

**THIRTY-THIRD REPORT
COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

MINISTRY OF COOPERATION

(Presented to Lok Sabha on 2.08.2022)



**LOK SABHA SECRETARIAT
NEW DELHI**

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COMPOSITION OF THE COMMITTEE ON PETITIONS

Shri Harish Dwivedi - *Chairperson*

MEMBERS

2. Shri Anto Antony
3. Shri Hanuman Beniwal
4. Dr. Sukanta Majumdar
5. Shri Sanjay Sadashivrao Mandlik
6. Shri P. Ravindhranath
7. Shri Brijendra Singh
8. Shri Sushil Kumar Singh
9. Shri Manoj Tiwari
10. Shri Prabhubhai Nagarbhai Vasava
11. Shri Rajan Vichare
12. Shri Arvind Sawant
13. Vacant
14. Vacant
15. Vacant

SECRETARIAT

1. Shri T.G. Chandrasekhar - Additional Secretary
2. Shri Raju Srivastava - Director
3. Shri G. C. Dobhal - Additional Director
4. Shri Anand Kumar Hansda - Assistant Executive Officer

**THIRTY-THIRD REPORT OF THE COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

INTRODUCTION

I, the Chairperson, Committee on Petitions, having been authorised by the Committee to present on their behalf, this Thirty-Third Report (Seventeenth Lok Sabha) of the Committee to the House on the representation of Shri Kailash Gorakh Patil, Chairman, Chopda Taluka Shetkari Sahakari Sootgirmi Maryadit, Chopda, Jalgaon (Maharashtra) requesting for release of subsidy, restructuring of loans, providing additional working capital from National Cooperative Development Corporation (NCDC) and completion of inspection, etc.

2. The Committee considered and adopted the draft Thirty-Third Report at their sitting held on 13 July, 2022.

3. The observations/recommendations of the Committee on the above matters have been included in the Report.

NEW DELHI;

**HARISH DWIVEDI,
Chairperson,
Committee on Petitions.**

13 July, 2022

21 Ashadha, 1944 (Saka)

REPORT

REPRESENTATION OF SHRI KAILASH GORAKH PATIL, CHAIRMAN, CHOPDA TALUKA SHETKARI SAHAKARI SOOTGIRNI MARYADIT, CHOPDA, JALGAON (MAHARASHTRA) REQUESTING FOR RELEASE OF SUBSIDY, RESTRUCTURING OF LOANS, PROVIDING ADDITIONAL WORKING CAPITAL FROM NATIONAL COOPERATIVE DEVELOPMENT CORPORATION (NCDC) AND COMPLETION OF INSPECTION, ETC.

Shri Kailash Gorakh Patil, Chairman, Chopda Taluka Shetkari Sahakari Sootgirni Maryadit, Chopda, Jalgaon (Maharashtra) had submitted a representation dated 11.9.2020 for release of subsidy, restructuring of loans, providing additional working capital from National Cooperative Development Corporation (NCDC) and completion of inspection, etc..(Annexure-I)

2. The representationist, in his representation, *inter alia* stated that the economy of Chopda Tehsil in Jalgaon District of Maharashtra, mostly depends on agriculture as majority of crop cultivated is cotton. He further stated that a group of farmers has initiated a Cooperative Society as primary processors' institution for cotton processing named as 'Chopda Taluka Shetkari Shahakari Sootgirni Limited', registered under the Maharashtra State Cooperative Act, in the fund ratio of 5:45:50, i.e., 5% own share capital, 45% State Government share capital and remaining 50% bank loan. The Society has nearly 11,300 farmer members and approximately 18,750 acres (7,500 hectares) of land, out of which, 42 acres is being used for running the spinning mill project, wherein, nearly 400 employees are presently working. He also stated that National Cooperative Development Corporation (NCDC) has financed the project for its first and second phase in respect of establishing new spinning mill having a total of 25,920 spindles capacity. However, due to excess rainfall in many areas of the Chopda Tehsil, the cotton crops got damaged and consequently, the farmers of the area incurred huge loss. He has, therefore, on behalf of the Society under reference, requested to do the needful in the following matters:-

- (i) Release of receivable CSICAC subsidy amounting to ₹12.05 crores.
- (ii) Increasing Moratorium Period and Repayment Tenure in respect of the existing loan for Phase-II.
- (iii) Providing Working Capital Loan of ₹10 crores.

(iv) *Inspection for installation of all machinery having capacity of 25,920 spindles.*

3. The Committee on Petitions took up the representation for examination under Direction 95 of the Directions by the Speaker, Lok Sabha. Accordingly, the representation received from Shri Kailash Gorakh Patil was forwarded to the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare) and the Ministry of Textiles for furnishing their comments on the issues raised therein.

4. In response thereto, the Ministry of Textiles *vide* their Office Memorandum No. 11/19/2020-Fibre-I dated 28 October, 2020, furnished the following *point-wise* comments in the matter:-

"It is stated that the Chairman of the Society has requested to National Cooperative Development Corporation (NCDC), Delhi to do the needful on the following issues:-

- (i) *CSISAC subsidy;*
- (ii) *Moratorium Period and Repayment Tenure;*
- (iii) *Working Capital; and*
- (iv) *Inspection of Limit*

In this regard, it is submitted that the above are not dealt in the Ministry of Textiles and hence there is no comment to offer. The matter seems to pertain to Ministry of Agriculture."

5. The Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare - Cooperation Division) *vide* their Office Memorandum No. R-11016/24/2020-I&P dated 3 November, 2020, furnished the following comments in the matter:-

"Request of the Society

Release of balance CSISAC subsidy of ₹12.05 crore at one time, as it will reduce interest cost and loan burden.

Comments

Government of India provide financial assistance to National Cooperative Development Corporation (NCDC) under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC).

CSISAC Scheme has three components, namely (i) Assistance to NCDC Programmes for Development of Cooperatives; (ii) Cooperative Education & Training; and (iii) Assistance to Multi-State Cooperative Federations. Hence, NCDC provides loan to Cooperatives and subsidy part is covered from the Scheme of Government of India. Based on the approval, available subsidy is provided to NCDC under the Scheme and NCDC, being an autonomous organisation decides how to distribute the subsidy to Cooperatives. NCDC has also been advised to plan their activity subject to availability of subsidy. During the last five years, NCDC has been provided ₹558 crore under CSISAC.

In the present case, NCDC has informed that in July 2016, it sanctioned financial assistance of ₹57.28 crore comprising term loan of ₹44.00 crore and CSISAC subsidy of ₹13.28 crore to Chopda Taluka Shetkari Sahakari Soot Girni Limited for establishment of new Spinning Mill of 25,920 spindles at total project cost of ₹88.55 crore. The details of sanction (Annexure-II) and release (Annexure-III) are as under:-

(₹ in crore)

Particulars	Sanctioned	Released	Spillover
Term loan	44.00	44.00	0.00
CSISAC subsidy	13.28	3.23	10.05
Total	57.28	47.23	10.05

Since, CSISAC subsidy was not available at the time of release of term loan, to keep up the continuity of implementation of the project, on the request of the Society, an amount of ₹11.36 crore was provided as loan in lieu of subsidy. As and when subsidy received, it was adjusted against loan in lieu of subsidy and at present, the outstanding loan in lieu of subsidy is ₹9.88 crore.

Balance eligible CSISAC subsidy would be provided to the Society, by way of adjustments, against the loan in lieu of subsidy as and when the same is made available.

Request of the Society

Increase in moratorium period of existing loan and repayment tenure to 10 years.

