

The Orissa Fertilizers Loans Rules, 1965

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Rule THE-ORISSA-FERTILIZERS-LOANS-RULES-1965 of 1965

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1. Short title and Commencement.

- These rules may be called the Orissa Fertilizers Loans Rules, 1965.

2.

In these rules, unless there is anything repugnant to the subject or context-(a)"Collector" includes an Additional District Magistrate;(b)"distress" includes suffering caused on account of drought, flood, cyclone, fire, earthquake, famine, scarcity or other calamity;(c)"Fertilizer" means chemical fertilizers;(d)"Form" means a form appended to these rules;(e)"immovable property" means agricultural lands, house sites' houses and buildings;(f)"Tahasildar" includes an Additional Tahasildar;(g)all words and expressions used in these rules and not defined herein shall have the same meaning as are respectively assigned to them in the Agriculturists Loans Act, 1884 (XII of 1884).

3. Eligibility for taking fertilizers loans.

(1)Loans should be made available to all cultivators who have not been enrolled as members of the cooperative societies.(2)The nominal members are eligible for taking fertilizer loans.(3)Persons who have already received fertilizers loans from any of the co-operative societies shall not be eligible for advance of loans.

4. Officers competent to sanction loans.

(1) Subject to the availability of funds, the Collector shall be competent to sanction Rs. 500, the Sub-divisional Officer Rs. 300 and the Tahasildar Rs. 200 in each case. (2) The Collector may empower, for specified areas, Gazetted Officers not being below the rank of a Sub-Deputy Collector to sanction loans under the rules and such officers shall thereupon be competent to sanction loans to the extent of the limit prescribed for a Tahasildar.

5. Disbursement of loan.

- All loans shall be disbursed in one instalment.

6. Recovery.

- The loan shall be recoverable in one instalment together with interest within 12 months of the date of drawl of the loan.

7. Interest and subsidy.

(1) The ordinary rate of interest on the loan shall be 8 per cent per annum. (2) The loanee will get a subsidy on interest at the rate of 2½ per cent per annum, if the principal along with the interest is paid within the period fixed for repayment. (3) The loans repaid beyond such period shall not be entitled to the subsidy and the amount of the loan outstanding shall be recovered forthwith together with interest at the rate of 12½ per cent per annum from the date of sanction of the loan.

8. Misapplication of loans or untrue statements made by applicant or his sureties.

- If at any time it is proved to the satisfaction of the Collector or the Sub-divisional Officer or the Tahasildar or the Officer sanctioning the loan that any part of the fertilizer purchased out of the loan sanctioned has been misapplied and not utilised solely for the purpose of increasing the yield of crops in the applicant's, agricultural lands or that any untrue statement has been made by the applicant or by any of his sureties, the entire amount of the loan shall be recovered in the manner prescribed for the recovery of overdue loans in accordance with Sub-rule (3) of Rule 7.

9. Power to sanction subsidy.

- The Tahasildar shall be competent to sanction the subsidy under Sub-rule (2) of Rule 7.

10. Submission of applications.

(1) Applications for loans shall be made to the Tahasildar or any other officer appointed by the Collector in pursuance of Sub-rule (2) of Rule 4. (2) Applications received by any other officer shall

be forwarded by such officer to the Tahasildar having jurisdiction over the village to which the applicant belongs.(3)All applications shall be made in Form 'A' : provided that the officer receiving the application shall be competent to reduce applications received otherwise than in Form 'A' and oral applications to Form 'A'.(4)Copies of the application forms shall be supplied free of charge.

11. Enquiry.

(1)As soon as may be after the receipt of the application. The Tahasildar or any other officer empowered by the Collector under Sub-rule (2) of Rule 4 shall conduct an enquiry to verify the particulars mentioned in the application; provided that the Tahsildar or such officer may nominate any non-gazetted officer not below the rank of a Revenue Inspector to conduct enquiries under his supervision and control.(2)Particular care shall be taken to ascertain the encumbrances on the land offered as security.(3)Any officer conducting the enquiry shall record his findings on-(i)whether the need for fertilizers is established;(ii)whether the security offered is sufficient; and(iii)the amount that, in his opinion, should be advanced.

