

# **The M.P. Sahakari Krishi Aur Gramin Vikas Bank Rules, 2001**

MADHYA PRADESH

India

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### **Rule**

### **THE-M-P-SAHAKARI-KRISHI-AUR-GRAMIN-VIKAS-BANK-RULES-2001 of 2001**

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The M.P. Sahakari Krishi Aur Gramin Vikas Bank Rules, 2001 Published vide Notification No. F. 5-10-94-15-1, M.P. Rajpatra (Asadharam), dated 7-9-2001 at pages 768 (17-32) In exercise of the powers conferred by sub-sections (1) and (2) of Section 56 of the Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Adhiniyam, 1999 (No. 20 of 2000), the State Government hereby makes the following rules, namely :-

## **Chapter 1 Preliminary**

### **1. Short title and commencement.**

(1) These rules may be called the Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Rules, 2001. (2) They shall come into force with effect from the date of publication in the "Madhya Pradesh Gazette".

### **2. Definitions.**

- In these rules, unless the context otherwise requires, -(a) "Adhiniyam" means the Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Adhiniyam, 1999 (No. 20 of 2000); (b) "Applicant" means, -(i) In the case of an applicant under Chapter IV of the Adhiniyam the Board of a "State Development Bank or District Development Bank" as the case may be; (ii) In the case of an applicant under Chapter V of the Adhiniyam the Board of a "State Development Bank or District Development Bank" or any person authorised by such Board; (c) "Committee" means Board of Directors of State

Development Bank or District Development Bank or person/committee to whom its management is entrusted;(d)"Distraîner" means a person or persons who is/are empowered by Registrar, to distraîn and sell the produce of the mortgaged land including the standing crops thereon and other movable property belonging to the defaulters and also the movable property of investment and its produce and the property offered as security by the guarantor and his other property;(e)"Development Bank" means the State Development Bank or District Development Bank as defined in the Adhiniyam as the case may be;(f)"Fund" means the guarantee fund constituted under Section 9 of the Adhiniyam;(g)"Government Security" means a security created and issued by the Central Government or 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;(h)"Section " means the Section of the Adhiniyam;

## **Chapter 2**

### **Funds and Resources**

#### **3. Raising of Funds.**

- Under Section 4 of the Adhiniyam, the State Development Bank with prior approval of the State Government, and as per conditions, procedure and time limit framed by the Registrar, shall raise funds through the following resources

:- (a) Debentures, (b) Bonds, (c) Loans, (d) Deposits, (e) Donations, and (f) Grants.

#### **4. Circumstances under sub-section (1) of Section 9.**

- The Guarantee Fund shall be constituted for the purpose of meeting losses that may arise on account of loans advanced by the State Development Bank or District Development Bank on the securities furnished in favour of State Development Bank or transferred under Section 20 of the Adhiniyam to State Development Bank not being fully recovered due to the following circumstances

:- (a) that the loans have been advanced on titles to movable/immovable property which have subsequently been found to be defective; (b) that the full recovery of loan is not possible on account of floods, famine, earthquake, fire, failure of crops or destruction of the property made through investment or any other natural calamities; (c) that the immovable property offered as security for loan has been acquired by the State Government in public interest or such immovable property has become unproductive due to construction of Public Dam. Tank etc., in consequence of submersion into water the borrower has become incapable to repay loan of State Development Bank or District Development Bank.

#### **5. Guarantee Fund.**

- The Guarantee Fund to be constituted under sub-section (1) of Section 9 of Adhiniyam shall be called Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Guarantee Fund in which, - (a) All moneys received from the State Government by way of grants, loans, advances or otherwise, (b) All interests and profits arising from any investment of or from any transaction in connection with any

money of the fund,(c)The amount of the contribution received from the State Development Bank or District Development Bank; and(d)Such other sums as may be received from any other source whatsoever for being credited to the fund shall be credited.

## **6. Contribution to the Guarantee Fund.**

- The State Development Bank and District Development Banks shall contribute out of their net profits at the rate of two percent and one percent respectively every year. In case of no net profit this rate shall be 0.02 percent and 0.01 percent respectively of the total loan disbursement of the year.

## **7. Utilization and investment of the Guarantee Fund.**

(1)The Fund shall vest in the Registrar and shall be utilized for the purpose of meeting losses that might arise on account of loans advanced by the State Development Bank or District Development Banks on the security of mortgages under subsection (1) of Section 15 of the Adhiniyam not being fully recovered due to circumstances prescribed in Rule 4.(2)The Registrar may keep or direct to keep this fund in current account of the Bank approved by the State Government, in this behalf in joint names of Registrar and Madhya Pradesh State Development Bank and operated jointly by the said authority and such sum of money out of this fund as may be determined by the State Government shall be invested in such manner as may be approved by the State Government.

## **8. Accounts and Audit of Guarantee Fund.**

(1)The Registrar shall maintain proper accounts and other relevant records and prepare an annual statement of accounts and the Balance Sheet in such form as the State Government may determine.(2)The accounts of the fund shall be audited by the officer authorised by the Registrar in this behalf in such intervals as it may specify and expenses so incurred in this connection with such audit shall be payable from this fund.

