

**THE CENTRAL RAILWAY EMPLOYEES' CO-OPERATIVE CREDIT SOCIETY LTD. BYCULLA,
MUMBAI – 400 027**

Revised Rules, governing advancing of Loans to the Society's Shareholders

In super cession of all previous Rules on the subject, following revised Rules governing advancing of loans by the Society shall come into force with immediate effect.

1. A Railway employee who desires to become an Ordinary Member of the Society, he/she will have to fulfill following conditions :
 - i. He/She has applied in writing in the prescribed form.
 - ii. He/she has agreed to pay Entrance Fee of ₹ 10/- if admitted.
 - iii. He/She has applied for obtaining loan from the Society and has been allotted shares @ of 1 shares or ₹ 10/- each for a loan of ₹ 500/- or part thereof.
 - iv. He/she has given declaration that he/she is not a member of any other Credit Society.
 - v. He/she has agreed to contribute to the Compulsory Monthly Thrift Deposit Scheme of the Society. On actual receipt of a CMTD recoveries to the Society through his Pay Sheet Preparing Unit, Loan will be advanced to the new member against his application for loan.
 - vi. He/she has given irrevocable authority letter to the Society to deduct the amount due to the Society from his/her wages and from his/her death-cum-retirement gratuity in case of his/her death. Deposits, other retirement benefits and Dearness allowances on Pension, duly forwarded through his/her Controlling Officer.
 - vii. He/she has fulfilled all other conditions laid down in the Act, the rules and the Bye-Laws.
 - viii. His/her application for Membership is approved by the Board of the Society or such other authority, as specified by the Board of the Society.
2. No applicant will be advanced a loan, unless he has completed 1 years of continuous service. In the case of those, who are reinstated, a certificate from the Head of the Department under whom they are working testifying that the break in their service has been condoned for all purpose should be attached to the loan application. The legal heirs of the deceased shareholders and medically unfit Railway Employees appointed on compassionate grounds in the Railways will be admitted as shareholders within one month from their appointment.
3. Loan slabs to the shareholders shall be regulated and revised by the Board as and when they deem fit to do so on the basis of length of service.
4. Pay for the purpose of computing the amount of loan to be advanced means and includes substantive pay and Grade pay. In case of running staff, it will also include mileage calculated at 30% of the substantive pay and Grade pay and no other allowance and in the case of DMO, Sr. DMO etc., it will include non-practicing allowance.
5. No loan shall be advanced on the basis of Officiating pay, unless the applicant furnished with application for loan, a certificate to be issued from the Head of Department under whom, he is employed to the effect that there is no likelihood of the applicant being reverted during the currency of the loan.
6. No application for an inclusive loan shall be No application for an inclusive loan shall be granted after receipt of continuous 12 month recoveries through his/her pay sheet or after 50% period and amount of previous loan whichever is earlier.
7. Repayment of loans shall be in multiples of 6 but not exceeding 60 months.

8. Loans advanced to the Shareholders shall be equal to the next multiples of hundred of eligible amount, determined on the basis of slabs fixed by the Board, provided further that the loan be sanctioned shall not exceed the amount applied for.
9. Loans shall normally be advanced on the security of two good personal sureties who must be Shareholders of the Society.

Loans may also be advanced without sureties on the security of C.M.T.D. Deposits of the applicants to the extent of 80% of their deposits. Provided, however no loans shall be advanced in excess of the slabs of loans prescribed by the Board of Directors.

10. A Shareholder shall not be allowed to stand surety in more than four current loans.
11. An intending borrower should offer as a surety such as a Shareholder who draws salary in his scale of a pay or in any higher scale of pay or in a scale immediately two grade below his scale of pay, but not any lower.
12. An intending borrower must submit current pay slip alongwith the loan application.
13. The period of repayment of loans should be ordinarily so fixed so as to ensure complete repayment of those loans Six Months before the expiry of the borrower's retiring age limit.
14. A Shareholder who will be completing the retiring age limit before expiry of the period of repayment of the loan in which he offers himself as surety will not be accepted as surety.
15. A shareholder who does not repay his personal Loan regularly and/or who fails to subscribe regularly to the C.M.T.D. Scheme of the Society shall not be accepted as surety.
16. An intending borrower must execute D.C.R.G. authority letter in the Society's prescribed form authorizing the F.A. & C.A.O. to deduct the Society's dues from the D.C.R.G. payable to him or to his legal heirs and must submit that letter to the Society alongwith his application for loan.
17. Thumb marks of applicant and /or of his sureties must be attested by the incharge of the Paysheet Preparing Unit under whom such applicant or surety is working.
18. An intending borrower who once was a shareholder of the Society and has ceased membership, must repay in cash the amount of C.M.T.D. refunded to him by the Society and allow deduction of that amount of C.M.T.D. from the loan asked for, which amount has been adjusted to his loan A/c. with the Society.
19. The No. of installments in which the loan, together with the interest, is to be repaid shall be so fixed that no borrower's monthly loan installment of repayment (excluding interest) shall exceed 25 % of total emoluments including mileage in the case of running staff. If any shareholder desires to repay loan in the lesser number of installments fixed in above manner, he will not be permitted to do so.
20. The Board of Directors shall have the powers, to refuse, restrict or defer loan to a shareholder who, if it is subsequently noticed, has deceived the Society by making false statements in respect of his previous membership, Date of Birth, Date of Engagement and/or Rate of pay.
21. A borrower may pay off the whole or the balance of the loan due, with interest hereon, at any time during the currency of the loan.
22. **When a borrower to whom the Shareholders have stood surety dies or ceases to be in the service of Central Railway, North Central Railway, West Central Railway,**

