No.RCS/Planning/Emp.Cr./No.P.52/2021/543
Government of Puducherry
Cooperative Department (Planning Section)
V.V.P.Nagar, Thattanchavady Post, Puducherry – 605009.
***

Puducherry dated 29/12/2022

PROCEEDINGS OF THE REGISTRAR OF COOPERATIVE SOCIETIES, PUDUCHERRY

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

Sub: The Puducherry Public Servants' Cooperative Credit Society Ltd., No.P. 52 – Subsidiary Regulations Governing the sanction of Festival loan to the members of the Society Ltd., P.52 – Approval – Accorded.

Read: Letter No. PPSCCS/Festival Loan/2022/709 dated **07.12.2022** received from the Puducherry Public Servants' Cooperative Credit Society Ltd., No.P.252, along with a copy of **Resolution No.8 dated 26.11.2022** of the committee of management.
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ORDER:

In pursuance to the reference cited and in exercise of the powers conferred on me under the bye-law No. 38(15) of the Puducherry Public Servants' Cooperative Credit Society Ltd., No.P.52, I approve the Subsidiary Regulations Governing the sanction of Festival loan to the members of the Puducherry Public Servants' Cooperative Credit Society Ltd., No.P.52 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.

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

To:

The President,
The Puducherry Public Servants' Cooperative Credit Society Ltd., No.P.52,
Puducherry.

Copy to

1. Web Editor, Coop. Dept., Puducherry
2. Stock file, 2022.

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

29/12/2022

(V. VENCATA SRINIVASSACHARIOLOU)
DEPUTY REGISTRAR (PLANNING)

ANNEXURE TO THE
PROCEEDINGS NO. RCS/PLG/EMP.CR/NO.P.52/2021/ 543 DT. 29 /12/2022

SUBSIDIARY REGULATIONS GOVERNING THE SANCTION OF FESTIVAL LOAN TO MEMBERS FRAMED UNDER BY-LAW NO.38(15) OF THE BYE-LAWS OF SOCIETY.

1. **Title, Commencement and Application:**
   a) **Short Title:** These regulations may be called as "Subsidiary Regulation governing the sanction of Festival Loan to the members of the Puducherry Public Servant's Co-op. Credit Society Ltd., No.P.52."

   b) **Commencement:** These regulations will come into force with effect from the date of its approval by the Registrar of Co-operative Societies, Puducherry.

   c) **Applicability:** These regulations shall be applicable to the members of the Puducherry Public Servant's Co-op. Credit Society Ltd., No.P.52.

2. **Definitions:** In these regulations, unless the context otherwise requires:

   a) **"Committee"** means the Committee of Management constituted as per the provisions of the byelaws of the society.

   b) **"Loan"** means "Festival Loan" all the festival apply only one time in a calendar year

   c) **"Festival"** means Pongal, Rupulic Day, Ramzan, Independance Day, Vinayagar Chaturthi, Onam, Saraswathi Pooja, Deepavali and Christmas.

   d) **"Member"** means 'A' class member of the society.

   e) **"President"** means the President of the society.

   f) "**Registrar**" means the Registrar of Co-operative Societies appointed by the Government of Puducherry under section 3(1) of the Puducherry

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Co-operative Societies Act, 1972 and shall include any of the authority/authorities to whom the powers of the Registrar have been delegated by the Government of Puducherry.

g) **"Regulation"** means the Subsidiary Regulations governing the sanction of festival loan to the members of the Puducherry Public Servants Co-op. Credit Society Ltd., P.52.

h) **"Society"** means the Puducherry Public Servant's Co-op. Credit Society Ltd., No.P.52.

3. **Purpose of Loan:** Loan may be granted to the members of the society for their festival expenses or for other useful purposes.

4. **Limit of Loan:** The maximum amount of loan that may be sanctioned to a member under these regulations shall not exceed Rs.20,000/-(Rupees Twenty Thousand only).

   Provided that no member shall be indebted to the society for a sum exceeding Rs.15,00,000/-(Rupees Fifteen Lakhs only)

5. **Eligibility for applying loan:**

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

   b) The applicant should not be in default to the society in respect of any loan taken by him.