## **9. Annual Report.**

- The Registrar shall prepare a report of the activities during the year and submit the report to the State Government every year.

## **10. Authority competent to sanction the grant from the Fund.**

- On receipt of the application from the State Development Bank for sanction of grant from the fund the competent authorities to sanction grant as per limit shall be as under :-

Authority	Amount
1. The Registrar	Upto Rs. 50,000/-
2. State Government	Exceeding Rs. 50,000/-

## **11. Application for Meeting Losses from Guarantee Fund.**

(1)The application for meeting the losses from the Guarantee Fund shall be in the form determined/prescribed by the Registrar and shall be presented by the State Development Bank to the Registrar.(2)On receipt of the application the Registrar shall either make an enquiry himself or appoint an officer as to the correctness of the details set out in the application.(3)After the satisfaction of enquiry the Registrar shall sanction grant upto the prescribed limit under Rule 10 or shall make his recommendations to the State Government for sanction. The State Government may pass such orders in the case as it may deem fit.

## **Chapter 3**

### **Loans**

## **12. Loans to be advanced by the Development Bank.**

- The loans to the members as specified in Section 13 of the Adhiniyam may be granted by the State Development Bank or District Development Bank as the case may be which shall be within the limit as decided by the financing agency against the security or securities as may be decided by the Registrar from time to time. Loans may also be granted for schemes sponsored by Khadi Gramodyog Commission Mumbai and for implementation of different schemes of other financial institutions. In addition to the Affidavit of the applicant, the affidavit by the Guarantor under Section 18 shall also be taken in connection with the offered security property.

## **13. Procedure for submission and consideration of application for loans from Development Banks.**

(1)All applications for loans from the State Development Bank or District Development Banks shall be made in the form as may be decided by the State Development Bank from time to time. The form shall among other things contains a list of documents, which are required to be submitted for purpose of dealing with the applications.(2)Every District Development Bank, shall keep sufficient stock of printed copies of the forms of loan applications and shall supply them to the intending borrower on payment of such fees as may be determined from time to time by Development Banks.(3)Application for loan shall be addressed to the Managing Director/ General Manager/Branch Manager or other Authorised Officer of the State Development Bank/District Development Bank who will be called "Receiving Officer".(4)The application, with the copies of necessary document and the amount of all fees determined by the State Development Bank from time to time and the amount equivalent to the value of one share of the Bank shall be submitted by the applicant to the Receiving Officer mentioned in sub-rule (3).(5)On receipt of an application for loan, the Receiving Officer shall put his initials on the application and mention his name, designation and the date of receipt of the application.(6)After an application for loan has been received, the Receiving Officer shall verify whether it contains all the necessary particulars and is accompanied by the necessary documents. If any details are lacking, he shall get the application

completed by the applicant, and immediately it shall be submitted to the Valuation Officer for publication of notice and valuation. The Valuation Officer shall immediately publish a notice under sub-section (2) of Section 19 of the Adhiniyam in Form No. 'A' appended to these rules calling upon all persons interested to file objection or claim or interest within seven days from the date of notification.(7)The Valuation Officer shall be the officer appointed/authorised by State Development Bank for publication of notice/enquiry appraisal of loan application and valuation.(8)A Security furnished in favour of the State Development Bank or a District Development Bank shall take precedence over and attachment or mortgage or charge or claim over the properties, if the claim or interest under such attachment or mortgage or charge has not been brought into notice to the Development Bank by the interested person/institution within 7 days from the date of such notice. If any attachment of mortgage or charge or claim or interest is noticed within 7 days by the interested person/institution the Valuation Officer shall dispose it off on merits and he shall give a report in the Form 'B' and simultaneously he will also do the valuation work by actually visiting the spot(9)The Valuation Officer shall do the enquiry and valuation of the property of applicant and/or the property of the Guarantor and after visiting the spot/proposed improvement/security and conducting inspection himself shall submit his report within ten days to the Bank in the form and manner as may be decided by State Development Bank from time to time.(10)After satisfaction, of such enquiry properly conducted and after additional information/enquiry if necessary for full and complete satisfaction, the Chief Executive Officer of the Development Bank shall examine the case and put up before the loan sub-committee of the officer authorised by it for sanction. The Development Bank shall pass his final sanction order within 6 days of the receipt of the report and communicate to the applicant.(11)After sanction of loan by State Development Bank/District Development Bank the action will be taken to pledge/mortgage etc. the security of movable/immovable property of the borrower and guarantor in favour of the Development Bank. In such action promise/affidavit of the borrower and guarantor in Form 'C' appended to these rules and Pledge/ Mortgage Deed etc. regarding securities under sub-section (1) of Section 15 shall be included. The format of Pledge/Mortgage Deed etc. of the property of borrower or guarantor shall be decided by the State Development Bank from time to time.(12)In case of rejection of application for loans, the reasons thereof shall be communicated by the Bank to the applicant. When the loan is sanctioned, the concerned Development Bank, in connection with such loan, shall communicate to the applicant regarding execution of Pledge/Mortgage Deed, Surety Deed and/or Guarantee Deed etc. and the date and place when the applicant is required to remain present alongwith papers and proposed surety and/or guarantor, information about the sanction of loan, important conditions of its utilisation and compliance will also be given.(13)The applicant before receiving the amount of the loans or the first instalment of the loan shall purchase share of the Bank to such extent as may be required by the State Development Bank or District Development Banks. The Development Bank shall issue a receipt to the applicant giving full particulars of the amount paid by him from time to time.(14)The amount of loan to be sanctioned on the basis of an affidavit made under sub-section (1) of Section 18 shall not exceed the limit of Rupees Twenty lacs.(15)Failure to comply with any time limits specified in these rules shall not in any manner adversely affect the validity of the loan sanctioned and/or disbursed by a Development Bank.