12. Security.

(1)Ordinary a transferable interest in immovable property, such interest being in value not less than twice the amount of the loan proposed to be sanctioned, shall be deemed to be adequate security and the owner of such interest shall be required to mortgage the same as security for repayment of the loan.Note- The value of the interest shall be calculated after making allowance for the encumbrances to which the interest is subject.(2)A mere right to cultivate the land shall, in the absence of any other security, not be deemed an adequate security.(3)When the applicant does not possess any such interest, he may be called upon to procure some person or persons possessing an interest of the category specified in Sub-rule (1) and willing to stand surety or sureties for him for the repayment of his loan with costs, if any, for recovery of such loan together with interest thereon and in every such case the applicant shall provide personal security and shall execute a bond in Form 'C'

13. Form of agreement.

(1)Where a loan is sanctioned, an agreement in Form 'B' shall be executed prior to the disbursement of the loan.(2)Where the officer competent to sanction the loan has accepted the surety of any person or persons, such person or persons shall also be required to execute a bond in Form D and the loanee shall execute a bond in Form C.(3)The agreement in Form 'B' and the bonds in Forms 'C' and 'D' shall be attested by at least two witnesses and shall be registered in accordance with the provisions of the Indian Registration Act, 1908 (XVI of 1908).(4)A copy of the agreement in Form 'B' and where the loan is sanctioned on the strength of the security furnished by securities, a copy of each of the bonds in Forms 'C' and 'D' shall be sent to the registering officer under Sub-Section (3) of Section 89 of the Indian Registration Act, 1908 (XVI of 1908).

14. Return of agreement and bonds to borrows.

(1)The original agreement in Form 'B' as well as the bonds in Forms 'C' and 'D' shall be duly cancelled on repayment of the loan together with the interest thereon and shall, on demand thereafter, be returned to the person concerned.(2)Where the loanee does not take delivery of the permit issued under Sub-rule (1) of Rule 15 within the period specified in the permit or where he returns the duplicate of the said permit without the endorsement of the co-operative society thereon, the agreement and the bond shall be cancelled and returned in the manner provided in Sub-rule (1); provided that the Tahasildar or the officer sanctioning the loan shall not cancel the agreement or the bond merely on the strength of the duplicate of the permit returned by the loanee and shall invariably call for the return of the triplicate on the permit from the co-operative society concerned before cancelling and returning to the persons concerned the agreement and the bond.(3)Where the Tahasildar receives back the duplicate of the permit in the manner provided in Sub-rule (3) of Rule 16 he shall cancel the permit, the agreement in Form 'A' and the bonds, if any, in Forms 'C' and 'D' and issue a notice to the loanee and the sureties, if any, in Form 'F' whereupon the sanction of the loan shall stand cancelled.

15. Disbursement of the loan.

(1)On sanction of the loan the officer sanctioning the same shall issue a permit in Form 'E' for issue of fertilizers to the extent of the loan sanctioned by the co-operative society whose name shall invariably be noted on the permit and shall also incorporate order of sanction at the place specified therefore in the permit.(2)The permit in Form 'E' shall be in triplicate, one copy being retained by the officer sanctioning the loan, the second copy being given to the loanee and the third being sent to the co-operative society concerned.(3)The name of the co-operative society shall be filled up in the permit in consultation with the loanee provided that no loanee shall be permitted to receive fertilizers from a society outside the limits of the Tahasildar he belongs to.(4)The loanee shall be required to sign, in token of receipt of the copies of the permit in Form 'E'.(5)The loanee will then present the permit before the co-operative society concerned which shall thereupon deliver to him fertilizer of the type and the quantity specified by him subject to the cost of such fertilizers not exceeding the amount of the loan sanctioned.(6)Where the loanee, for good and sufficient reasons, is unable to present the permit before the co-operative society concerned within the time specified in the permit, the Tahasildar or other officer who sanctioned the loan may, on request, revalidate the permit for a further period not exceeding one month in all; provided that no such revalidation shall have the effect of extending the currency of the permit after the 15th day of March of the year in which the loan was sanctioned.(7)The secretary of the co-operative society or any one of its office bearers or employee in charge for the time being of the issue of the fertilizers shall note in the duplicate as well as in the triplicate of the permit the value of the fertilizers issued and shall obtain the signature of the loanee in the triplicate of the permit in addition to the registers and books of accounts that the Society maintains in the regular course of its business.

