No. RCS/Planning/Emp.Cr./No.P.252/2023/301

Government of Puducherry

Cooperative Department (Planning Section)

V.V.P.Nagar, Thattanchavady Post, Puducherry – 605009.

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Puducherry dated : **18.08.2023**

PROCEEDINGS OF THE REGISTRAR OF COOPERATIVE SOCIETIES, PUDUCHERRY

Present: **Thiru. S. YESVANTHAIYAH**
Registrar of Cooperative Societies, Puducherry .

Sub: The Puducherry Public Works Department Staff Co-operative Society Ltd., No.P.252 – Subsidiary regulations governing the grant of Consumer loan to the members of the Society – Approval – Accorded.

Read: 1. Letter dated **26.06.2023** received from President of the Puducherry Public Works Department Staff Co-operative Society Ltd., No.P.252 along with a copy of **Resolution No .4 dated 08.06.2023** of the committee of management.

2. This office letter of even number dated 13.07.2023.

3. Letter No. PSCB/HO/1527/2023-24/ECS dated 19.07.2023 received from the General Manager, PSC Bank, Puducherry.

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ORDER:

In pursuance to the reference 1st and 3rd cited and in exercise of the powers conferred on me under the bye-law No. 36(xiv) of the Puducherry Public Works Department Staff Co-operative Society Ltd., No.P.252, I approve the "Subsidiary regulations governing the grant of Consumer loan to the members of the Puducherry Public Works Department Staff Co-operative Society Ltd., No.P.252 framed vide resolution cited. A copy of the said regulations, as approved, is annexed. The said regulations shall take effect from the date of issue of this order.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES * PUDUCHERRY *

-/ Sd /-
(S. YESVANTHAIYAH)
REGISTRAR OF CO-OPERATIVE SOCIETIES

To:

The President,
The Puducherry Public Works Department Staff Co-operative Society Ltd., No.P.252,
Puducherry.

Copy to

(1) Reference Regulation
(2) Web Editor, Coop. Dept., Puducherry
(3) Stock File 2023

-/ By order of the Registrar of Co-op. Societies /-

18/8/2023

5/10 **(V. VENCATASRINIVASSACHARIOLOU)**
DEPUTY REGISTRAR (PLANNING)

ANNEXURE TO THE
PROCEEDINGS NO. RCS/PLG/EMP.CR/NO.P.252/2023/301 DT. 18/8/2023

SUBSIDIARY REGULATIONS GOVERNING THE GRANT OF CONSUMER LOAN TO MEMBERS OF THE PUDUCHERRY PUBLIC WORKS DEPARTMENT STAFF COOPERATIVE SOCIETY LTD., NO.P.252 FRAMED UNDER BYE-LAW NO.36(xiv)

1. TITLE, COMMENCEMENT AND APPLICATION

(1) **Short Title:** These regulations may be called **"The Subsidiary Regulations governing the grant of Consumer Loan to the Members of the Puducherry Public Works Department Staff Cooperative Society Ltd., No.P.252".**

(2) **Commencement:** These regulations shall come into force from the date of its approval by the Registrar of Cooperative Societies, Puducherry.

(3) **Applicability:** These regulations shall be applicable to the members of the Puducherry Public Works Department Staff Cooperative Society Ltd., No.P.252.

2. DEFINITIONS

In these regulations, unless the context otherwise requires:-

(a) **"Committee"** means the Committee of Management constituted as per the provisions of the bye-laws of the Society.

(b) **"Chief Executive"** means the President of the Society in charge of the day-to-day administration of the Society.

(c) **"Loan"** means Consumer Loan.

(d) **"Member"** means a person, joining in application for the registration of the Society and a person admitted to membership after such registration in accordance with the Act, Rules and Bye-laws and holds at least one share in the Society.

(e) **"Registrar"** means the Registrar of Cooperative Societies appointed by the Government of Puducherry under Section 3(1) of the Puducherry Cooperative Societies Act, 1972 and shall include any other authority/authorities to whom the powers of the Registrar have been delegated by the Government of Puducherry.

(f) **"Regulations"** means the subsidiary regulations governing the grant of consumer loan to the members of the Puducherry Public Works Department Staff Cooperative Society Ltd., No.P.252.

(g) **"Society"** means the Puducherry Public Works Department Staff Cooperative Society Ltd., No.P.252.

3. PURPOSE OF LOAN

(1) Subject to the provisions of these regulations, loan may be sanctioned to the members for the purchase of consumer appliances such as Television, Refrigerator, Washing Machine, Furniture, Car, Two Wheeler, etc.

(2) No member shall claim loan as a matter of right.

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PUDUCHERRY

(3) No surety need be insisted upon for this loan.

4. LIMIT OF LOAN

The maximum amount of loan that may be sanctioned to a member under these regulations shall **not exceed Rs.5.00,000/- (Rupees five lakhs only):**

Provided that no member shall be indebted to the Society to the maximum loan amount as fixed under Clause 4 of the Subsidiary Regulations governing the sanction of medium term loan to members of the Society.

5. ELIGIBILITY FOR LOAN

(1) The applicant should not be in default to the Society in respect of any loan taken by him.

(2) No member shall be eligible to apply for a loan when he has got a service period of less than a year.

(3) No member shall be eligible to apply for a fresh loan until he has fully cleared the loan amount taken previously.