## **Chapter 4**

### **Distrain and Sale of Produce**

#### **14. Application for distraint and sale of produce.**

- The application for distraint and sale of produce under sub-section (1) of Section 23 of the Adhiniyam shall be submitted in such form as may be issued by the Registrar, under the signature of the person authorised by the Committee of the Bank. On receipt of the application, the Registrar shall if satisfied that the particulars set forth in the application are correct, after passing the distraint order, prepare a demand notice in duplicate in such form as may be issued by the Registrar and the same shall be forwarded to the concerned distrainer.

#### **15. Procedure for distraint and sale of properties.**

(1) As soon as distraint of produce and properties are made, distrainer shall prepare a list of produce and other movable properties distrained in such form as may be issued by the Registrar and copy of such list shall be delivered to the defaulter/ guarantor of any member of his/her family present at the time of distraint. The distrainer shall also give intimation in such form as may be issued by the Registrar to the defaulter/guarantor showing date, place and time on which distraint properties will be sold. (2) The distrainer shall make proper arrangements for the custody and preservation of the distrained property during the interval between the distraint and sale in such form as may be issued by Registrar. The defaulter/ guarantor may if required by the distrainer, undertake the custody and preservation of the property distrained for which a promissory bond in writing is given by him. Such custodian/preserver shall be responsible for any loss or damage caused to the distrained property owing to his/her negligence. If the distrained property is tractor, machinery etc. its custody and preservation may be kept under the supervision of Police-thana/Chowki. If cattle is distrained, it may be kept in custody in cattle bound by the distrainer at the cost of the defaulted borrower. (3) No distraint shall be made before sunrise and after sunset. (4) If crops of the land or processing units or ungathered products or other products belonging to a defaulter/guarantor are distrained, the distrainer may cause them to be sold, when fit for being reaped or gathered or may cause them to be reaped or gathered in the season and stored in a proper place until sold. (5) It shall be lawful for the distrainer to force open any stable, cow house, granary, godown, outhouse, agriculture area, home, processing unit/unit or any building or any fenced area or other building and to enter any dwelling house related to the defaulter/guarantor the out door of which may be opened and to break lock/open the door of any room in such dwelling house and to distraint the products of the mortgaged property or the produce of mortgaged land or the other movable property stored therein : Provided that it shall not be lawful for such distrainer to enter any apartment in such dwelling house used for the residence of women except as hereinafter provided. (6) (a) Where a distrainer has reason to suppose that the produce of the mortgaged land and/or products of the unit financed belonging to the defaulter/guarantor is lodged within a dwelling house, the outer door of which is shut or within any apartment used as the residence for the women the distrainer shall represent the written fact to the officer-in-charge of nearest police station. (b) On such representation, the officer-in-charge of the said police station shall send a Police Officer to the spot, in the presence of

whom the distrainer may force open the outer door of any room within the home except the room of residence for women and enter forcibly.(c)The distrainer may also in the presence of the Police Officer, after due notice given for the removal of women from their residence and after furnishing means for their removal in a suitable manner enter the said room and may distrain the produce of the mortgaged land or products of the financed unit or other movable property if any, deposited therein but such produce if found shall be removed immediately from such rooms after which they shall be left free to the former occupants.(7)(a)The distrainer shall cause to proclaim the date, time and place of the intended sale to be made by beat of drums or loud speakers or publication in news papers or pamphlets distributions or affixing poster in the village in which the defaulter/guarantor resides or the produce is kept and in such other place or places as the distrainer may consider necessary to give due publicity to the sale.(b)The sale shall take place after the expiration of a period of 15 days from the date of the service of the notice of demand/distrain referred to in sub-section (1) of Section 25 of the Adhiniyam ;Provided that where the property distrained is subject to speedy and natural decay, the distrainer may sell it at any time before the expiry of the said period of 15 days.(8)At the appointed date, time and place the distrainer shall, subject to the order, if any, made under sub-section (3) of Section 23 of the Adhiniyam sell by auction the distrained property or such other part thereof as may be necessary in one or more lots as the distrainer may consider desirable and dispose of the same to the highest bidder.(9)The price of the property sold under sub-rule (8) shall be paid in cash at the time of sale or as soon thereafter as distrainer may appoint and the purchaser shall not be permitted to carry away any part of the property until he has paid the price in full.(10)If the purchaser fails to pay the price the property shall be resold and the proceeds of such resale shall be applied in the manner provided in Section 25 of the Adhiniyam. Any deficiency of price which may happen on the resale and all expenses connected with such resale shall at the instance of either the applicant or the defaulter/guarantor be recoverable from the defaulting purchaser under the provisions relating to the execution of an award of an arbitration contained in the rules made under the Madhya Pradesh Co-operative Societies Act, 1960 (No. 17 of 1961).(11)Where on an application made in this behalf it is proved to the satisfaction of any Civil Court of competent jurisdiction that any property which has been distrained under these rules has forcibly or clandestinely removed by any person, the Court may order forthwith such property to be restored to the distrainer.Explanation :- For the purpose of this clause, "Civil Court of Competent Jurisdiction" shall mean the Civil Court which would have jurisdiction to entertain a suit to enforce the mortgage.(12)Where prior to the date fixed for sale a defaulter or any person acting in his behalf or any person claiming an interest in the property distrained pays the full amount due including interest, travelling allowance and other expenses incurred in distraining and proclaiming the sale, the distrainer shall not proceed with the sale and shall release the property forthwith.(13)(a)Where any claim is preferred by any person other than the person specified in sub-rule (12) to any right or interest in the distrained property, the distrainer shall investigate the claim and dispose it of on its merits, provided that no such investigation shall be made where the distrainer considers that the claim was designedly or unnecessarily delayed.(b)Where the property to which the claim is applied has been advertised for sale the distrainer may postpone the sale pending the investigation of the claim.