16. Payment of the cost of fertilizers to the co-operative society.

(1)The co-operative society shall furnish to the Tahasildar having jurisdiction in the area before the twentieth day of March of the year in which the loan is sanctioned its demand on account of the cost of fertilizers supplied on the strength of the permits and every such demand shall be accompanied by the triplicates of the permits duly acknowledged by the loanees.(2)The Tahasildar shall thereupon verify the demand with the particulars of loans sanctioned and make payment to the co-operative society.(3)Where the loanee does not present the duplicate of the permit within one month after the expiry of the date specified in the permit, the cooperative society shall return to the Tahasildar immediately after expiry of the said period of one month the duplicate of the permit with an endorsement that the loanee has not presented himself for receipt of the fertilizers.

17. Returns, registers and accounts.

- The Board of Revenue shall regulate the forms of all returns, registers and accounts relating to loans under these rules. Form 'A'[See Rule 10]Application for loan

1. Name father's name and address of the applicant.....

2. Type of fertilizers and the quantity of each type needed by the applicant.

3. Estimated cost of the fertilizers.....

4. Amount of loan needed.....

5. Security offered.....

Name of the village in which property is situate	Description of agricultural land offered as security	Applicant's right and interest in the land	Description of other immovable property offered as security	Applicant's right and interest in immovable property	Remarks
Khata No.	Plot No.	Area			
1	2	3	4	5	6
					7 8

6. Name or names of sureties and their addresses.....

7. Proposed date of repayment.....

Date....Signature of the ApplicantI declare that the statement made by me in the above application are true to my knowledge and belief.Date...Signature of the applicantReverse of Form 'A'I-

Particulars to be filled in by Enquiring Officer

1. Whether names and addresses of the applicant and the sureties are correctly furnished,.....

2. Whether the need for fertilizers is established (given reasons briefly).

3. Whether the security is adequate (see Rule 12)-

(a)the nature and value of the interest in immovable property and the extent of pre-existing encumbrances thereon.....(b)where sureties have been proposed, description of immovable property held by each, their interest therein and the extent of pre-existing encumbrances thereon.....(c)any other matter relevant to the sanction of the loan.....

4. Recommendations of the enquiring officer. (The recommendation should relate as to whether the loan should be sanctioned and if so, the amount considered adequate by the enquiring officer).....

II- Orders of the sanctioning authority

* Application rejected

* Loan of Rs. ** Sanctioned

Date..... Signature.....

Designation.....

Form 'B'[See Rule 13]Order and agreement under the Agriculturists' Loans Act, 1884 and the Orissa Fertilizers Loans Rules, 1965 made thereunderWhereas.....son ofof.....has applied for a loan under the Orissa Fertilizers Loans Rules, 1965 (made under the Agriculturists' Loans Act, 1884) and has executed the agreement set forth below, it is hereby ordered that a sum of Rs.*.....is sanctioned in his favour as a loan under the said Act to the said on the conditions set out in the agreement hereinbefore referred to.

Date..... InstalmentsAmount **Signature of the officer grantingthe loan...Designation.....Date.....