Comments

In February 2017, NCDC sanctioned Working Capital (WC) loan of ₹15.00 crore to the Society for a period of 5 years, subject to renewal on yearly basis based on financial/operational performance. The WC loan facility was renewed upto 16.12.2018. However, WC facility was not renewed beyond 16.12.2018 due to deterioration in financial position as also the Society defaulted in repayment of term loan installments w.e.f. 05.03.2019 and working capital loan installments w.e.f. 22.02.2019.

The Society made part payment of ₹2.45 crore upto 16.03.2020 and submitted request for rescheduling/restructuring of outstanding loans along with interest, vide letter dated 20.03.2020. Based on examination and further scrutiny, by following the prudent lending norms, NCDC vide letter No. NCDC: 20-3/2016-Text dated 11.09.2020 (Annexure-IV) conveyed the approval for reschedulement/ restructuring of outstanding loans. The rescheduled/restructured loan package has since been accepted by the Society vide its letter No. 89/2020-21 dated 30.09.2020 (Annexure-V).

Request of the Society

Additional Working Capital loan of ₹10.00 crore over and above the loan provided earlier.

Comments

As indicated above, the Society is not eligible for sanction of additional loan.

Request of the Society

Inspection of unit for claiming State Government subsidy.

Comments

The Government of Maharashtra has Scheme for supporting Textile Sector by extending capital subsidy to spinning mills. As per the Scheme guidelines, defaulting

units are not eligible for subsidy/grant. Since NCDC vide letter dated 11.09.2020 has rescheduled/restructured outstanding loans, for the purpose of receiving subsidy, the loan account would be treated as regular. Technical inspection of the unit would be conducted by NCDC, as per requirements of the Scheme, subject to submission of the following:

- (a) Component-wise actual expenditure incurred by the Society supported with CA certified statement along with sources of funds;*
- (b) Component-wise physical progress in implementation of project; and*
- (c) Project completion report."*

6. In connection with the comprehensive examination of the instant representation of Shri Kailash Gorakh Patil requesting for release of subsidy, restructure of loans and providing additional working capital from National Cooperative Development Corporation in light of the above comments furnished by the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare - Cooperation Division), the Committee on Petitions held a briefing meeting with the representatives of the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare) on 28 December, 2020.

7. During the said briefing meeting, the major issues put forth before the Committee by the representatives of the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare), were as follows:-

- (i) The Government of India provides financial assistance to National Cooperative Development Corporation (NCDC) under the Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC).*
- (ii) CSISAC has three components - (a) Assistance to NCDC Programmes for Development of Cooperatives; (b) Cooperative Education & Training; and (c) Assistance to Multi-State Cooperative Federations. NCDC provides loan to cooperatives and subsidy part is covered from the Scheme of the Government. During the last five years, NCDC has been provided Rs.558 crore under CSISAC.*
- (iii) In July, 2016, NCDC sanctioned financial assistance of Rs.57.28 crore comprising Term Loan of Rs.44.00 crore and CSISAC subsidy of Rs.13.28*

crore to Chopda Taluka Shetkari Sahakari Sootgirni Limited for establishment of new Spinning Mill of 25,920 spindles at total project cost of Rs.88.5 crore.

- (iv) Since CSISAC subsidy was not available at the time of release of Term Loan, an amount of Rs.11.36 crore was provided as loan in lieu of subsidy to keep up the continuity of implementation of the project.
- (v) Balance eligible CSISAC subsidy would be provided to the Society, by way of adjustments, against the loan in lieu of subsidy as and when the same is made available.
- (vi) In February, 2017, NCDC sanctioned Working Capital loan of Rs.15.00 crore to the Society for a period of 5 years, subject to renewal on yearly basis based on financial/operational performance. Working Capital loan facility was not renewed beyond 16.12.2018 due to deterioration in financial position as also the Society defaulted in repayment of Term Loan and Working Capital loan installments.
- (vii) The Society made part payment of Rs. 2.45 crore upto 16.3.2020 and submitted request for re-scheduling/restructuring of outstanding loans along with interest which was approved after the examination and further scrutiny by following the prudent lending norms.
- (viii) The Government of Maharashtra has a scheme for supporting textile sector by extending capital subsidy to spinning mills. As per the scheme guidelines, defaulting units are not eligible for subsidy/grant. Since, NCDC rescheduled/restructured outstanding loans for the purpose of receiving subsidy, the loan account would be treated as regular. Technical inspection of the unit would be conducted by the NCDC as per the requirements of the scheme.

8. Subsequently, the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare - Cooperation Division) vide their Office Memorandum No. R-11016/24/2020-I&P dated 30 December, 2020, furnished the Progress Report/comments on queries made by the Members of the Committee during the briefing meeting with their representatives held on 28 December, 2020 on the subject, as under:-

"The Society, Chopda Taluka Shetkari Sahakari Sootgirni Limited, District Jalgaon, Maharashtra is a growers' cooperative spinning mill registered in 1991 and located in cotton growing region of Maharashtra. To take advantage of raw material

availability from its members, the Society decided to establish new spinning mill and initially raised contribution of ₹3.00 crore from its members and got ₹21.72 crore as share capital from the State Government (upto 2015). In 2016, the Society approached NCDC for balance financial assistance to establish new spinning mill of 25,920 spindles capacity.

In July 2016, NCDC sanctioned financial assistance of ₹57.28 crore comprising term loan of ₹44.00 crore and CSISAC subsidy of ₹13.28 crore to the Society for establishment of new Spinning Mill of 25,920 spindles capacity at total project cost of ₹88.55 crore. NCDC has so far disbursed financial assistance of ₹57.13 crore comprising term loan of ₹44.00 crore and CSISAC subsidy of ₹13.13 crore leaving balance subsidy of ₹0.15 crore. As per available information, the Society has completed the entire project of 25,920 spindles by 23.12.2020 and yet to submit the statement of final expenditure incurred on implementation of project and completion report.

In February 2017, NCDC sanctioned Working Capital (WC) loan of ₹15.00 crore with revolving facility for a period of 5 years to the Society and the same was renewed upto 16.12.2018 after expiry of first year of sanction. Later, it was not renewed due to deteriorating financial conditions of the society.

With regard to issues/points raised in the representation before the Committee on Petitions by Shri Kailash Gorakh Patil, Chairman of Chopda Taluka Shetkari Sahakari Soot Girni Maryadit, the current status on the representations is as under:-

S.No	Representation of the Society	Comments																
A.	Release of balance CSISAC subsidy of ₹12.05 crore, as it will reduce interest cost and loan burden.	Out of sanctioned CSISAC subsidy of ₹13.28 crore, eligible subsidy of ₹13.13 crore was disbursed as under: (₹ in crore) <table border="1"> <thead> <tr> <th>Date of disbursement</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>13/12/2016</td> <td>0.91</td> </tr> <tr> <td>28/08/2018</td> <td>0.32</td> </tr> <tr> <td>01/10/2019</td> <td>0.65</td> </tr> <tr> <td>31/03/2020</td> <td>0.50</td> </tr> <tr> <td>21/09/2020</td> <td>0.85</td> </tr> <tr> <td>18/12/2020</td> <td>9.90</td> </tr> <tr> <td>Total</td> <td>13.13</td> </tr> </tbody> </table>	Date of disbursement	Amount	13/12/2016	0.91	28/08/2018	0.32	01/10/2019	0.65	31/03/2020	0.50	21/09/2020	0.85	18/12/2020	9.90	Total	13.13
Date of disbursement	Amount																	
13/12/2016	0.91																	
28/08/2018	0.32																	
01/10/2019	0.65																	
31/03/2020	0.50																	
21/09/2020	0.85																	
18/12/2020	9.90																	
Total	13.13																	