## Chapter 5

### Procedure For Sale Of Pledged/mortgaged Property

#### 16.

(1) For the sale of pledged/mortgaged etc. of movable/immovable property under the provision of Chapter 5 of the Adhiniyam the following procedure shall be observed :-(a) If the amount becomes overdue the Development Bank shall give notice to all the persons specified in sub-section (3) of Section 26 of the Adhiniyam in such form as may be issued by Registrar stating to deposit the amount within 2 months. Simultaneously if the loan is given by the District Development Bank, the District Development Bank shall apply to the State Development Bank for authorisation of sale under sub-section (1) of Section 26 of the Adhiniyam in such form as may be issued by the Registrar. (b) On receipt of the application from District Development Bank, the State Development Bank after enquiry if any objection received shall give permission to exercise the powers under Section 26 of the Adhiniyam in such Form as may be issued by the Registrar. (c) On receipt of the authorisation from the State Development Bank, if any, the District Development Bank shall apply to the Sale Officer for conducting sale. In case of State Development Bank no such authorisation shall be required. (d) The application shall be submitted to the Sale Officer in such form as may be issued by the Registrar and shall be signed by the person duly authorised by the committee of State Development Bank or District Development Bank. It shall state the amount due for recovery including interest, expenses incurred in the service of the notice referred to in clause (a) of sub-section (3) of Section 26 of the Adhiniyam and the names and address of the person on whom notice was served under the said clause. It shall also contain the description of the movable/immovable property to be proceeded against with its sufficient identification and in case such property can be identified by boundaries in a record of settlement and/or survey, the specification of such boundaries and/or numbers. (2) On receipt of the application, the Sale Officer shall give a notice in writing to all persons referred to in clause (a) of sub-section (3) of Section 26 of the Adhiniyam in such form as may be issued by the Registrar stating the amount claimed by the bank including expenses incurred by it for the service of notice and particulars of the properties to be sold in case of non-payment within a time to be allowed by the Sale Officer. (3) If before the expiration of the time allowed in the notice issued under sub-rule (2) the amount specified in such notice is not paid the Sale Officer shall after giving notice to the Development Bank on whose behalf the application is made proceed to sell the movable/immovable property specified in the application in the following manner :- Proclamation of sale in such form as may be issued by the Registrar be published by affixing a notice in the office of the Principal Officer of the Co-operative Department in the district and in the Revenue Office of Tehsil atleast 10 days before the date fixed for the sale and also by beat of drum or through loudspeaker in the village where the pledged/charged/mortgaged movable/immovable property is situated and the place where such pledged/charged/mortgaged property is to be sold on 3 consecutive days prior to the date of sales. The proclamation shall state the date, time and place of sale and specify as fairly and accurately as possible :-(i) The movable/immovable property to be sold, (ii) The revenue or rent/tax payable in respect thereof, (iii) The amount for the recovery of which the sale is ordered, and (iv) Any other matter which the sale officer considers material for purchasers to know in order to judge the nature and value of