AgreementWhereas I son of.....have applied on..... (date of the application in Form 'A') for a loan of Rs. under the Orissa Fertilizers Loans. Rules, 1965, made under the Agriculturists Loans Act, 1884 to be expended on the purchase of chemical fertilizers. I do hereby agree to observe on receipt of fertilizers from the Co-operative society mentioned in the permit granted separately the following terms and conditions:(a)That the loan shall be repayable in one instalment on or before together with interest at 8 per cent per annum thereon and that if the loan or any part thereof is not repaid by the aforesaid date the amount of the loan outstanding shall be recovered forthwith together with interest at the rate of 12½ per cent per annum from the date of sanction of the loan.(b)That I shall present the permit granted to me on or before to the co-operative society specified in the permit and take prompt and diligent steps to obtain the fertilizers from the

said co-operative society.(c)That I shall be bound to sign, on receipt of the fertilizers from the said co-operative society, the duplicate of the permit and such other registers and books of accounts that the said society maintains in the course of its everyday business.(d)That in the event of my failure to lift the fertilizers from the said society on or before the date specified in the permit, I shall return the duplicate of the permit to me.(e)That the fertilizers obtained against the loan sanctioned shall be applied solely for the purpose of increasing the yield of crops in any agricultural lands and that if it is proved to the satisfaction of the Collector or the Sub-divisional Officer or of the officer in charge of sanctioning loans under the Act that any part of the said loan has been misapplied the whole amount of the loan shall be deemed to become due forthwith and the Collector or the officer who sanctioned the loan will proceed to recover it with interest at 12 per cent per annum from the date of sanction of the loan to the date of recovery.(f)That as security for the repayment of the loan with any interest and costs that may become payable in respect of the same the immovable property properties specified in the Scheduled below are mortgaged to Government.(This clause may be struck off, if the loanee furnished sureties whose immovable properties are accepted as security).(g)That I have furnished two sureties whose immovable properties specified in the Scheduled to bonds executed by them in Form 'D' has been mortgaged to Government as security for the repayment of the loan and that I myself have offered personal security and executed a bond in Form 'C' which shall be deemed to be a part of this agreement.(Strike out if unnecessary).(h)That if it shall be proved to the satisfaction of the Collector or the Sub-divisional Officer or the officer in charge sanctioning the loans under the Act that statements made by me in my application for this loan as to the nature and extent of my interest and encumbrance thereon are in any particular untrue, the Collector, the Sub-divisional Officer or the officer referred to above may so declare in writing and proceed to recover the whole amount of the loan with interest at the rate of 12½ per cent per annum from the date on which the loan was sanctioned to the date of recovery.(i)That the loan, the interest thereon and the costs of recovery shall be recovered as arrears of land revenue under the provisions of the Orissa Public Demands Recovery Act, 1962.* Strike out whichever is unnecessary.** In figures as well as in words.

Schedule

Witnesses

1.

2.

Signature of the loaneeDate....Certified that the above document has been signed in my presence, the terms and conditions of it being explained to the signatory personally by me.(Signature of the officersanctioning the loan)DesignationN.B.- In the description of immovable property mentioned in the foregoing Schedule, which should be made in the manner prescribed in Section 21 of the Indian Registration Act, 1908 (XVI of 1908), it shall be stated, if the property is free from encumbrances, and, if not, what are the nature and extent of encumbrances.Form 'C'[See Rule 13]Security bond to be used when applicant prefers personal securityWhereas I..... son of..... having executed the agreement required under the Orissa Fertilizers Loans Rules, 1965

(made under the Agriculturists' Loans Act, 1884), in virtue of which I am entitled to receive the sum of Rs (in figures as well as in words) as loan from Government for the purpose of purchase of chemical fertilizers and whereas security for the due application of the loan and for the punctual repayment of the same according to the terms of the agreement executed by me is demanded, I do hereby pledge myself as surety for the purpose and agree that if I fail to comply with the terms on which the loan has been sanctioned, either by misapplying the said loan or by failing to repay the same on the date on which it becomes due, or any interest or costs payable in respect thereof, it shall be lawful for the Collector or the officer-in-charge of recovery of the loan to treat it as an arrear of land revenue due from me. Witnesses

1.