(4) No member, who is under suspension, shall be eligible to apply for a loan.

6. APPLICATION FOR LOAN

(1) The application for loan shall be made in the form prescribed by the Committee, which can be obtained from the Society on payment of such amount as may be prescribed by the Committee from time to time.

(2) An estimate statement as prescribed by the Committee regarding the details of description and cost of the consumer appliances or vehicle proposed to buy should be furnished by the applicant.

(3) The application should be accompanied by a last month e-salary slip of the applicant.

(4) The application duly filled in should be submitted to the Society.

7. SANCTIONING OF LOAN

(1) On receipt of a loan application, it shall be choronogically recorded in the Loan Application Register, specifying the serial number, date of receipt of the loan application, name of the applicant and the loan amount applied for.

(2) A staff of the Society, authorised for this purpose, by the Chief Executive, shall scrutinize the loan application and prepare a Check list.

(3) The Chief Executive shall counter-check the loan application and the check list prepared by the staff and ensure that the application is in order and is accompanied by the required enclosures.

(4) The Chief Executive shall further ensure that the applicant has fully remitted his dues, in respect of his previous loan, if any, availed from the Society.

(5) The Chief Executive shall satisfy himself that the applicant has sufficient means to repay the loan regularly within the time limit prescribed in these regulations.

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(6) The Chief Executive shall also ensure that the take home pay after all the deductions of the applicant, in the first month of recovery of the loan, is not less than twenty five percent (25%) of his gross emoluments.

(7) The Chief Executive shall also ensure that the entire loan together with interest thereon will be recovered at least three (3) months prior to the date of retirement of the applicant.

(8) If the Chief Executive is satisfied that the application is in order and the applicant is eligible to avail a new loan or a fresh loan, as the case may be, from the Society, he shall record his recommendations, in the check list and place the loan application before the Committee, for sanction.

(9) **Authority:** Subject to the provisions of the regulations, the Committee shall be the authority competent to sanction loans to the members. Normally, the Committee shall decide the applications, based on the recommendations, made in writing, by the Chief Executive. Wherever the Committee differs from the recommendations of the Chief Executive in sanctioning a loan, it shall record the reasons therefor in the minutes book.

(10) For good and sufficient reasons to be recorded in the minutes book, the Committee may refuse to sanction loan to any applicant or may sanction a lesser amount than the amount applied for:

Provided that the Chief Executive shall inform the applicant concerned the reason for refusal of a loan or sanction of a lesser amount of loan by the Committee.

8. SHARE CAPITAL CONTRIBUTION

The applicant should have **5%** of the loan amount as his share capital.

9. EXECUTION OF DOCUMENTS

When the loan is sanctioned, disbursement shall not be made unless the loan documents are completely executed, before the Chief Executive, by the applicant. The applicant should also sign in the loan ledger.

10. DISBURSEMENT OF LOAN

The loan amount, as sanctioned by the Committee, shall be disbursed to the applicant by the Chief Executive. Loan shall be disbursed only by means of **Cheque or through ECS.**

11. INTEREST ON LOAN

(1) **Rate of Interest:** The loan sanctioned under these regulations shall carry interest at such rates as may be prescribed by the Committee, from time to time:

(2) **Calculation of Interest:** Interest shall be charged from the date of disbursement of the loan, on a daily product basis, on the amount outstanding.

(3) **Penal Interest:** In case of default of any instalment, penal interest shall be charged by the Society at **three per cent (3%)** per annum over and above the rate prescribed under clause (1) above, on the amount overdue:

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Provided that the penal interest shall be charged only for the amount of instalments overdue and ordinary interest shall be charged for the balance amount.

12. RECOVERY OF LOAN

(1) The loan shall be recovered in such numbers of **equal monthly instalments,** as the applicant may choose, along with interest due thereon. However, the instalments shall not exceed **thirty six (36):**

Provided that the applicant may at his option repay a sum higher than one instalment in a month, but such excess payments will not result in postponement of subsequent instalments:

Provided further that the applicant may elect to repay in a shorter period than that agreed to.

(2) Recovery of loan will commence from the salary for the month following the month in which the loan was disbursed.

(3) Instalments should be remitted within tenth (10^{th}) of every succeeding month.

(4) Instalments should be deducted from the monthly salary or leave salary, as the case may be, of the applicant:

Provided that deduction towards recovery of loan shall not be made from the subsistence allowance of an employee, if any, when he is placed under suspension. However, if such employee is reinstated and is paid back wages at full rate, the arrears of recovery for the suspension period shall be deducted from the arrears of pay.

13. FORECLOSURE OF LOAN ACCOUNT

When the principal borrower becomes a defaulter or ceases to be a member of the Society, the loan amount due along with interest due thereon becomes payable immediately and the same shall be recovered, in one or more instalments as may be decided by the Committee.

14. INTERPRETATION

Should any doubt or dispute arises in the construction or meaning or interpretation of any of the regulations, the Committee shall refer the matter to the Registrar, whose decision thereon shall be final and binding.

15. POWER TO AMEND

It shall be competent for the Committee to modify, relax, alter or amend any of the regulations with the prior approval of the Registrar.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES * PUDUCHERRY *

18/8/2023

6/10 (V. VENCATA SRINIVASSACHARIOLOU)
DEPUTY REGISTRAR (PLANNING)