the movable/immovable property. If the Sale Officer feels necessary he shall publish sale advertisement through news papers, or pamphlets or posters. (4) The sale shall be by public auction. Each bidder shall have to deposit Rs. 1000/- as security to bid the auction. In case of his highest bid, this amount shall be adjusted against the bid amount, in case the bid is not accepted, this amount shall be refunded to the depositor immediately in cash. In case of default by the highest bidder/purchaser this amount shall be forfeited in favour of the State Development Bank or District Development Bank as the case may be, when any pledged/charged/mortgaged movable/immovable property offered as security for the loans is sold under these rules the sale shall be subject to prior encumbrances on the property, if any. The sale shall be by public auction to the highest bidder. No security deposit shall be required if the bidder is the State Development or District Development Bank. (5) In case of immovable property a sum of money equal to 15 percent of the purchase money (bid amount) shall be deposited by the purchaser to the Sales Officer at the time of purchase and in default of such deposit the immovable property shall be resold forthwith : Provided that where the committee of the Development Bank at the instance of which the immovable property is sold is the purchaser and is entitled to set off the purchase money against the amount due under sub-rule (10) the Sale Officer shall dispense with the requirement of this clause. In case of movable property the entire purchase money (bid amount) is to be deposited to the Sale Officer. (6) The remainder of the purchase money of immovable property shall be paid within 15 days from the date of sale, provided that in calculating the amount to be so paid, the purchaser shall have the advantage of any set off, to which he may be entitled under sub-rule (10). (7) In default of payment within the period mentioned in sub-rule (6), if the Sale Officer thinks fit, after defraying all costs, charges and expenses of the sale the deposit may be forfeited in favour of the State Development Bank or District Development Bank and the defaulting purchaser shall be deprived of all the claims to the movable/immovable property or to any part of the sum for which it may subsequently be sold. (8) Any deficiency in price which may happen on the resale by reason of the purchaser's default and all expenses connected with such resale shall, at the instance of either the applicant or the mortgagor/guarantor, be recoverable from the defaulting purchaser under the provisions relating to the execution of an award of an arbitrator contained in rule made under the Madhya Pradesh Co-operative Societies Act, 1960 (No. 17 of 1961). (9) Every resale of pledged/mortgaged movable/immovable property in default of payment of the purchase money within the period allowed for such payment shall be made after the issue of a fresh proclamation in the manner and for the period herein before prescribed for the sale. (10) Where the Committee of the Development Bank, at whose instance the movable/immovable property is sold, purchases, the purchase money and the amount due shall be set off against one another and the Sale Officer shall record satisfaction of payment of the due money in whole or in part accordingly.

## **17. Release of property attached.**

- Where prior to the date fixed for sale, the mortgagor/guarantor or any person acting on his behalf or any person claiming an interest in the pledged/mortgaged, movable/immovable property or in the property kept as security tenders payment to the full amount due including interest, travelling expenses and other expenses incurred in connection with the sale of the movable/immovable property, the Sale Officer shall not proceed with the sale.

## **18. Application to set aside the sale on deposit.**

(1)The Sale Officer shall on the conclusion of the sale make a report to the Development Bank regarding the result of the sale.(2)Whenever the sale of the pledged/charged/mortgaged movable/immovable property/security is set aside under sub-section (1) of Section 28 of the Adhiniyam the deposit or the purchase money, as the case may be, shall be returned to the purchaser together with a sum as specified in Section 28 of the Adhiniyam.

## **19. Sale of immovable property to be proportionate to arrears due.**

- It shall be lawful for the Sale Officer to sell the whole or any portion of the pledged/charged/mortgaged of movable/immovable property/security in discharge of money due :Provided that so far as may be practicable, only that portion of such property shall be, sold which may be sufficient to discharge the amount due including interest and expenses of sale etc.

## **20. Issue of sale certificate.**

- After confirmation of the sale by the Registrar or the officer authorised by him the Sale Officer under sub-section (3) of Section 28 of the Adhiniyam shall give the sale certificate to the purchaser under sub-section (1) of Section 30 of the Adhiniyam in the Form 'D' appended to these rules.Explanation : - The procedure of the sale of movable property mentioned in Chapter 5 of the Adhiniyam and these Rules shall be followed only when any movable property is pledged as security in favour of State Development Bank or District Development Bank and the default has been made for the due amount.

# **Chapter 6**

## **Miscellaneous**

## **21. Period of payment of the amount deducted from sale proceeds.**

- If the sale of the products or Agricultural produce of the defaulter/guarantor is made by State Development Bank or District Development Bank through Marketing Co-operative Society or any other institution setup under Law o, Institution constituted by the Government or Semi-Government institution under sub-section (2) of Section 39 of the Adhiniyam such payment shall be made by the concerned institution to the Development Bank within 7 days of deduction from the amount of sale proceeds.

## **22. Service of process.**

(1)Any process including demand notice and proclamation of sale issued by a distrainer or Sale Officer under the Adhiniyam or these rules may be served/executed by a process server empowered for this purpose by the Development Bank.(2)The process server entrusted with the

service/execution of any process shall have for its service/execution the same powers as his distrainer or the Sale Officer empowered under the provisions of the Act. He shall serve/execute it in accordance with these rules or the Adhinyam and endorse thereon the date on, and the manner in which it was served/executed or, it was not served/executed the reason why it was not served/executed, and shall return the process with such endorsement to the distrainer or the Sale Officer, who issued it.

### **23. Receipts for payment of arrears due.**

- Every persons making a payment towards any money due for recovery of which application has been made under these rules shall be entitled to a receipt for the amount signed by the distrainer or the Sale Officer, as the case may be. Such receipt shall be in the printed form of the Receipt Book issued by Development Bank to Distrainer or Sale Officer.

