

From

Registrar,
Cooperative Societies, Haryana,
Panchkula.

To,

1. The Managing Director, Haryana State Cooperative Apex Bank Ltd., Chandigarh.
2. The Chief Auditor in Head Office.
3. All Deputy Registrar, Cooperative Societies in Haryana.
4. All Assistant Registrar, Cooperative Societies in Haryana.
5. All Audit Officer, Cooperative Societies in Haryana.
6. All Chief Executive Officer, District Central Cooperative Bank Ltd., in Haryana.
7. Superintendent, Budget and Planning in H.O.

Memo no. Scheme/C-4/2016/ 3996-4004

Dated: 06/04/2017

Sub: Approval of loan scheme for Women Cooperative Societies.

Reference: Your single file CFMS No. 661 dated 27.06.2016.

It is intimated that the State Government has accorded the approval of loan scheme for Women Cooperative Societies as announced by the Hon'ble Chief Minister, Haryana as per given below:-

Introduction:

For the last two decades efforts are being made for upliftment of women. Though, we have come a long way and achieved quite a lot in this sphere and we can boast that women are now-a-days venturing into the areas primarily which were under the domain of men yet the Govt. of India has constantly been making efforts in this regard. Taking initiative in this regard, the Govt. of Haryana has decided to launch a scheme for provision of loan to the women Coop. Societies, which will not only ensure the upliftment of women but also invoke a feeling of jointly moving ahead.

Eligibility:

All registered Women Coop. Societies engaged in a business activities (manufacturing, trading, improving or provision of service) resulting in the well being of the societies will be eligible to obtain loan under the scheme.

Objective:

The basic objective of the scheme is the upliftment of women who have so far been downtrodden part of the society by providing them with avenues.

Purpose:

The loan will be available for any legitimate purpose for which the society has been formed

Implementation of the scheme:

The registered societies will apply for the loan to the concerned branch of the Bank on the prescribed performa along with a brief Project Report of the activity to be undertaken by the society. The Branch Manager will either himself or through any other employee of the Branch specifically deputed for the purpose in writing by the General Manager of the Bank will verify the antecedents of each & every member of the society and after satisfying themselves in this regard will forward the loan case to the Development Officer (D.O.). The D.O. will recommend the case to the Business Committee of the Bank. The committee will in turn recommend the case to the sanctioning authority. Thereafter the case will be sanctioned as per the laid down procedure of the Bank. After the disbursement of the loan amount, the Branch Manager will request the General Manager of the Bank on the prescribed performa to further make a request to the Govt. for release of subsidy.

Cash Flow:

The loan will be advanced to the society for the purpose/objective mentioned in the project report. The society as a whole on behalf of the members will invest the loan amount execution of the purpose for which the loan has been sanctioned and further will be responsible for the distribution of ingredients to the members as per their requirement. The produce of the members will be sorted and sold collectively by the society and the profit thus earned will be distributed amongst the members as per bye-laws of the society.

Quantum of loan & Security:

Loan upto an amount Rs.5.00 lacs i.e. 10 times of the share capital of the society as per approved MCL of the society by RCS will be available under the scheme without any collectoral security, guarantee of two respectable persons of the village/town and post dated cheques (PDCs) of members of the society should be obtained and fixed assets created out of the loan amount should also be mortgaged. The loan beyond Rs.5.00 lacs and upto the limit permissible to the concerned Bank as per the prevailing Credit Monitoring Arrangements (CMA) Norms will be available on collectoral security equivalent to at least one and a half times of the loan amount.

Duration of loan:

The loan will be medium term for the duration of 3 to 7 years and will be recoverable on half yearly basis.

Release of Subsidy:

The Govt. of Haryana will contribute a subsidy of Rs.1.00 lac for the purpose for loan amounting Rs.5.00 lacs and above and where loan is sanctioned below Rs.5.00 lacs, the

eligible amount of subsidy is 20% of the total loan sanctioned after receiving the subsidy claim from bank through Registrar Coop. Societies.

c. Adjustment of subsidy in Borrower's Account.

The subsidy released to the Bank for a society will be kept in separate borrower-wise account (Subsidy Reserve Fund). The adjustment of subsidy will be back ended. Accordingly, the full project cost including the subsidy amount, but excluding the margin money contribution from the beneficiary, would be disbursed as loan by the banks. The repayment schedule will be drawn on the loan amount in such a way that the total subsidy amount is adjusted after full bank loan component net of subsidy with interest is liquidated but not before duration of loan from the date of disbursement of first installment of the loan.

d. No interest chargeable on subsidy portion

The subsidy admissible to the promoter under the scheme will be kept in the subsidy Reserve Fund Account (Borrower-wise) in the books of the financing banks. No interest would be charged on this by the Bank. In view of this, for purposes of charging interest on the loan component, the subsidy amount should be excluded. The balance lying to the credit of the subsidy reserve fund account will not form part of demand and time liabilities for the purpose of SLR/CRR.

Means of finance:

Loan amount will be disbursed by DCCBs and subsidy component will be contributed by the State Government. The financing DCCBs will be eligible for reimbursement of the loan amount from the Harcobank/NABARD on usual terms & conditions for refinance policy.

Utilization & reporting:

The society shall strictly utilize the loan amount for the purpose set forth in the project report and submit the account statements and audit reports of the society to the Bank annually and regularly till the pendency of the loan. The Branch Manager shall supervise the utilization of funds and working of the society and submit his report in this regard on monthly basis to the General Manager of the Bank. The General Manager will be required to initiate appropriate action in case of any adverse circumstances.

Rate of Interest:

The rate of interest will be charged as per prevailing rates fixed by concerned DCCBs with upper ceiling not more than 11% p.a..

Legal Formalities:

The society will be responsible to obtain all necessary licences, permissions, legal documentations, etc. required for the execution of the objective of the society.

Documentations:

C. Pre-sanction

8. Duly filled application form.
9. List of members of the society.
10. Copies of Aadhar Cards of all the members.
11. Photographs of all the members.
12. Authorization of a person to execute the documents.
13. Bye-laws of the society (if devised).
14. Certificate of surety from Gram Panchayat.

OR

Surety Bond by an employee of above mentioned categories.

15. Audit report/Account statements (if already existing society).

D. Post –sanction

6. Agreement deed.
7. Demand Promissory Note.
8. Time Promissory Note.
9. Receipt of loan.
10. Letter of acceptance of terms & conditions of the Bank.

The performance of the scheme is to be closely monitored by Managing Director, HARCO Bank and same be intimated to this office on weekly basis.

Further, Managing Director, HARCO Bank to ensure that the scheme is widely publicized so that maximum numbers of beneficiaries are covered under this scheme.



REGISTRAR

Cooperative Societies, Haryana
Panchkula.

Endst. No. Scheme/C-4/2016/ 4005

Dated: 06/04/2017

A copy of the above is forwarded to the Additional Chief Secretary to Govt. of Haryana, Cooperation Department, Chandigarh for information.



REGISTRAR

Cooperative Societies, Haryana
Panchkula.