case of default in payment of any instalment by a Borrower who has got an employment under the Creditor, the Creditor will have the authority to effect deduction of the defaulted instalments as well as future instalment from the monthly salary of the Borrower through appropriate authority and the Borrower hereby expressly authorises Creditor or any authority authorising disbursement of pay to make deductions from his pay as aforesaid;**

**5. The first instalment of repayment shall commence in the month following expiry of one year from the month of successful completion of study or training, as the case may be, for which the loan is advanced ; provided that in the event of the Borrower getting a job within such period of one year, the repayment shall commence from the month following the month in which the appointment was secured, if this be the earlier;**

**6. In case the Borrower fails to repay any instalment by the end of the month in which it is due, the entire amount then remaining due to the Creditor under this deed shall thereupon become payable at once (unless the Creditor sanctions for special reasons an extension of time) and the Borrower and sureties shall be liable jointly and severally to repay the same with interest at the rate of four per cent per annum chargeable for the month or months for which such default has occurred;**

**7. Notwithstanding anything contained in these presents if the Borrower is found to contravene any or all the conditions of this bond or fails to complete his studies successfully resigns his job or chooses not to work at all under the Creditor in terms of Clause 1 of the bond, the Borrower and sureties shall be liable for payment forthwith of the entire amount of loan advanced with interest at four per cent per annum, less repayments already made unless the Creditor grants any relaxation considering the special circumstances of the case, if any ; provided that no interest will be charged on the amount repaid from the date of such repayment.**

**8. It is hereby expressly agreed and declared by and between the parties hereto that all amounts due to the Government under the terms of these presents shall, if not paid in time, or according to the terms of these presents be recoverable as arrears of land revenue either from the Borrower or/and the sureties, as the case may be, at the discretion of the Creditor.**

In witness whereof the parties hereto have put their hands and seals the day and year first above-written. In the presence of witnesses (with their permanent Home address)-

**1.**

**2.**

Signature of the Borrower (father or natural guardian of the Borrower acting for and on behalf of him) (if minor)

In the presence of witnesses-  
(with their permanent Homeaddress)

1.

1.

2.

2.

In the presence of witnesses-

Signature of the Sureties

1.

2.

Signature of Under-Secretary acting in the premises for and on behalf of the Governor of Orissa