2.

Signature of the loanee Date..... Certified that the above document has been signed in my presence, the contents of it being explained to the signatory personally by me. (Signature of the loanee granting the loan) Designation Date Form 'D' [See Rule 13] Security bond to be used when the sureties mortgage their immovable property Whereas son of of having executed the agreement required by the Orissa Fertilizers Loans Rules, 1965. made under the Agriculturists' Loans Act, 1884, has been called up on to furnish security for the property payment of the loans, the interest thereon and the cost of recovery thereof, we the undersigned, hereby mortgage to the Government of Orissa our properties described in the Schedule annexed hereto as security for the purpose aforesaid and agree that if the said fails to comply with the terms on which the loan has been granted, either by misapplying the said loan or by failing to repay the same on the date fixed for its payment or any interest or cost payable in respect thereof, it shall be lawful for the Collector or the Sub-divisional Officer or the officer-in-charge of recovery of loans or the Tahasildar having jurisdiction over the area in which the scheduled properties are situate to recover from the said property such sum as may be necessary to make good the amount which in consequence of the said 's default may have become due to Government.

2. We declare that the statements made by us in the Schedule annexed hereto as regards the nature and extent of the encumbrance on the immovable property mortgaged by us as security for the repayment of the loan granted to are true to our knowledge and belief.

1.

2.

Signature of sureties Date Witnesses

1.

2.

N.B.-(1) In describing, in the manner prescribed in Section 21 of the Indian Registration Act, 1908, immovable property to be mentioned in the Schedule, it shall be stated whether the property is free from encumbrances and if not, what are the nature and extent of the encumbrances.(2)The mortgage bond must be attested by two witnesses and must be duly registered.

Schedule 2

Name of the surety	Description of agricultural land offered as security	Surety's right and interest in the land	Description of other immovable property offered as security	Surety's right and interest in such property	Remarks
Name of the village	Khata No.	Plot No.	Area		
1	2	3	4	5	6 7 8 9

Witnesses :

1. 1.
2. 2.

FORM 'E'

Permit for issue of fertilisers

[See Rule 15]

ORIGINAL

No..... date

Shri..... of.....
the bearer of this permit, having
been granted

a loan of Rs..... (in figures as
well as in words) under the
Orissa Fertilisers Loans Rules,
1965, is allowed hereby to
obtain from(name of
the cooperative society)
chemical fertilisers of his choice
to the extent of the aforesaid
amount.

2. This permit is valid till
the..... day of..... 20..... and

FORM 'E'

Permit for issue of fertilisers

[See Rule 15]

ORIGINAL

No..... date

Shri..... of.....
the bearer of this permit, having
been granted

a loan of Rs..... (in figures as
well as in words) under the
Orissa Fertilisers Loans Rules,
1965, is allowed hereby to
obtain from(name of
the cooperative society)
chemical fertilisers of his choice
to the extent of the aforesaid
amount.

2. This permit is valid till
the..... day of..... 20..... and

FORM 'E'

Permit for issue of fertilisers

[See Rule 15]

ORIGINAL

No..... date

Shri..... of.....
the bearer of this permit, having
been granted

a loan of Rs..... (in figures as
well as in words) under the
Orissa Fertilisers Loans Rules,
1965, is allowed hereby to
obtain from(name of
the cooperative society)
chemical fertilisers of his choice
to the extent of the aforesaid
amount.

2. This permit is valid till
the..... day of..... 20..... and

shall not be honoured
thereafter unless revalidated by
the competent authority in the
space indicated therefor.

(Signature of the officer
sanctioning the loan)

(Seal)(Designation)

Date.....

Space for revalidation

Revalidated till the.....

Day of..... 20.....

Date.....

(Signature of Tahsildar or
Officer sanctioning the Loan)

(Designation)

Received the duplicate of the
permit

(Signature of the loanee)

1. *No. and date of despatch to
the co-operativesociety.....