### **24. Summons to witnesses and requisition of documents.**

(1) Every summon issued under Section 42 of the Adhinyam shall be in writing and shall be authenticated by affixing the seal, if any, of the officer or person by whom it was issued. It shall require the person to appear before the said officer or person at a stated time and place and shall specify whether his attendance is required for the purpose of giving evidence, or to produce a document or for both purposes and any particular document the production of which is required shall be described in the summons with reasonable accuracy : Provided that no person shall be summoned for attendance as per the restrictions imposed under the Code of Civil Procedure, 1908. (2) Any person summoned merely to produce a document shall be deemed to have complied with the summons, if he causes such document to be produced instead of attending personally to produce (he same). (3) "The service of summons under the Adhinyam, on any person may be effected : (a) By giving or tendering it to such person, or (b) If such person is not found by leaving it at his last known place of abode or business or by giving or tendering it to some adult member of his family or his authorised agent, or (c) If the address of such person is known to the officer or person issuing the summons by sending it to him by registered post, or (d) If none of the means aforesaid is available by affixing it in some conspicuous part of his last known place of abode or business. (4) Where the Serving Officer delivers or tenders a copy of the summons to the person concerned personally or to an agent or other person on his behalf, he shall require the person to whom the copy is so delivered or tendered to sign an acknowledgement of service endorsed on the original summons. (5) The serving officer shall in all cases in which the summons has been served add or cause to be added to the original summons an endorsement or annexure stating the date when, and the manner in which, the summons was served and the name and address of the person (if any) identifying the person served, or his lace of abode or business and witnessing the delivery or tender of the summons. (6) Where the person whose attendance is required is a Public Officer or if the servant of a Railway Company or Local Authority or employee of other institution, the officer or the persons issuing the summons may, if it appears to him that summons may he most conveniently so served, send it by registered post acknowledgement due for service on the persons whose attendance is required to the head of office in which he is employed together with a copy to be retained by that person. (7) When the person whose evidence is required is unable, from sickness or infirmity, to

attend before the officer or person issuing the summons, or is a person whom by reason of rank or sex it may not be proper to summon, the officer or person issuing the summons may, of his own motion or on an application of the person whose evidence is required dispense with his appearance, and examine him at his place of abode or business or cause him to be so examined, by a person specially deputed by him for the purpose.

## **25. Deposit of process fees etc.**

(1) A party who desires the attendance of a person either to give evidence or produce a document shall deposit with the officer or person issuing the summons in cash, - (a) Process fee in accordance with the scale fixed by the Registrar of Co-operative Societies; and (b) Allowances payable to the person whose attendance is desired for travelling to and appearing before the officer or person issuing the summons, and referring in accordance with the scale fixed by the Registrar. (2) If the party required to make such deposit fails to do so within 15 days from the date of the order requiring him to make the deposit, the officer or person empowered to use the summons may drop further action.

## **26. Granting of copies.**

(1) No copy of a document or of any entry therein under sub-section (3) of Section 42 or granted under Section 45 shall be admissible in evidence unless it contains a certificate in the following form and signed by the Competent Authority authenticated by affixing his seal of designation. "I/We certify that the above..... is a true copy of any entry or entries in the..... (nature of the document to be specified) and that I/We have compared the above copy with the original entry or entries and found it/them to be correct." If photocopy of any document or its entry is produced in evidence it will be acceptable in evidence provided it is certified to be "true copy". (2) The certificate in sub-rule (1) shall in the case of copies, - (a) Taken under sub-section (3) of Section 42 be signed by the officer or person authorised by or under sub-section (1) of the said section; (b) Granted under Section 45, be signed by the person specified in Rule 24 of the Madhya Pradesh Co-operative Societies Rules, 1962. (3) The charge to be levied for the supply of a certified copy under Section 45 of the Adhiniyam shall be at the rate as may be decided by the State Development Bank from time to time.

## **27. Exemption from registration of Security deed or deeds.**

- Every pledge/mortgage deed or the security deed executed in favour of State Development Bank or District Development Bank under sub-section (1) of Section 15 of the Adhiniyam shall be exempted from registration under Indian Registration Act, 1908 (No. 16 of 1908) or any other Act in force at that time provided that concerned State Development Bank or District Development Bank sends a copy of such pledge/mortgage deed or security deed after execution to the Registration Officer under whose jurisdiction the mortgaged assets or a portion of that lies in the following manner :- (a) Every security or pledge/mortgage deed shall be executed before an officer who is not below the rank of Branch Manager of District Development Bank or Valuation Officer or Supervisor and who is competent/empowered by general or special order of State Development Bank or District

