

The Meghalaya Agricultural and Rural Debt Relief Scheme, 1990

MEGHALAYA

India

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Rule

THE-MEGHALAYA-AGRICULTURAL-AND-RURAL-DEBT-RELIEF-SCHEME of 1990

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The Meghalaya Agricultural and Rural Debt Relief Scheme, 1990Published vide Notification No. COD. 37/90/291Last Updated 19th February, 2020Notification No. COD. 37/90/291. - The Governor of Meghalaya is pleased to make the following scheme to be known as the "The Meghalaya Agricultural and Rural Debt Relief Scheme, 1990" to provide relief to the borrowers, that is farmers, Artisans and Weavers who borrowed money from the Meghalaya Co-operative Apex Bank, Ltd., and primary Co-operative Societies lending loan for agricultural or artisan activity as follows-

1. Short title, commencement and Application.

(a)This Scheme shall be called "The Meghalaya Agricultural and Rural Debt Relief Scheme 1990(b)It shall come into force on such date as the State Government may by notification in the official Gazette appoint.(c)It shall apply to all eligible loans or Meghalaya Co-operative Apex Bank Ltd.

2. Definitions.

- In this scheme, unless the context otherwise requires-(a)"Agriculture" includes horticulture, animal husbandry, forestry, dairy and poultry farming, pisciculture (fisheries) and other allied activities, whether or not undertaken jointly with agriculture and the expression "agricultural operations" shall be construed accordingly ;(b)"Artisan" means an individual who is engaged in any activity of rural development relating to cottage and village industry, handicrafts, weaving and other rural crafts ;(c)"Bad Crop Year" means a year resulting in a crop yield for which the "Annewari" declared for the crop yield was fifty percent or less of the normal yield;Explanation. - The prevailing system of assessing the damage of the crops should be ascertained and the relevant records, together with the list of villages affected, of the past years may be made available by the State Government

indicating the crops that have been totally damaged on account of floods, etc. This will form the basis for assessing the crop season as a bad year for relief under the scheme; (d) "Borrow" means an individual farmer, weaver or artisan or landless cultivator who had taken loans from Meghalaya Co-operative Apex Bank for any activity of agriculture or for an artisan activity, and who is a non-wilful defaulter; (e) "Bank" means and includes Meghalaya Co-operative Apex Bank, Ltd. and Primary Co-operative Societies lending loans for agricultural or artisan activity; Primary Co-operative Societies includes service Co-operative Societies and Primary Industrial Co-operative Societies lending to artisans; (f) "Effective Date" means 2nd October, 1989; (g) "Eligible loan" means- (i) That part of the Short Terms Loans including converted/re-scheduled term loan availed of by an individual borrower on or after 1st April, 1986, and instalments of a term loan falling due "after 2nd October, 1986" which was overdue to a Bank as on the effective date and includes overdue interest; Explanation - The concept of Annewari as explained in Chapter I Section 2(c) will apply to the above categories of eligible loans; (ii) "Chronic Overdues" means overdue including overdue interest of an individual farmer, weaver or artisan or landless cultivator, who borrowed a loan or loans from the Meghalaya Co-operative Apex Bank and had overdues with that Bank aged more than 3 years as on the effective date i.e. 2nd October, 1989; Explanation. - The concept of Annewari will not apply to this category of eligible loans; (iii) The loans taken by a borrower who has died on or before 2nd October, 1989, the concept of Annewari will not apply to this category of eligible loans; (iv) The overdue loan of a borrower who has been declared insolvent or whose petition is pending in the Court on or before 2nd October, 1989 for being declared insolvent, subject to the provisions of Section 3 of the Scheme. The concept of Annewari will not apply to this category of eligible loans; Explanation - 1. In case of an artisan, the expression "Short Term Loan" shall include working capital loan or Cash Credit limit availed of, and the expression "term loan" shall include block capital loan or composite loan. A working capital loan is in the nature of running account like cash credit. Block capital loan is a term loan which is repayable within a period not less than three years. A composite loan will have the elements of both the working capital and block capital loans;

2. Medium, term converted loan would mean a short term production loan which has been converted into Medium Term Loan due to natural calamity. The Medium Term rescheduled loan would be a Medium Term converted loan, the maturity of which has been extended.

