No. RCS/Planning/Emp.Cr./No.P.80/2025/394
Government of Puducherry
Cooperative Department (Planning Section)
V.V.P.Nagar, Thattanchavady Post, Puducherry – 605009.
***

Puducherry dated : **06.10.2025**

PROCEEDINGS OF THE REGISTRAR OF COOPERATIVE SOCIETIES, PUDUCHERRY

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

Sub: The Puducherry Co-operative Department Staff Co-operative Credit Society Ltd., No.P.80 – Subsidiary regulations governing the grant of Consumer loan to the members of the Society – Approval – Accorded.

Read: Letter dated **29.08.2025** received from President of the Puducherry Co-operative Department Staff Co-operative Credit Society Ltd., No.P.80 along with a copy of **Resolution No .6 dated 29.7.2025** of the committee of management.

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ORDER:

In pursuance of the reference cited and in exercise of the powers conferred under the bye-law No.37(xiv) of the Puducherry Co-operative Department Staff Co-operative Credit Society Ltd., No.P.80, the Registrar of Co-operative Societies hereby approves the "Subsidiary regulations governing the grant of Consumer loan to the members of the Puducherry Co-operative Department Staff Co-operative Credit Society Ltd., No.P.80 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.

-/ By order /-

E. G. 6/10/25

(E. GUNASEKARAN)
5/10 **DEPUTY REGISTRAR (PLANNING)**

Encl.: As stated

To:

The President,
The Puducherry Co-operative Department Staff Co-operative Credit Society Ltd., No.P.80
Puducherry.

Copy to

(1) Reference Regulation
(2) Web Editor, Co-op. Dept., Puducherry
(3) Stock File 2025

ANNEXURE

THE PUDUCHERRY CO-OPERATIVE DEPARTMENT STAFF CO-OPERATIVE CREDIT SOCIETY LTD., NO.P.80

SUBSIDIARY REGULATIONS GOVERNING THE GRANT OF CONSUMER LOANS TO MEMBERS OF THE PUDUCHERRY CO-OPERATIVE DEPARTMENT STAFF COOPERATIVE CREDIT SOCIETY LTD., NO.P.80 FRAMED UNDER BYE-LAW NO.37(xiv)

1. TITLE, COMMENCEMENT AND APPLICATION

(1) **Short Title:** These regulations may be called **"The Subsidiary Regulations governing the grant of Consumer Loans to the Members of the Puducherry Co-operative Department Staff Cooperative Credit Society Ltd., No.P.80".**

(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 Co-operative Department Staff Cooperative Credit Society Ltd., No.P.80.

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 Co-operative Department Staff Cooperative Credit Society Ltd., No.P.80.

(g) "Society" means the Puducherry Co-operative Department Staff Cooperative Credit Society Ltd., No.P.80.

3. PURPOSE OF LOAN

(1) Subject to the provisions of these regulations loans 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.

4. LIMIT OF LOAN

The maximum amount of loan that may be sanctioned to a member under these regulations shall **not exceed Rs.2.00,000/- (Rupees two lakh 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.

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

(6) No member shall be eligible to apply for a fresh loan until he has repaid one third of the loan amount previously taken and before the expiry of twelve (12) months, from the date of disbursement of previous 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 bought should be furnished by the applicant.

(3) The application should be accompanied with:-

(a) A salary certificate of the borrower as well as his surety, in the form prescribed by the committee.

(b) An undertaking from both applicant as well as surety, authorizing his Pay Disbursing Officer to recover the monthly installment of loan amount, interest and other amounts due to the Society from their salaries, as per the monthly demand statements of the Society; and

(4) The application, which is incomplete and/or without enclosures as required, is liable to be rejected.

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 Committee, shall scrutinize the loan application and prepare a Check list.

(3) The Committee of Management 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 Committee of Management 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 Committee of Management shall satisfy himself that the applicant has sufficient means to repay the loan regularly within the time limit prescribed in these regulations.

(6) The Committee of Management 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 Committee of Management 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 Committee of Management 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.

(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 President 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 and his surety should have minimum Share Capital of Rs. 1,000/- (One thousand rupees only).

9. DEATH BENEFIT CONTRIBUTION

The applicant should have **2%** of the loan amount as subscription to the Death Benefit fund maintained by the society.

10. EXECUTION OF DOCUMENTS

When the loan is sanctioned, disbursement shall not be made unless the loan documents are completely executed, by the applicant and his surety in the form prescribed by the Committee. The applicant and his surety should also sign in the loan ledger.

11. DISBURSEMENT OF LOAN

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

12. 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:

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.

13. 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 to 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.

(5) When the principal borrower dies or 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 from his surety in on rot more instalments as may be decided by the committee.

(6) When the surety dies or ceases to be a member of the society, the principal borrower should bring the fact to the notice of the society and arrange for an alternate appropriate surety that may be acceptable to the committee within fifteen (15) days.

(7) The committee shall arrange to prepare and send a monthly demand statement, in duplicate, to the Pay and Disbursement Officer, in time every month, for effecting recovery from the salary of the borrower.

(8) It should also be ensured that the entire loan together with interest thereon will be recovered atleast three (3) months prior to the date of retirement of the applicant.

14. FORECLOSURE OF LOAN ACCOUNT

(1) When the borrower dies or becomes a defaulter or ceased 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 from his surety, in one or more instalments as may be decided by the committee.

(2) In case an applicant and /or his surety is found to have given incorrect information in the loan application, which will materially alter the position, the committee shall have power to foreclose the loan account and recall forthwith the dues on the loan sanctioned and disbursed based on such incorrect information, along with interest due thereon:
Provided that the applicant and/ or his surety giving such incorrect information shall not be eligible to avail loan from the society or to stand as surety for a period of one year from the date of full payment of such loan.

15. DEATH OF THE BORROWER OR SURETY

In case of death of the borrower or his surety, the surviving member shall inform the society of the event within fifteen days (15) from the date of his knowledge and the committee shall take necessary steps in the matter.

16. 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.

17. POWER TO AMEND

Notwithstanding anything contained in these regulations, it shall be competent for the Committee to modify, relax, alter or amend any of these regulations with the prior approval of the Registrar.

Approved Vide Proceedings No.RCS/Plg/Eml.Cr./No.P80/2025/394
dated 06.10.2025

E.G. 6/10/25

E. GUNASEKARAN

6/10 DEPUTY REGISTRAR (PLANNING)