Development Bank;(b)Loan applicant and/or their legal successor, representatives/in case of minor his guardian and/or those persons who are interested legally with the land or movable/immovable properties to be pledged/mortgaged in favour of District Development Bank or State Development Bank, his surety and/or along with guarantor shall present themselves before the officer empowered under clause (a) above personally for execution of deed;(c)Officer so empowered shall himself satisfy with such accurate pledge/mortgagor/Guarantor and correct identification of present witnesses. He/She will verify the entries and subject matter of deed from the original documents;(d)After satisfaction of the competent/empowered officer the pledge/mortgage deed and/or Surety deed and/or guarantee deed shall be executed and shall be submitted in four copies;(e)After execution the competent/empowered officer shall immediately keep two copies of executed deed in safe custody of the bank and send a copy to the Registration Officer under whose jurisdiction mortgaged assets or a portion thereof lies within 30 days of execution and in order to ensure that a copy or copies of registration letter has been filed in Book No. 1 as described in Section 51 of Registration Act, 1908 (No. 16 of 1908) by Registration Officer obtain a certificate from Registration Officer accordingly and shall keep it with copies of deed kept in the Bank's custody;(f)The competent/empowered Officer shall forward a copy of executed pledge/mortgage deed or/and surety/security deed to concerned Tehsildar or any officer designated by the State Government for this purpose and/or any concerned organisation under whose jurisdiction land or property lies, within 30 days of the execution of deed for the purpose of necessary entry in revenue records or concerned records.

## **28. Permission of opening of new branches.**

- The Registrar, under Section 52 of the Adhiniyam shall fix the parameters for opening of new branches of State Development Bank or District Development Bank. When the State Development Bank or District Development Bank thinks necessary to open a new Branch, the Board of the concerned Development Bank shall pass the resolution after fulfilling the parameters fixed by the Registrar. The Chief Executive Officer of concerned Bank shall send such resolution alongwith application to the Registrar, who after due enquiry which he thinks proper and after satisfaction from the details of the application and resolution of the Board, may give approval for opening of new branches.

## **29. Repeal and Savings.**

- The Madhya Pradesh Sahakari Bhoomi Vikas Bank Rules, 1967 and all other rules corresponding to these rules are hereby repealed ;Provided that anything done or any action taken under the rules so repealed shall, in so far as they are next inconsistent with any of the provisions of these rules, deemed to have been done or taken under the corresponding provisions of these rules.State/District Co-operative Agriculture & Rural Development Bank Ltd.Branch.....Form No. A[See Rule 13 (6)]NoticeWhereas Shri/Organisation.....Son of/proprietor's name.....Resident/Place of.....has applied for loan for the purpose of..... which is a purpose mentioned in Section 12 of Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Adhiniyam, 1999 from the State/District Co-operative Agriculture & Rural Development Bank Ltd Branch.....and has proposed to furnish the following security in favour of Development Bank.Proposed Security

Place of security	Kind of security land/building/other(Specify)	Survey No./Plot/ House No./ etc. identification of security	Area of construction/unconstructed/ or details	Details of property of East, West, North, South or other details	Land Revenue
(1)	(2)	(3)	(4)	(5)	(6)

Notice is hereby given that if any person/organisation or interested party has any claim or interest under such attachment/proposed security or mortgage or charge, he/she/it must inform/give knowledge to the Development Bank on or before.....(seven days clear notice from the date of issue) during office hours together with the copy of documents in support of his/her/its, claim/objection and obtain receipt thereof. It is hereby notified for information of all the interested parties that according to the provisions of sub-section (2) of Section 19 of the Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Adhiniyam, 1999 if no claim or interest under such attachment/proposed security or mortgage or charge is not informed/notified to the Development Bank by any interested party within the above mentioned specified time, the security so furnished in favour of the Development Bank shall take precedence over any attachment or mortgage or charge over the properties. So interested parties to please note. Place :.....Date:.....Signature of Valuation Officer(Name.....)Designation.....Seal.....Copy forwarded for information and necessary action to :-

**1. Kotwar village.....to affix the above notice in public place.**

**2. Gram Panchayat Office.**

**3. Patwari of the area.**

**4. Central Co-operative Bank Branch.....**

**5. All Commercial Banks of the area.....**

**6. State/District Co-operative Agriculture and Rural Development Bank Ltd.....Branch.....for notice Board.**

Date.....Signature of Valuation Officer with Designation & Seal State/District Co-operative Agriculture & Rural Development Bank Ltd. Branch.....Form No. B[See Rule 13 (8)] Certificate of publication of Notice Applicant's name Shri/Organisation.....Son Of/Proprietor's

name.....Resident/place of.....Certified that a publication of notice of the above mentioned applicant under sub-section (2) of Section 19 of the Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Adhiniyam, 1999 has been published. The copy of Notice was given to kotwar to affix it in public place and to Gram Panchayat, Patwari, Central Co-operative Bank and Commercial Banks of the area for necessary action. Its copy was also published on the Notice Board of the Development Bank. Objection or any claim or interest under such attachment/proposed security, or mortgage or charge has not been received within the time specified in the said notice. Hence the loan in question deserves to be sanctioned. or The following objection or claim or interest under such attachment/proposed security or mortgage or charge has been received within specified time in the said notice :- Nature of objection details.....How disposed off.....and as such loan does not deserve to be sanctioned OR the objections are without any base and loan can be considered for sanction (specify reasons). Place :.....Date :.....SignatureValuation  
Officer(Name.....)Designation.....SealNote. - Strike out which is not applicable. State/District Co-operative Agricultural & Rural Development Bank Ltd.Branch.....Form No. C[See Rule 13 (ii)]Before the.....AffidavitI.....S/o.....Aged.....Years Resident of.....Tehsil.....District.....in the capacity of Self/Guardian/Chief Executive/Working Partner/Director/ President do hereby solemnly declare on oath as under :-