		Balance CSISAC subsidy of ₹0.15 crore would be considered, on submission of final expenditure statement and project completion report and availability of funds.
B.	Increase in moratorium period of outstanding loans and repayment tenure to 10 years.	The Society defaulted in repayment of term loan instalments w.e.f. 05.03.2019 and working capital loan instalments w.e.f. 22.02.2019. The Society made part payment of ₹2.45 crore upto 16.03.2020 and submitted request for re-scheduling/ restructuring of outstanding loans (both Term Loan and Working Capital loan) along with interest, vide letter dated 20.03.2020. NCDC vide its letter dated 11.09.2020 rescheduled/ restructured the entire overdue/outstanding NCDC dues of ₹73.37 crore comprising term loan of ₹49.69 crore and working capital loan of ₹10.49 crore and interest payable of ₹13.19 crore, for the period of 8 years (i.e., repayable in 16 half yearly installments payable on 5 th March and 5 th September of every year w.e.f. 05.03.2021). The rescheduled/restructured loan package has since been accepted by the Society through its Board Resolution and conveyed vide letter No. 89/2020-21 dated 30.09.2020.
C.	Additional working capital loan of ₹10.00 crore over and above the loan provided earlier.	Additional working capital loan of ₹10.00 crore cannot be provided by NCDC. The working capital loan available with Society is ₹10.49 crore and the same has been rescheduled for 8 years.
D.	Inspection of unit for claiming State Government subsidy	The Society having completed the project, is yet to submit the following:- a. Final expenditure statement duly certified by Chartered Accountant; b. Project completion report.

		On receipt of the above, inspection of the unit would be conducted by NCDC, as per requirements of the scheme of Government of Maharashtra.
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NCDC has been providing financial assistance to all types of cooperatives (including textile i.e., allied activity of agriculture) across the country. Since inception, NCDC has provided financial assistance of ₹1.53 lakh crore out of which 70% was provided during last 6 years. During the current year 2020-21, NCDC has disbursed ₹15,850 crore upto 24.12.2020 for development of cooperatives in the country. Particularly, during last 6 years (2014-15 to 2019-20), NCDC has provided financial assistance of ₹1,06,713.39 crore i.e., 292% higher to ₹27,222.13 crore disbursed during the previous 6 years period (2008-09 to 2013-14). The details of financial assistance provided by NCDC during last 12 years are:

		(₹ in crore)	
Year	Disbursed	Year	Disbursed
2008-09	3586.91	2014-15	5735.51
2009-10	3784.65	2015-16	7117.80
2010-11	4706.81	2016-17	15914.56
2011-12	5008.08	2017-18	21969.58
2012-13	4864.60	2018-19	28272.51
2013-14	5271.08	2019-20	27703.43
Total	27222.13		106713.39

9. Meanwhile, the representationist, Shri Kailash Gorakh Patil submitted a further communication dated 17.01.2022 requesting for release of additional working capital of Rs. 10 crore from the National Cooperative Development Corporation (NCDC) and completion of inspection before the Committee on Petitions, wherein, he *inter alia* stated that although the Ministry of Agriculture had agreed to release the additional loan in lieu of subsidy, it was only a book entry on the part of the Ministry/NCDC, without any physical financial transaction and therefore, requested the following:-

- (i) An additional working capital of Rs. 10 crore may be sanctioned and released to the Society by the NCDC on urgent basis to run the Mill which will benefit more than 11300 farmer members and more than 400 employees of the Mill; and

- (ii) *Inspection by NCDC for installation of all machinery having capacity of 25920 spindles may be completed on urgent basis so that a good amount subsidy is released by the State Government and the interest cost burden of the Society/Mill is decreased substantially and the Society is saved from bankruptcy.*

10. Upon preliminary scrutiny of aforementioned communication dated 17.01.2022 of Shri Kailash Gorakh Patil, the same was forwarded to the Ministry of Agriculture, Cooperation & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare) and Ministry of Cooperation for furnishing their comments in the matter *vide* Lok Sabha Secretariat Office Memorandum dated 19.01.2022.

11. Pursuant to the above, the Ministry of Cooperation (I&P Section) *vide* their Office Memorandum No. R-11016/24/2020-I&P dated 08.02.2022 furnished the following comments in the matter:-

"Request of the Society

An Additional working capital loan of ₹10.00 crore may be sanctioned and released to the Society by NCDC on urgent basis to run the mill which will benefit more than 11,300 farmer members and more than 400 employees of the mill.

Comments of the NCDC

In February 2017, NCDC sanctioned Working Capital (WC) loan of ₹15.00 crore to the Society for a period of 5 years, subject to annual renewal/revalidation based on financial/operational performance of the Society. The WC loan facility was renewed upto 16.12.2018. However, WC facility was not renewed beyond 16.12.2018 as the Society defaulted in repayment of term loan instalments w.e.f. 05.03.2019 and working capital loan instalments w.e.f. 22.02.2019.

*The Society made part payment of ₹2.45 crore upto 16.03.2020 and submitted request for reschedulement/restructuring of outstanding loans along with interest, *vide* letter dated 20.03.2020. Based on examination and further scrutiny, by following the prudent lending norms, NCDC *vide* letter No. NCDC: 20-3/2016-*Tex* dated 11.09.2020 conveyed the approval for rescheduling/ restructuring of outstanding loans. The rescheduled/restructured loan package has since been accepted by the Society *vide* board resolution dated 30.09.2020.*

After rescheduling/restructuring, instalment due payable by the Society on 05.03.2021 was adjusted through disbursement of CSISAC subsidy from Government of India. Subsequently, the Society made only part payment and defaulted in repayment of instalment due on 05.09.2021. A team of NCDC officials visited the Society on 29.10.2021 to study its operational issues and lend helping hand in preparation of action plan for mitigating its over dues. Thereafter, the Society has submitted its action plan (Annexure-VI) for clearing the entire NCDC overdue by 15.11.2021. But the Society did not honour its promise. On continuous persuasion by NCDC, the Society has so far made part payment of ₹6.25 crore and as on 30.01.2022, total overdue is ₹2.15 crore comprising principal of ₹2.12 crore and interest of ₹0.03 crore.

The request of the Society for sanction and release of additional Working Capital loan cannot be considered on the following grounds:

- (i) The Society defaulted in repayment of term loan and Working Capital Loan;
- (ii) On the specific request of the Society, the entire overdue amount has been re-structured and rescheduled by NCDC vide letter No. NCDC: 20-3/2016-Text dated 11.09.2020;
- (iii) As per restructured loan package, Working Capital of ₹10.49 crore has been capitalized and restructured and hence the said amount is available with the Society for meeting its day-to-day business operations; and
- (iv) The Society has again defaulted in repayment of rescheduled/restructured loan.

Request of the Society

Inspection by NCDC for all installed machinery having capacity of 25,920 spindles may be completed on urgent basis so that a good amount of subsidy is released by the State Government and the interest cost burden of the society/mill is decreased substantially and the Society is saved from bankruptcy.

Comments of the NCDC

The Government of Maharashtra has adopted Textile Policy for supporting textile sector by extending capital subsidy to spinning mills. As per the Scheme Guidelines, defaulting units are not eligible for subsidy/grant. Copy of Scheme Guidelines of Maharashtra Textile Policy is attached at Annexure-VII. NCDC vide letter dated 11.09.2020 has re-scheduled/ restructured outstanding loans. Even after reschedulement/restructuring, the society has again defaulted in repayment of instalment due on 05.09.2021 and hence the loan account of the Society is treated as irregular.

Technical inspection of the unit would be conducted by NCDC, as per requirements of the Scheme, subject to clearance of NCDC over dues and account being treated as standard, subject to submission of the following documents:

- (a) Component-wise actual expenditure incurred by the society supported with CA certified statement along with sources of funds;*
- (b) Component-wise physical progress in implementation of project; and*
- (c) Project completion report.*

Further, it is submitted that NCDC conducts Technical Inspection of Cooperative Spinning Mills and make the reports available to Government of Maharashtra as promotional activity without levying any fee/agency charges."