2. *Date of receipt by the
co-operative Society.....

3. *Date of presentation of the
duplicate by the loanee.....

4. *Type, quantity and cost of
fertilisers issued-

Type | Quantity | Rate | Cost
Total.....

5. *Date of delivery of fertilisers

6. *Signature of the Secretary,
employee or office-bearer
of Cooperative Society.....

7. I**Received fertilisers as
described in the above
statement

Witnesses :

(1)

(2)

(Signature of the loanee)

shall not be honoured
thereafter unless revalidated by
the competent authority in the
space indicated therefor.

(Signature of the officer
sanctioning the loan)

(Seal)(Designation)

Date.....

Space for revalidation

Revalidated till the.....

Day of..... 20.....

Date.....

(Signature of Tahsildar or
Officer sanctioning the Loan)

(Designation)

Received the duplicate of the
permit

(Signature of the loanee)

1. *No. and date of despatch to
the co-operativesociety.....

2. *Date of receipt by the
co-operative Society.....

3. *Date of presentation of the
duplicate by the loanee.....

4. *Type, quantity and cost of
fertilisers issued-

Type | Quantity | Rate | Cost
Total.....

5. *Date of delivery of fertilisers

6. *Signature of the Secretary,
employee or office-bearer
of Cooperative Society.....

7. I**Received fertilisers as
described in the above
statement

Witnesses :

(1)

(2)

(Signature of the loanee)

shall not be honoured
thereafter unless revalidated by
the competent authority in the
space indicated therefor.

(Signature of the officer
sanctioning the loan)

(Seal)(Designation)

Date.....

Space for revalidation

Revalidated till the.....

Day of..... 20.....

Date.....

(Signature of Tahsildar or
Officer sanctioning the Loan)

(Designation)

Received the duplicate of the
permit

(Signature of the loanee)

1. *No. and date of despatch to
the co-operativesociety.....

2. *Date of receipt by the
co-operative Society.....

3. *Date of presentation of the
duplicate by the loanee.....

4. *Type, quantity and cost of
fertilisers issued-

Type | Quantity | Rate | Cost
Total.....

5. *Date of delivery of fertilisers

6. *Signature of the Secretary,
employee or office-bearer
of Cooperative Society.....

7. I**Received fertilisers as
described in the above
statement

Witnesses :

(1)

(2)

(Signature of the loanee)

Date.....

8. *Date of return to Tahsildar for non-presentation

[SeeRule 16(3)]

9. *Date of return to Tahsildar for reimbursement of cost.

10. *Date of reimbursement

11. *Any other particulars-

To be filled in by Tahsildar or sanctioning authority

To be filled in by the loanee.

To be filled in by Co-operative Society.

N.B.: In the duplicate items 3 to 7 need only befilled up.

Form 'F'[See Rule 14]ToTake notice that the loan of Rs.....(in figures as well as in words)..... sanctioned in your favour/in favour of.....is cancelled hereby on account of non-presentation by you/him of the permit for receipt of fertilizers within the time specified therein.

Date.....

8. *Date of return to Tahsildar for non-presentation

[SeeRule 16(3)]

9. *Date of return to Tahsildar for reimbursement of cost.

10. *Date of reimbursement

11. *Any other particulars-

To be filled in by Tahsildar or sanctioning authority

To be filled in by the loanee.

To be filled in by Co-operative Society.

N.B.: In the duplicate items 3 to 7 need only befilled up.

Date.....

8. *Date of return to Tahsildar for non-presentation

[SeeRule 16(3)]

9. *Date of return to Tahsildar for reimbursement of cost.

10. *Date of reimbursement

11. *Any other particulars-

To be filled in by Tahsildar or sanctioning authority

To be filled in by the loanee.

To be filled in by Co-operative Society.

N.B.: In the duplicate items 3 to 7 need only befilled up.

2. The agreement and/or bond executed by you has/have been cancelled.

Signature of the TahasildarDate.....(Seal)