## 1. That I am taking loan in the self individual capacity competent to contract.

or That I am a guardian appointed by the Court vide order No. dated..... for the minor..... Shri.....Aged..... years and entitled to take loan for the development of property/installation of unit. or That I am the Chief Executive/Working partner/Director/President (in whatever named called) for the following organisation/institution who have empowered me to give affidavit and take loan from the Development Bank :-(a) a Co-operative Society namely registered under the Madhya Pradesh Co-operative Societies Act, 1960 (Regn. No.....) or (b) a Public Trust namely..... Registered under the Madhya Pradesh Public Trust Act, 1951 (Registration No.....) or (c) a Firm/Company/Corporation/Body Corporate namely..... established/constituted under law..... (Regn. No.....) or (d) a society namely..... registered under the Madhya Pradesh Society Registrickaran Adhiniyam, 1973 (Regn. No.....) which is approved by the State Government by order No.....dated.....

## 2. That I have furnished following movable/immovable property as security for loan :-

(a) Place where property is situated.....(b) Khasra No./House No./Other details.....(c) Area of property/machines details.....(d) Land revenue/Tax Rs.....(e) Other details to identify the property.....(f) Approximate value of the property.....

- 3. That the above said movable/immovable property is free from all encumbrances.**
- 4. That the above described property is in my/our actual possession.**
- 5. That I have the right/power to furnish such security in favour of Development Bank.**
- 6. That I have not more than 10 hectare of land in Madhya Pradesh.**
- 7. That I am in the category of Scheduled Caste/Scheduled Tribe/OBC/General.**
- 8. That it is also hereby declared that if the above mentioned declaration in respect of movable/immovable property offered as security is found false or defective, it shall be punishable under the Indian Penal Code 1860 and the Development Bank shall have a first charge on my/our all other movable/immovable properties and all such other properties shall be deemed to have been included in the security furnished by me/us for the loan.**

Signature.....Deponent.VerificationI..... the above mentioned deponent do verify that the contents from para 1 to 8 of the aforesaid declaration are true to the best of my knowledge and belief and I have not hidden anything.Verified at..... on this..... day.....of..... 2001.Signature.....Deponent.Note. Strike out which is not applicable.State/District Co-operative Agriculture & Rural Development Bank Ltd.Branch.....Form No. D[See Rule 20]Sale Certificate

**1. Applicant Bank : State/District Co-operative Agriculture & Rural Development Bank Ltd.....Branch.....**

**2. Defaulters name/organisation's name.....**

whose immovable property is sold.....

**3. Purchaser's name.....**

This is to certify that in pursuance of an application made by the State District Co-operative Agriculture and Rural Development Bank Ltd..... (Registration No.....) Branch..... an applicant, under Section 27 of the Madhya Pradesh Sahakari Krishin Aur Gramin Vikas Bank Adhiniyam, 1999 in sale application No.....of.....the immovable property of the defaulter Shri/Organisation.....Son of/Regn.



No.....resident/place of.....Tehsil.....District.....has been put to sale by public auction.Shri/Organisation son of/Regn. No.resident/place of.....Tehsil.....District..... has been declared the purchaser at public auction held on.....of the under mentioned immovable property.The sale proceeds of Rs..... have been received in full satisfaction of the Bank and the receipt of the Bank is given to the purchaser.....Receipt No.....date.....The said sale of the immovable property is confirmed by the Registrar or any other officer empowered by him in this behalf, i.e., .....Registrar Co-operative Societies..... under sub-section (3) of Section 28 of the Madhya Pradesh Sahakari Krishi Aur Gramin Vikas Bank Adhiniyam, 1999 vide confirmation Order No.....dated.....and the sale has become absolute and the property is deemed to have vested in the purchaser from the time, the property is sold.The Details of the property sold :-

- 1. Registration District.....**
- 2. Municipal Corporation/Municipality place.....**
- 3. District.....**
- 4. Tehsil.....**
- 5. Village/Mohalla.....**
- 6. Settlement No. of the village/ward No.....**
- 7. Survey No./House No.....**
- 8. Local name.....**
- 9. Area.....acre/.....sq. ft**
- 10. Right.....**
- 11. Land Revenue/House Tax.....**
- 12. Date of Auction.....**
- 13. Date of confirmation when sale become absolute.....**
- 14. Amount for which Rs.....sold to the purchaser (sale price).**

The sale certificate is given to the purchaser under Section 30 of the Madhya Pradesh Sahakari

Krishi Aur Gramin Vikas Bank Adhiniyam, 1999 for getting it registered in the concerned Sub-Registrar Office in his register relating to immovable property and also land record/House record entries duly mutated by the Revenue Authority/Municipal Authority concerned.

Station : Sale Officer

Date :     Seal