12. The Committee, thereafter, held further briefing meeting with the representatives of Ministry of Cooperation on the representations dated 17 January, 2022 and 3 March, 2022 of Shri Kailash Gorakh Patil Chairman of Chopda Taluka Shetkari Sahakari Soot Girmi Maryadit District Jalgaon Maharashtra *inter alia* regarding release of additional Working Capital of Rs 10 crore from the National Cooperative Development Corporation (NCDC) and completion of Inspection, etc., on 5 April, 2022.

13. During the briefing meeting, the Committee on Petitions recapitulated that the two unresolved issues, viz., sanction and release of additional Working Capital and completion of Inspection and issue of Form 'C' during the discussion held with the representatives of the Ministry of Agriculture & Farmers' Welfare [the then Ministry in charge of the matters related to cooperation] on 28 December, 2020 and observed that no positive outcome has come out as yet and therefore, sought clarifications on the following aspects:-

- (i) *The Chopda Taluka Shetkari Sahakari Soot Girni Maryadit, Jalgaon (Maharashtra) has been providing direct employment to approximately 11,000 people who are working in their spinning mill which make cotton spindles. Moreover, they buy cotton from approximately 2 lacs cotton farmers, providing them the source of livelihood. As a matter of fact, the Society, in question, has already made part payment of Rs. 6.25 crore as on 30.01.2022 and now, the total overdue amount is Rs. 2.15 crore, which stands as a testimony that the Society has been repaying to the NCDC against their term loan and the Working Capital Loan gradually and it is not a fake paper Society/Company. Moreover, on 31.03.2022, the said overdue amount has also been repaid by the Society. In such a situation, the moot question arises as to why the Ministry of Cooperation/NCDC are not considering release of additional Working Capital of Rs. 10 crore, completion of Inspection and issue of Form 'C' to the Society?*
- (ii) *In the wake of the Covid-19 pandemic and intermittent lockdowns, the Government of India had taken various policy initiatives, particularly for MSME sector, such as waiver of interest, restructuring of loans, etc., to mitigate the adverse economic impact. As many as 80 crore population of the country were given free ration by the Union Government during the pandemic. In such a difficult situation, the Ministry of Cooperation/NCDC should also sympathetically consider the request of the Society to provide additional Working Capital, etc., to overcome their operational problems.*

14. During the sitting held on 5 April, 2022, the representatives of the Ministry Cooperation/NCDC deposed before the Committee, as under:-

- (i) *In the year 2016, the Society was sanctioned term loan and later in 2017, Working Capital loan was also sanctioned. Although, the Society have been repaying the installments, they have defaulted on some occasions despite the fact that the repayment term has been rescheduled and extended up to 5 September, 2028. Moreover, at the time of restructuring, the existing outstanding Working Capital loan of Rs. 10.49 crore was recapitalized, which was at disposal of the Society.*
- (ii) *Upon inspection of the Society/Unit in the year 2021, it was found that the Society was running well; however, there were some difficulties being faced by them in regard to financial management or actively deploying the finances of the Society. The Ministry of Cooperation/NCDC are also well aware of the*

fact that during the Covid-19 pandemic, the cost of the raw materials has enormously increased and when there is consequent escalation of the procurement cost, naturally any Production Unit requires additional Working Capital. However, as per the Guidelines, there are some hindrances in re-scheduling/re-structuring the loan, in case of a defaulting Society/Unit. The loan of the Society, in question, was re-scheduled/re-structured in the light of Guidelines issued during the pandemic. Further, their Working Capital was also recapitalized.

- (iii) As regards Inspection of the Units, as per the Government of Maharashtra Scheme, which allows the lending Institution/Bank to forward only those proposals for Inspection of the Units/Society which are not defaulting.
- (iv) As per the Government of Maharashtra Scheme, Capital Subsidy is allowed only for eligible Company.

15. Subsequently, the Ministry of Cooperation (I&P Section) vide their Office Memorandum No. R-11016/24/2020-I&P dated 26.04.2022 furnished their comments, as under:-

"Request of the Society made in its representations

NCDC to provide additional Working Capital loan of ₹10 crore

Comments of the NCDC

As part of re-scheduling/restructuring package, outstanding working capital loan of ₹10.49 crore was capitalized along with term loan. Therefore, working capital is available with the Society for its business operations. The Society has defaulted in repayment of rescheduled/restructured loan also and thus, it does not fulfil direct funding norms of NCDC. Therefore, NCDC cannot lend any further loans to the Society. However, NCDC may consider allowing the Society to create subsergent charge on its assets for availing working capital loan from any other source, subject to clearance of overdue interest by the Society.

Request of the Society made in its representations

NCDC to inspect mill and provide report for availing capital subsidy from Government of Maharashtra.

Comments of the NCDC

Inspection of the unit would be conducted, as per requirements of the scheme of Government of Maharashtra, after the Society's loan account becomes standard. For this purpose, the society has to clear interest overdue (₹1.79 crore as on 13.04.2022) till the date of actual payment and subsequently NCDC may consider to spread over the principal overdue of ₹ 6.70 crore equally among remaining 13 half yearly instalments within the rescheduled loan period to make the loan account as standard."

16. The Ministry of Cooperation (I&P Section) vide their aforementioned Office Memorandum dated 26.04.2022 also furnished a Factual Note on NCDC assistance to Tapi Shetkari Sahakari Sootgirmi Limited (formerly Chopda Taluka Shetkari Sahakari Soot Girni Maryadit) District Jalgaon, Maharashtra for establishment of Spinning Mill of 25,920 spindles and its working capital requirements, as under:-

"Tapi Shetkari Sahakari Sootgirmi Limited (Formerly Chopda Taluka Shetkari Sahakari Soot Girni Maryadit), District Jalgaon, Maharashtra is a growers' cooperative spinning mill registered in 1991 and the mill is located in cotton growing region of Maharashtra state i.e., North Maharashtra. To take advantage of raw material availability from its members, the Society decided to establish new spinning mill and initially raised contribution of ₹3.00 crore from its members and got ₹21.72 crore as share capital from the State Government (upto 2015) in this regard. Therefore, in 2016, the Society had approached NCDC for balance financial assistance to establish new spinning mill of 25,920 spindles capacity.

In July 2016, NCDC vide letter dated 06.07.2016 (Annexure-VIII), with the approval of Board of Management (BOM), NCDC, in its 197th meeting held on 27.06.2016, sanctioned financial assistance of ₹57.28 crore comprising ₹44.00 crore as term loan and ₹13.28 crore as CSISAC subsidy to the Society for establishment of new Spinning Mill of 25,920 spindles at total project cost of ₹88.55 crore as per details given under:-

(Rs. in lakhs)

Sl.No	Particulars	% of project cost	Amount
1.	Term loan from NCDC	49.69	4400.00
2.	Subsidy under CSISAC*	15.00	1328.25
3.	Society's contribution	35.31	3126.75
	Total	100.00	8855.00

*subject to availability from Government of India

Further, in February 2017, NCDC vide letter dated 15.02.2017 (Annexure-IX), with the approval of Internal Screening Committee (ISC), NCDC in its 30th meeting for Financial Year 2016-17 held on 03.02.2017, sanctioned Working Capital (WC) loan of ₹15.00 crore with revolving facility for a period of 5 years to the said Society (subject to yearly renewal based on operational/financial performance of the Society) which was renewed upto 16.12.2018 after expiry of first year of sanction. Later, it was not renewed due to erosion in paid up share capital and thus not fulfilling direct funding norms of NCDC. The sanction and disbursement details of NCDC loans are as under:-

a) Sanction & disbursement details of NCDC assistance for creation of infrastructure:

