

Recoveries will be made by the Revenue Department of the State Government and the Cooperative agencies according as the case may be.

The fertilizer loans will be given in kind and sales will also be made against cash payments in accordance with farm production plans. The rate of interest will be 9½% per year.

The farmers will market their produce themselves but gradually cooperative marketing and processing societies will be organised and these existing advised.

In the first year of the working of the project, it is proposed to make use of fertilizers in about 7,000 acres of land, mostly in rain fed condition during Kharif except 1,000 acres which will come under second crop during Rabi. The soil of the project is Red sandy loam. For the project area, Ammonium Phosphate, Calcium Ammonium Nitrate and Muriate of Potash would be required.

In order that the cropped area under the project yields the desired result, it is necessary that in addition to the use of fertilisers in optimum doses, minor irrigation facilities including lift irrigation are fully developed, seeds of high yielding varieties are supplied, upland soil is adequately limed, plant protection facilities and improved agricultural implements are provided. To provide these support measures not more than 33% of the Revolving Fund will be used in any year.

#### XI. EVALUATION OF THE PROJECT

The internal appraisal of the project would be carried out by the Deputy Commissioner, Ranchi, and periodic reviews will be made in the District and State Committees. Independent appraisal will also be done through Directorate of Statistics, Bihar.

XII. RESPONSIBILITY

a) Responsibility of the Central Agency

The total value of resources in terms of fertilizer provided by the Central Agency for the project will total two million D. Marks. The quantities and kinds of fertilizers provided will be agreed to between the Indian FFNC and the Central Agency. The Central Agency will also arrange supply of nine tons of specific trace element (mineral) mixtures and three Drilling Rigs, and specifications of which will be provided by the Bihar Government and agreed to between the Indian FFNC and the Central Agency.

b) Reponsibility of Bihar Government/Government of India.

The Bihar Government will ensure distribution of credit through the Agriculture Supply Organisation and Cooperatives. It will also arrange recovery of loans through the agencies already existing for the purpose. The Bihar Government will also continue to provide subsidy and loan facilities to the farmers of the project area in accordance with the existing pattern. Progress of the project will be reported periodically to the National Campaign Committee for Freedom from Hunger Campaign in India.

c) Government of Bihar ensures that the fertilizer needed annually by the project according to the plans of operation to the godowns in Simdega Block will in advance of each cultivation season and that within a period of 3 years the total amount of 6,000 tons of fertilizer imported from Germany will have been made available to the project area.

XIII. REPORTS

To facilitate evaluation of the project by the Central Agency the Indian National Committee shall draw up at the end of each crop year a report on the progress made under the project, showing in particular the number of farmers participating, the quantities of fertilizer sold, according to types and crops, price of fertilizer sold to farmers, the percentage of fertilizer sold for cash, the amount of credit extended and the recoupment of credit relating to the project, the progress and the increase in yields of crops effected by the use of fertilizers under the project.

Agreed on behalf of the parties by the undersigned:

For the Indian FEIC Committee

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For the Central Agency

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