(h) "Non-wilful defaulter" is a borrower of loan(s) who did not repay loan or loan instalments due and experienced two or more years; where consecutive or not, which were bad crop years one of which was the year in which the default occurred. In case of artisan or weaver, non-repayment because of loss of assets will also be treated as a non-wilful defaulter; Explanation - In case of a borrower having chronic overdues it will be certified by the managing Committee of the concerned societies that he/she did not have capacity to pay and as such he/she will be classified as non-wilful defaulter; (i) "Wilful defaulter" is a borrower of loans for agriculture who did not repay the loan instalments due in that year which was not a bad crop year.

3. Relief and its extent.

- The Meghalaya Co-operative Apex Bank referred to in Section 2(e) shall provide debt relief up to a limit of Rs. 10,000 to a borrower eligible for loan.

4. Identification of borrower for determination of eligible loans.

- A Committee consisting of the SDO (C) as Chairman, and (i) the A.C.S., (ii) The B.D.O. (iii) The Cadre Secretary of the concerned Co-operative Society, (iv) The Circle Inspector of Co-operative Society and (v) The Branch Manager of the Bank, as members will have the authority to determine eligible loans and sanction waiver of the loan as provided in Section 5 below.(2)The Branch Manager of the Bank will act as Co-ordinator for the implementation of the Scheme and he would convene meetings of the Committee as stated above, and (a) compile a list of borrowers with details of their principal, interest and overdues, as required under the Scheme and (b) verify whether the village to which the borrower belongs has experienced bad crop year in terms of the Annewari System or for other valid reasons for which he failed to repay the loans and place the same before the Committee for consideration on merit.(3)With a view to avoiding multiple benefits by the borrowers, and also for ensuring compliance with Section 10 below, the list of eligible borrowers whose cases are recommended for Debt Relief by the Committee will be placed before a meeting of the Block Level Bankers Committee to be convened by the Lead Bank Officer.(4)Subject to these conditions being met, the debt relief to eligible borrowers will be provided automatically by the Branch Manager.

5. Adjustment in the loan accounts.

(1)If the waiver amount is sufficient to clear the outstanding principal and interest, such accounts should be closed and the borrowers advised in writing about the extent of relief provided and closure of the account. In case where the principal and Interest exceeds Rs. 10,000 such borrowers should be advised about the relief provided to them and the balances outstanding in the account. Such borrowers should be advised to repay the balance amount.(2)Credits may be given in the eligible loan accounts to the extent of outstanding principal and interest subject to the maximum of Rs. 10,000 and the aggregate amount held in the account called "Receivable from the Government under Debt Relief Scheme" till the amount received from the NABARD/State Government.Explanation. - The interest shall be adjusted first and then the balance will be adjusted towards principal.

6. Eligibility of beneficiaries for fresh loans.

- All borrowers whose loan accounts are closed under Section 5 (2) of this scheme shall be considered as eligible for fresh loans and advances by the Bank for the ensuing seasonal agricultural operations. Provided however that any such borrower who failed to repay any loan or loan instalments falling due after 2nd October, 1989 is considered as defaulter.

7. Submission of claim statements.

- The Meghalaya Co-operative Apex Bank Ltd., shall prepare and submit consolidated claim in respect of the amount of relief to the NABARD/State Government through the Registrar of Co-operative Societies for payment.

8. Interest claim.

(1)The claim statements submitted to the NABARD/State Government shall cover interest due on the outstanding loan amounts only up to and inclusive of effective date and not beyond.(2)The interest that has accrued on the outstanding loan amount after the effective date till the date of adjustment of the said loan as provided hereinafter shall be borne and paid to the financing bank by the beneficiaries.

9. Payment of the claim amount.

(1)In order to maintain the liquidity of the bank, a part of the claim amount will be disbursed in advance by the NABARD/State Government as determined by them.(2)NABARD/State Government shall as soon as possible, but not later than three months from the date of receipt of the claims, complete the payment of the full amount to the Banks in respect of the eligible loans after such scrutiny as it may wish to make.

10. Adjustment of claims in proportion to the amount of loan availed of.

- In cases where a borrower had taken loan from more than one bank, the claim amount shall be adjusted in proportion to the amount of loan taken from each of the Banks.

11. Receipt of claim.

- All payments by the NABARD or the State Government towards the claim statement received by it shall, be made to their respective Head Offices of the Banks.

12. Publicity of the scheme.

- A copy of the scheme will be printed in Regional languages and displayed on the notice board of the Banks as defined in the scheme.