Total Block cost (₹ in crore)	Sanctioned (₹ in crore)				Released (₹ in crore)			Security
	Date	Loan	Subsidy	Total	Loan	Subsidy	Total	
88.55	06.07.2016	44.00	13.28	57.28	44.00	13.28	57.28	Mortgage of fixed assets on first charge basis

b) Sanction & disbursement details of Working Capital loan - on revolving basis for 5 years:

Date of sanction	Sanctioned limit (₹ in crore)	No. of renewals so far	Latest revised limit (₹ in crore)	Validity date of latest renewal	Security
15.02.2017	15.00	1	15.00	16.12.2018	Mortgage of fixed assets on first charge basis

Note: Not renewed further due to default in NCDC dues & erosion in paid up share capital

Date-wise details of disbursement of term loan, working capital loan, loan in lieu of subsidy & CSISAC subsidy are as under:-

Term Loan		Loan in lieu of subsidy		CSISAC subsidy		Working Capital loan	
Date	Amount (Rs. in Cr)	Date	Amount (Rs. in Cr)	Date	Amount (Rs. in Cr)	Date	Amount (Rs. in Cr)
17.08.2016	1.50	17.01.2018	2.15	13.12.2016	0.91	25.04.2017	6.00
26.08.2016	12.00	25.01.2018	2.35	28.08.2018	0.32#	28.08.2017	3.00
03.10.2016	5.00	16.03.2018	3.46	01.10.2019	0.65#	12.10.2017	6.00
05.11.2016	4.25	18.05.2018	1.89	31.03.2020	0.50#	20.12.2017	3.00
21.11.2016	2.25	14.08.2018	1.50	21.09.2020	0.85#	22.02.2018	5.00
10.12.2016	5.50	Total	11.35	18.12.2020	9.90#	06.04.2018	1.00
30.12.2016	3.50			31.03.2022	0.15#	17.04.2018	3.00
10.02.2017	0.50			Total	13.28	25.04.2018	3.00
15.02.2017	1.50					Total	30.00
21.02.2017	1.50						
25.04.2017	1.00						
07.11.2017	1.00						
11.12.2017	4.50						
Total	44.00						

Adjusted against outstanding loan in lieu of subsidy/overdue.

Out of approved capacity of 25,920 spindles, the Society has completed 17,280 spindles and started commercial production on 24.03.2017 and then added 4,320 spindles on 29.02.2020. As per latest available information, the Society has installed all machinery and equipment for 25,920 spindles. But the Society is yet to submit project completion report.

The Society had defaulted in repayment of NCDC loans w.e.f. 22.02.2019 and subsequently requested NCDC for reschedulement/restructuring. The details of disbursement, repayment and outstanding position of loans of the society at the time of reschedulement/restructuring were as under:

a) Disbursement and repayment details of NCDC loan

(Rs. in crore)

Sl.No.	Loan details as on 22.06.2020 (i.e., on the date of rescheduling/restructuring)			
	Loan Type	Disbursed	Repaid	Outstanding
1	WC	30.00	19.51	10.49
2	TL	55.35	5.67	49.68
		85.35	25.18	60.17

Note: WC- Working Capital & TL- Term loan includes loan in lieu of CSISAC subsidy

b) Original repayment position of NCDC term loan & working capital loan

Particulars	Existing repayment schedule		Part payment made	
	Due date of payment	Status of repayment	Date	Amount (Rs. in Cr)
Term Loan Period of loan is 8 years including 2 years moratorium Loan repayable in 12 half yearly installments	05.09.2018	Repaid	22.02.2019	0.50
	05.03.2019	Defaulted	01.10.2019	0.65
	05.09.2019	Defaulted	26.02.2020	0.10
	05.03.2020	Defaulted	16.03.2020	1.20
	05.09.2020	Rescheduled		
	05.03.2021	Not yet due		
	05.09.2021	Not yet due		
	05.03.2022	Not yet due		
	05.09.2022	Not yet due		
	05.03.2023	Not yet due		
	05.09.2023	Not yet due		
	05.03.2024	Not yet due		
Working Capital Loan	22.02.2019	Defaulted		
	06.04.2019	Defaulted		
	17.04.2019	Defaulted		
	25.04.2019	Defaulted		

Considering the lean patch of Textile Sector and also the constraints faced due to Covid-19 pandemic, NCDC vide letter dated 11.09.2020 rescheduled/ restructured the outstanding loans (both TL & WC) along with balance interest over dues, w.e.f. 23.06.2020 for a period of 8 years (i.e., repayable in 16 half yearly installments payable on 5th March & 5th September of every year i.e., w.e.f. 05.03.2021 to 05.09.2028) with the approval of 213th meeting of Board of Management (BOM), NCDC held on 04.09.2020 and the same was accepted by the Society through its board resolution dated 30.09.2020.

Further, the Society submitted its representation on 11.09.2020 to the Committee on Petitions Branch, Lok Sabha Secretariat and Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW) vide letter dated 29.09.2020 forwarded the same to NCDC for comments on the requests of the Society to (i) Disburse balance CSISAC subsidy at one time, as it will reduce interest cost and loan burden.; (ii) Increase in moratorium period of existing loan and repayment tenure to 10 years; (iii) Additional working capital loan of ₹10.00 crore over and above the loan provided earlier; and (iv) Inspection of unit for claiming State Government subsidy. Subsequently, NCDC vide letter dated 06.10.2020 (Annexure-X) furnished the comments to DAC&FW.

After re-scheduling/restructuring, instalment due payable by the Society on 05/03/2021 was adjusted through disbursement of CSISAC subsidy of ₹ 9.90 crore from Government of India. Subsequently, the Society made only part payment of Rs. 3.10 crore and defaulted in repayment of instalment due on 05.09.2021. A team of NCDC officials visited the Society on 29.10.2021 to study its operational issues and lend helping hand in preparation of action plan for mitigating its over dues. Thereafter, the Society has submitted its action plan for clearing the entire NCDC over dues by 15.11.2021. But the Society did not honour its promise. On continuous persuasion by NCDC, the society made further part payment of ₹5.48 crore and accordingly, so far paid ₹8.58 crore after default till date and again defaulted in its latest instalment due on 05.03.2022.

The details of payment made by the Society against instalment due after re-scheduling/restructuring are as under:

(Rs. in crore)

Particulars	Rescheduled/restructured repayment schedule		Part payment made	
	Due date of payment	Status of repayment	Date	Amount
Rescheduled/restructured Loan	05.03.2021	Adjusted through disbursement of CSISAC subsidy	22.07.2021	0.45
Rescheduled loan amount is Rs. 73.36 crore (includes WC of Rs.10.49 crore and interest dues of Rs.13.19 crore)	05.09.2021	Defaulted	28.07.2021	0.45
	05.03.2022	Defaulted	13.08.2021	0.45
	05.09.2022	Not yet due	18.08.2021	0.45
	05.03.2023	Not yet due	21.08.2021	0.85
	05.09.2023	Not yet due	27.08.2021	0.45
	05.03.2024	Not yet due	12.10.2021	0.25
	05.09.2024	Not yet due	13.10.2021	0.25
	05.03.2025	Not yet due	29.10.2021	0.40
	05.09.2025	Not yet due	18.11.2021	0.25
	05.03.2026	Not yet due	24.11.2021	0.25
Rescheduled loan period is 8 years without any moratorium	05.09.2026	Not yet due	26.11.2021	0.25
	05.03.2027	Not yet due	30.11.2021	0.25
	05.09.2027	Not yet due	02.12.2021	0.25
	05.03.2028	Not yet due	04.12.2021	0.25
	05.09.2028	Not yet due	13.12.2021	0.25
			15.12.2021	0.25
			21.12.2021	0.25
			31.03.2022	0.15
		07.04.2022	2.18	
		Total	8.58	

As on 13.04.2022, total overdue is ₹8.49 crore comprising principal of ₹6.70 crore & interest of ₹1.79 crore and loan outstanding is ₹66.31 crore.