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

   d) No members shall be eligible to apply for a loan when he has got a service period of less than one (1) year.

   e) No member shall be eligible to apply for a fresh loan, if he/she has got a service period of less than a year.

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6. Application for loan:

a) 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.

b) The application for loan should be signed by the applicant.

c) The application should be accompanied with:

(i) A self attested copy of the last month's pay slip of applicant.

(ii) An undertaking of the applicant , authorizing his Pay Disbursing Officer to recover the monthly instalments of loan amount, interest and other amounts due to the society from his/her salary, as per the monthly demand statements/requisitions of the society and

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

7. Sanctioning of Loan:

a) On receipt of a loan application, it shall be chronologically 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.

b) A staff of the society, authorized for this purpose, by the President, shall scrutinize the loan application and prepare a check list.

c) The President of the society shall counter-check the loan application and the check-list prepared by the staff ensure that the application is in order and is accompanied by the required enclosures.

d) The President shall ensure that the loan applicant has fully remitted his dues in respect of his previous loan, if any, availed from the society.

e) The President shall satisfy himself that the applicant has sufficient means to repay the loan regularly within the time prescribed in these regulations.

f) The President 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, if not, accordingly the loan amount should be reduced.

g) The President 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.

h) If the President 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.

i) Authority: Subject to the provisions of the regulations, the committee shall be the authority competent to sanction loans to the members. The loan application shall be taken up for consideration, strictly as per the seniority list of applications. However, **in extra-ordinary circumstances, such as marriage, betrothal, education, medical treatment, etc., it shall be competent for the committee to sanction a loan to an applicant by bye-passing the seniority list.** In such case the committee shall record the reason thereof in the minute's book. Normally, the committee shall decide the applications, based on the recommendations, made in writing, by the President wherever the committee differs from the recommendations of the President in sanctioning a loan, it shall record the reasons therefor in the minute's book of the society.

j) 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 applied for.

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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 five percent (5%) of the loan amount as his/her share capital.

9. **Execution of documents:**

When the loan is sanctioned, disbursement shall not be made unless the loan documents are completely executed by the applicant.

10. **Mode of Disbursement of loan:**

The loan amount, as sanctioned by the committee, shall be disbursed to the applicant through Electronic Clearing Service (ECS) or by means of account payee cheque.

11. **Interest on loan:**

a) **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.

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

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

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.

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12. Recovery of loan:

a) 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 ten (10).

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

b) The applicant may elect to repay in a shorter period than that agreed to.

c) Repayment of loan will commence from the salary for the month following the month in which the loan was disbursed.

d) Instalments should be remitted within ten (10) of every succeeding month.

e) The President shall arrange to prepare and send a monthly demand statement, in duplicate to the Pay Disbursement Officers concerned, on or before 10th of every month, for effecting recovery from the salary of the borrower.

f) The President shall arrange to prepare an abstract of the monthly demand statements, every month and place the same to the committee. The President shall ensure that the total of the loan outstanding shown in the abstract of monthly demand statement tallies with balance sheet.

g) The President shall arrange to prepare a loan overdue list, every month and place the same to the committee for review and action.

h) In case of default exceeding three months in repayment of loan dues, the President shall initiates necessary steps, such as, issue of notice to the Pay Drawing Officers concerned for effecting recoveries regularly, issue of notice to the applicant, filing of monetary dispute under Section 84 of the Pondicherry Co-operative Societies Act, 1972 before the Registrar.

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13. Foreclosure of loan account:

a) 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 him/her, in one or more instalments as may be decided by the committee.

b) In case, an applicant 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 to recall forthwith the dues on the loan amount sanctioned and disbursed based on such incorrect information along with interest due thereon.

Provided that the applicant 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

14. Interpretation:

Should any doubt or dispute arise in the construction or meaning or interpretation of any of these regulations, the committee shall refer the matter to the Registrar, whose decision shall be final and binding on the society and members.

15. 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.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES PUDUCHERRY

(V. VENCATA SRINIVASSACHARIOLOU)
DEPUTY REGISTRAR (PLANNING)