it shall be the duty of the sureties to notify such occurrence to the Society and arrange repayment of balance of loan amount within a period of one month. If they fail to do so, the Board of Directors shall have the powers to recover the amount of loan from any one or both the sureties, jointly and/or severally in any manner. The amount so recovered from the sureties shall be refunded, if the Principle Borrower subsequently pays the amount. The amount will be refunded with interest as applicable to the Saving Deposit Scheme.

23. A borrower must furnish within 30 days, fresh surety in place of a surety who has ceased to be in service of the Central Railway, North Central Railway, West Central Railway.
24. A dispute arising out of a loan granted or in terms of loan between the Society and borrower and/or his sureties shall be subject to jurisdiction of Mumbai only.
25. In accordance with the Rules of the Multi-State Co-operative Societies Rules fresh membership of the Society will be suspended for a period of 30 days prior to the date of Holding Annual General Body Meeting of the Society every year.
26. The Society will accept the voluntary subscription towards the C.M.T.D. scheme of the Society from the Shareholders of the Society in addition to the normal rates of subscription.
27. Loan can be advanced to defaulted borrowers provided entire repayment period is over, by recovering the balance of the previous loan left unpaid, if the loan balance is upto ` 25,000/- or recovery of one installment, whichever is more.
28. Loan can be also be advanced when 50% period of Last Loan advanced is completed, but there is a shortfall in 50% amount to the extent of ₹ 1,000/- by deducting the same for the fresh loan to be granted.
29. No interest will be charged from the date of Death of Borrower from the sureties. Similarly no penal interest will be charged from the sureties from the date of removal/dismissal of the Principle Borrower to the date of his reinstatement in Service.

COMPUTER LOAN

(THIS LOAN DISCONTINUED AND REPLACED WITH EMERGENCY LOAN.)

The rules for advancing computer loan to the shareholders of the Society will be as under :

1. The amount of loan to be granted is ₹ 30,000/-
2. The interest will be charged at a flat rate of 5% p.a. on this loan
3. The amount will be repayable in 24 installments only
4. The Computer Loan will be given to those shareholders, who are not having any other loan balance outstanding in their name.
5. This Computer Loan will not be advanced to those shareholders, who have become the shareholder of the Society by purchasing shares of ₹ 1,000/-
6. This Computer Loan will be advanced on the basis of 2 good sureties, who are shareholders of the Society.
7. The Borrower and both the sureties should be regular in subscribing towards the CMTD scheme of the Society.
8. On default in repayment of this loan, the penalty interest will be charged at a flat rate of 10% p.a. in addition to the regular rate of interest of 5%.
9. Any amount outstanding after completion of 24 installments will be recovered from the CMTD amount at his credit along with the penalty interest. If the CMTD amount at his credit is insufficient then the amount will be dropped on both the sureties for recovering the outstanding Computer Loan balance.
10. The Shareholders who had taken Computer Loan, if subsequently desires to avail the regular loan, the same will be advanced to him/her only after deduction of outstanding Computer loan.
11. The repayment of loan must be completed 3 months prior to the date of retirement of the borrower.
12. If the borrower/shareholders applied for closure of his account, the amount outstanding of computer loan will be recovered through the CMTD at his credit and if there is insufficient balance in his CMTD account, the outstanding balance after adjusting the CMTD at his credit will be communicated to Railway Administration for deducting from the DCRG payable by the Railway Administration or from the two sureties as per the agreement to be executed by the Borrower and Sureties.
13. The Shareholder has to apply for this Computer Loan in the prescribed application as provided by the Society only.
14. The Borrower and both the sureties will have to enter into an agreement with the Society. The stamp duty, if any, prescribed by the State Govt. will be paid by the borrower or it will be deducted from Computer Loan to be advanced.
15. During the entire/broken tenure of a Shareholdership with the Society, this loan will be advanced only once to the shareholder.
16. This loan will be advanced to the eligible Shareholders at the sole discretion of the Board of Directors.