The Society, has again submitted its representation vide letter dated 17.01.2022 (Annexure-XI) to the Committee on Petitions Branch, Lok Sabha Secretariat and the Ministry of Cooperation, Government of India has forwarded the same to NCDC for furnishing point-wise comments on the representation of the Society. Subsequently, NCDC vide letter dated 31.01.2022 (Annexure-XII) furnished the comments to Ministry of Cooperation. Again, the Society vide its letter dated 03.03.2022 (Annexure-XIII) has submitted representation to Committee on Petitions Branch, Lok Sabha Secretariat which was forwarded by Ministry of Cooperation vide email dated 28.03.2022 for taking appropriate action and NCDC vide letter dated 30.03.2022 (Annexure-XIV) furnished the reply to Ministry of Cooperation.

Further, a meeting of Committee on Petitions, Lok Sabha was held on 05.04.2022 at 3.30 PM in Committee Room No. 3, Parliament House Annexe (Extn.) and as directed by Competent Authority, Director (Textile) attended the briefing along with Shri D K Singh, Secretary (Coop.) and Shri Kumar Ram Krishna, Deputy Secretary (Coop.) to assist Ministry of Cooperation in briefing the Committee on representation of Chopda Taluka Shetkari Sahakari Soot Girni Maryadit seeking (i) Additional Working Capital loan of Rs.10 crore from NCDC; and (ii) Inspection of mill for availing capital subsidy from Government of Maharashtra. Now, Committee on Petitions Branch, Lok Sabha Secretariat vide O.M. dated 06.04.2022 requested the Ministry of Cooperation & NCDC to apprise them about final version in the matter and to furnish a factual note latest by 19.04.2022."

OBSERVATIONS/RECOMMENDATIONS

Expediting the release of subsidy under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC).

17. The Committee while meticulously examining the representation of Shri Kailash Gorakh Patil vis-a-vis the comments furnished by the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare)/ Ministry of Cooperation and the National Cooperative Development Corporation (NCDC), note that the Tapi Shetkari Sahakari Sootgirmi Limited (*formerly known as Chopda Taluka Shetkari Sahakari Soot Girni Maryadit*), District Jalgaon, Maharashtra is a Growers' Cooperative Spinning Mill registered in the year, 1991, which is located in the cotton growing region of Maharashtra State, i.e., North Maharashtra. The said Cooperative Society had decided to establish new spinning mill and initially raised contribution of ₹3.00 crore from its members and got ₹21.72 crore as 'Share Capital' from the State Government (*upto 2015*) for the purpose. In the year, 2016, the Society had approached the NCDC for balance financial assistance to establish new Spinning Mill of 25,920 spindles capacity. Consequently, in July 2016, the NCDC, with the approval of its Board of Management (BOM) in its 197th meeting held on 27.06.2016, sanctioned financial assistance of ₹57.28 crore comprising ₹44.00 crore as term loan and ₹13.28 crore as CSISAC subsidy to the Society for establishment of new Spinning Mill of 25,920 spindles at a total project cost of ₹88.55 crore. However since the CSISAC subsidy was not available at the time of release of term loan, to keep up the continuity of implementation of the 'Project', on the request of the Society, an amount of ₹11.36 crore was provided as loan in lieu of subsidy. In this regard, the Committee further note that as on 18.12.2020, out of the total sanctioned CSISAC subsidy of ₹13.28 crore, eligible subsidy of ₹13.13 crore was already disbursed to the

Society. However, the balance subsidy amount of ₹0.15 crore would be considered on submission of final expenditure statement and the Project Completion Report by the Society and subject to availability of funds.

18. As regards disbursement of CSISAC subsidy to the Society under reference, the Committee, after painstakingly going through the above chronology of events, are dismayed to note that the CSISAC subsidy was though sanctioned to the Society in the year 2016 itself, however, till 21.09.2020, only ₹3.23 crore was disbursed out of the sanctioned amount of ₹13.28 crore, that too as loan in lieu of the subsidy. The Committee also note with concern that it was only after the representationist, Shri Kailash Gorakh Patil approached the Committee on Petitions, Lok Sabha with the request, ₹9.90 crore as CSISAC subsidy was disbursed to the Society. As per the information furnished by the Ministry, the Committee take note of the fact that out of the approved capacity of 25,920 spindles, the Society has attained the capacity of producing 17,280 spindles and also started commercial production on 24.03.2017 and soon thereafter added 4,320 spindles on 29.02.2020. Furthermore, the Society has already installed all machinery and equipment for producing 25,920 spindles. In such a scenario, it is incomprehensible to the Committee as to what deters the Government to release the full CSISAC subsidy amount to the Society. The Committee, therefore, strongly recommend the Ministry of Cooperation/National Cooperative Development Corporation (NCDC) to immediately release the balance ₹0.15 crore amount on account of CSISAC subsidy to the Society. The Committee would like to be apprised of the updated status in this regard within three months from the date of presentation of this Report to the House.

Increasing moratorium period in respect of outstanding loans and repayment tenure to 10 years

19. Based on the information furnished by the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare)/ Ministry of Cooperation, the Committee note that in February 2017, NCDC had sanctioned Working Capital (WC) loan of ₹15.00 crore to the Society for a period of 5 years, subject to renewal, on yearly basis, based on the financial/operational performance. The WC loan facility was renewed upto 16.12.2018. However, WC facility was not renewed beyond 16.12.2018 due to deterioration in financial position as also the alleged default by the Society in repayment of term loan instalment(s), w.e.f., 05.03.2019 and the working capital loan instalments, w.e.f., 22.02.2019. The Society made part payment of ₹2.45 crore upto 16.03.2020 and submitted request for rescheduling/restructuring of outstanding loans along with interest vide letter dated 20.03.2020. Based on examination and further scrutiny, by following the prudent lending norms, NCDC vide letter No. NCDC: 20-3/2016-Text dated 11.09.2020 conveyed the approval for rescheduling/ restructuring of outstanding loans. Consequently, the entire overdue/outstanding NCDC dues of ₹73.37 crore comprising term loan of ₹49.69 crore and working capital loan of ₹10.49 crore and interest payable of ₹13.19 crore, for the period of 8 years (i.e., repayable in 16 half yearly instalments payable on 5th March and 5th September of every year, w.e.f. 05.03.2021). After re-scheduling/restructuring, instalment due payable by the Society on 05/03/2021 was adjusted through disbursement of CSISAC subsidy of ₹9.90 crore from the Government of India. Subsequently, the Society made part payment of ₹3.10 crore and defaulted in repayment of instalment due on 05.09.2021. A team of NCDC officials visited the Society on 29.10.2021 to study its operational issues and lend helping hand in preparation of action plan for mitigating its overdue. Thereafter, the Society

has submitted its action plan for clearing the entire NCDC over dues by 15.11.2021. However, the Society could not fulfil its promise. As on 07.04.2022, the Society had made a total part payment of ₹8.58 crore and accordingly, as on 13.04.2022, the total overdue is ₹8.49 crore comprising principal of ₹6.70 crore & interest of ₹1.79 crore and loan outstanding is ₹66.31 crore.

20. In the wake of the Covid-19 pandemic and intermittent lockdowns, the Government of India had taken various policy initiatives, particularly for MSME sector, such as waiver of interest, restructuring of loans, grant of moratorium period, etc., to mitigate the adverse economic impact. In this regard, the Committee also intend to place on record the findings of a recent study conducted by the National Small Industries Corporation (NSIC) and Khadi & Village Industries Commission (KVIC) to assess the impact of COVID-19 pandemic on MSMEs, which *inter alia* revealed that amongst the five most critical areas, *viz.*, Liquidity, Fresh Orders, Labour, Logistics and availability of raw material faced by the MSMEs, the 'availability of liquidity' is the major problem being faced by 55 per cent of the Units. Juxtaposition of the said startling findings with the overall performance of Society, *i.e.*, the Chopda Taluka Shetkari Sahakari Soot Girni Maryadit, the Committee are of considered view that the Society share the distinction of providing direct employment to more than 400 people of the region along with giving an uninterrupted source of livelihood to more than 11,300 cotton-growing farmers who are also the members of the Society. Besides, the Society has also stood as a harbinger by way of creating opportunities for indirect employment to tens of thousands of poor denizens of the region. Therefore, the Committee feel that commercial activities of Chopda Taluka Shetkari Sahakari Soot Girni Maryadit which substantially contracted due to pre-and-post Covid-19 scenario need to be sympathetically considered by the

Government by way of extending all possible help to them so that they could overcome the perils of sustainability.

21. Keeping in view the operational difficulties being faced by the Society, the Committee, therefore, strongly recommend that the Ministry of Cooperation/NCDC should expeditiously consider the request of the Society to extend the moratorium period for repayment of loan and explore the possibility to reschedule/restructure the existing loan to overcome their operational problems. The Committee would like to await positive outcome in this regard within three months from the date of presentation of this Report to the House.

Providing additional Working Capital loan

22. The Committee note with disappointment that the request of the Society for sanction and release of additional Working Capital loan has been outrightly rejected by the Ministry of Cooperation on the following grounds:-

- (i) The Society defaulted in repayment of term loan and Working Capital Loan;
- (ii) On the specific request of the Society, the entire overdue amount has been re-structured and rescheduled by NCDC vide letter No. NCDC: 20-3/2016-Text dated 11.09.2020;
- (iii) As per restructured loan package, Working Capital of ₹10.49 crore has been capitalized and restructured and hence the said amount is available with the Society for meeting its day-to-day business operations; and
- (iv) The Society has again defaulted in repayment of rescheduled/restructured loan.

23. In lieu of the reluctance of Ministry of Cooperation in providing an additional working capital of ₹10 crore, it has been informed that NCDC could consider allowing the Society to create 'Subservient Charge' on its assets for availing working capital loan from any other source(s), subject to clearance of overdue interest by the Society. Keeping in view the developmental need of the Society for its revival and making it financially viable in these difficult times when the entire economy of the country is again on the trajectory of robust revival, the Committee strongly recommend the Ministry of Cooperation/NCDC to sympathetically consider the request of the Society, Chopda Taluka Shetkari Sahakari Soot Girni Maryadit, to provide them the additional Working Capital of ₹10 crore, to overcome their operational problems. The Committee would like to be apprised of the necessary steps taken/proposed to be taken in this regard within three months from the date of presentation of this Report to the House.

Completion of 'Technical Inspection' of the Unit for availing the State Government subsidy and expeditious issue of Form 'C' to the Society

24. The Committee are given to understand that Technical Inspection of the Unit(s) under the Cooperative Spinning Mill located in the State of Maharashtra, is being conducted by the NCDC, as per requirements of the Government of Maharashtra Scheme, subject to clearance of NCDC over dues and loan account being treated as 'standard', subject to submission of the following documents:-

- (a) Component-wise actual expenditure incurred by the Society supported with CA certified statement along with sources of funds;
- (b) Component-wise physical progress in implementation of Project; and
- (c) Project Completion Report.

25. The Committee were further informed by the Ministry of Cooperation that the Government of Maharashtra has adopted the Textile Policy for supporting textile sector by extending capital subsidy to the spinning mills. As per the Scheme Guidelines, defaulting Unit(s) are not eligible for subsidy/grant. Although, the NCDC vide its letter dated 11.09.2020 has re-scheduled/restructured outstanding loans of the Society, it has defaulted in repayment of installment due on 05.09.2021 and hence the loan account of the Society was treated as 'irregular'.

26. In this regard, the Committee note of the fact that the Society, in question, has already completed the Project; however, they are yet to submit the requisite documents for inspection of the Spinning Mill Unit(s) to be conducted by the NCDC. Further, the Committee have been informed by the Ministry of Cooperation that a team of NCDC officials had visited the Society on 29.10.2021 to study its operational issues and lend a helping hand in preparation of 'Action Plan' for mitigating its over dues. In this context, the Committee hold the view that the NCDC has already gathered the reliable inputs regarding functional status as well as the financial problems being faced by the Cooperative Society, in question. Moreover, as a matter of fact, the Society has already made part payment of ₹8.58 crore against the re-scheduled/restructured outstanding loan as on 07.04.2022 and the total overdue amount is a meagre ₹8.49 crore, which stands as a testimony that the Society has been repaying to the NCDC against their term loan and the Working Capital Loan gradually and it is not a fictitious Society/Company being run only on paper. Considering the above facts, the Committee recommend to the Ministry of Cooperation/ NCDC to help out the Society for submitting the required documents so that inspection of its Spinning Mill Unit(s) are initiated at the earliest along with expeditious issuing of Form 'C' so as to enable them to avail the State Government subsidy without any further delay. The Committee would like to be apprised of the

necessary and appropriate steps taken/proposed to be taken in this direction within three months from the date of presentation of this Report to the House.

NEW DELHI;

HARISH DWIVEDI,
Chairperson,
Committee on Petitions.

13 July, 2022

21 Ashadha, 1944 (Saka)

E-0431122/01
Annexure-I

Reg. No. JGA/PRG/(A)/DH-8 Date 27.9.1991



Managing Director
Mr. Manish M. Mahajan
Mob. 9545899919

Vice Chairman
Mr. Prabhakar Bhanrao Patil
Mob. 9822207690

Chairman
Mr. Kailash Gorakh Patil (Ex-MLA)
Mob. 9850407696

Phone : (02586) 202009

Email - chopdacotspin2012@gmail.com

Chopda Taluka Shetkari Sahakari Sutgirni Ltd. (Maharashtra) - 425107

Ref. 78/2020-21

Date: 11/10/2020

Handwritten note: D. No. 2929

To,
Dr. Virendra Kumar Saheb
Honorable Chairman, Com. On Petitions,
Loksabha Secretariat, Room No. 217,
New-Delhi-110011

Subject :- Release of Subsidy, Restructure of Loans and requirement of Additional Working Capital from NCDC.

Respected Sir,

Agriculture plays a vital role in the Indian economy. Over 70 per cent of the rural households depend on agriculture. Agriculture is an important sector of Indian economy as it contributes about 17% to the total GDP and provides employment to over 60% of the population.

Handwritten signature: A.S. Patil

As economy of **Chopda Tehsil** in Jalgaon district mostly depends on agriculture, majority of crop cultivated by the farmers in tehsil is Cotton also called as Cash Crop or White Gold for the farmers. Because of this a group of farmers initiated a Co-operative Society registered under Maharashtra State Co-operative Act as a primary processors institution for processing on cotton named as "**Chopda Taluka Shetkari Sahakari Sutgirni Ltd.**" in ratio of 5:45:50, i.e. 5% own share capital, 45%-state government share capital and remaining 50% bank loan. This registered society today has nearly **11300 farmer members** having approx. 7500 Hectors (18750 Acres) of land who are dependent on this spinning mill. Spinning mill has its own **42 Acres** of land for running its project.

Handwritten notes: per us, Mr. D. S. (P. S.), 19/9, FTS, 19/9

Looking at this **National Co-operative Development Corporation** (NCDC), Delhi has financed the project for first and second phase of total **25920 spindles capacity**. A total of **Rs. 55.35 crore** term loan and working capital of **Rs. 15.00 crore** for which a **subsidy of Rs. 13.28 crore** was sanctioned by government.

Today nearly **400 employees** are working in the mill, which has created a huge amount of employment in the tehsil which fulfilled a dream project of the residents of the tehsil.

Handwritten initials: E3 (P)

Official stamp: Chopda Taluka Shetkari Sahakari Sutgirni Ltd. Reg. No. JGA/PRG/(A)/DH-8 Dt. 27.9.1991

CHOPDA TALUKA SHETKARI SAHAKARI SOCIETY, CHOPDA

Reg. No. JGA/PRG/(A)/DH-6 Date 27.9.1991



Managing Director
Mr. Mantesh M. Mahajan
Mob. 9545899919
Phone : (02586) 202009

Vice Chairman
Mr. Prabhakar Bhimrao Patil
Mob. 9822267690

Chairman
Mr. Kailash Gorakh Patil (Ex.MLA)
Mob. 9850407696
Email - chopdacotspin2012@gmail.com

Address: Card No. 220982, A/B, P.O. S. A. Mahadevi, Tal. Chopda Dist. Jalgaon (Maharashtra) - 425107

Ref.

Date : / / 201

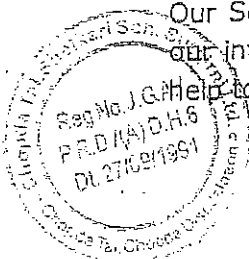
Looking at current situation due to excess rainfall in many areas of tehsil, hectores of cotton crop got damaged which incurred huge loss to famers. Effect of which was seen on some farmers who have done suicide due to losses.

Although a subsidy is sanctioned but a major amount of subsidy is still outstanding and receivable by the mill, which will help in to reduce a Interest burden from mill and reduce the loan portion respectively.

With Referencè to above mentioned subject I request you on behalf of our society to please do the needful in this matter.

1. CSISAC Subsidy :- We request you to please do the needful to release <u>CSISAC</u> subsidy receivable by us of Rs. 12.05 Cr as early as possible. It will be very helpful if this amount of subsidy is released one time, as it will reduce our Interest cost and Loan burden.
2. Moratorium Period & Repayment Tenure :- Due to current pandemic situation we also request you to please look in to matter to increase our moratorium period of the existing loan for Phase-II. And also increase a repayment tenure of existing loan to 10 Years .
3. Working Capital :- For efficient working of any institution working capital plays key role so that day to day transactions can be operated without hurdle. Sir we further request you to please provide additional Working Capital loan of Rs. 10 Cr. over and above which was provided by the NCDC previously.
4. Inspection of Unit :- We also insist for Inspection by NCDC for Installation of all machinery having capacity of 25920 spindles which will be helpful in claiming State Government subsidy.

Our Society has employed approximately 400 employees. It will be helpful to reduce our interest cost because of release of subsidy. Additional working capital amount will help to operate day to day transactions hurdle less.





Managing Director
 Mr. Mantosh M. Mahajan
 Mob. 9545899919
 Phone : (02586) 202009

Vice Chairman
 Mr. Prabhakar Bhimrao Patil
 Mob. 9822207590

Chairman
 Mr. Kailash Gorakh Patil (Ex.MLA)
 Mob. 9850407696
 Email - chopdacotspin2012@gmail.com

Address: P. O. No. 24, B. 67, A. M. P. S. Taluka, District Jalgaon (Maharashtra) - 392007

Date : / / 201

Ref. We have requested NCDC in this regard by communicating on various dates but no any action was taken till today. So it is our humble request to you to please look in to matter and do the needful.

A series of communication in this regard was done to below mentioned honorable ministers but till today amount of subsidy is receivable and also no renewal of working capital was done which is creating hurdles in proper functioning of day to day transactions.

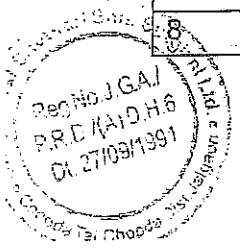
1. Honorable Shri Radhamohan Singji Saheb, Agriculture Minister Government of India by Letter No. 210/2018-19 dated 01/12/2018
2. Honorable Shri Narendrasing ji Tomar Saheb, Agriculture Minister Government of India by Letter No. 170/2019-20 dated 20/11/2019
3. Honorable Shri Bhagat Singhji Koshyari Saheb, Honorable Governor Maharashtra State by Letter No. 252/2019-20 dated 29/02/2020.
4. Honorable Shri Narendrasing ji Tomar Saheb, Agriculture Minister Government of India by Letter No. 253/2019-20 dated 29/02/2020

Due to above pointed problems if not resolved at earliest it will hamper agriculture members and the 400 employee families.

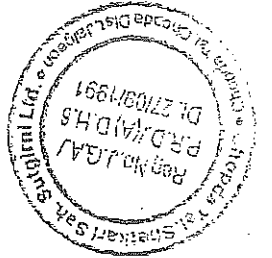
I once again request you to please look into the matter at earliest and consider the above mentioned points so that farmers and employees of mill gets benefitted.

Bullet Summary for Quick Reference

Sr. No.	Particulars	Remarks
1	Total Land of Mill	42 Acres
2	Total Members (in No.)	11300
3	Total Spindles (in No.)	25920
4	Total Project Cost (in Crs.)	88.00
5	Total Term Loan (in Crs.)	55.35
6	Total Working Capital (in Crs.)	15.00
7	Total Subsidy (in Crs.)	13.28
8	Total No. of Employees	400



CHAIRMAN
 Chopda Taluka Shetkari Sahakari
 Sutgimi Maryadit, Chopda



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क्र.सं.	नाव	वृत्ति	गांव	महत्त्वात्त संव	संपर्क क्रमांक
१	मा.श्री. कैलास गोविंद पाटील	व्यापार	कोरा	कापूस उत्पादक	९८५०८०६९३
२	मा.श्री. प्रभाकर पिंपरीकर पाटील	दा. वृत्तराजन	वडगाव बु.	कापूस उत्पादक	९८२२२०७६९०
३	मा.श्री. कालीदास कुमन चौधरी	संचालक	चौपडा	कापूस उत्पादक	९९२२१२७५६३
४	मा.श्री. माधवराव उमम पाटील	संचालक	अनवद बु.	कापूस उत्पादक	९६३७०६९९९९
५	मा.श्री. भागवत शंकर पाटील	संचालक	गायगाव	कापूस उत्पादक	९५२७५४६४५४
६	मा.श्री. प्रकाश पंडितराव रानडे	संचालक	धोडगाव	भा.वि.जाली	९९२३७८४४५
७	मा.श्री. नैकानम राजधर पाटील	संचालक	धुमावळ बु.	विद्यार कापूस	९६३३२४०३४३
८	मा.श्री. संजयकुमार भागवत पाटील	संचालक	चौपडा	विद्यार कापूस	९८०२९८०७०
९	मा.श्री. विद्यार विनायक पाटील	संचालक	सनभुल	कापूस उत्पादक	९८८४१९६८३३
१०	मा.श्री. रामदास एकनाथ चौधरी	संचालक	अडोव	विद्यार कापूस	९४१२५८९५०४
११	मा.श्री. राजेंद्र भास्कर पाटील	संचालक	गावलवाडी	कापूस उत्पादक	९८३३८६२०८३
१२	मा.श्री. दिनेश काशिनाथ पाटील	संचालक	धानोरी	विद्यार कापूस	९४२३३९५३९४
१३	मा.श्री. भाग्यशंकर विनायकर पाटील	संचालक	धुं बु.	कापूस उत्पादक	९८२२७५५०३५
१४	मा.श्री. अशोकशंकर शंकराज पाटील	संचालक	मानसखोडा	कापूस उत्पादक	९८८३४९५८४३
१५	मा.श्री. राजेंद्र मलिकर पाटील	संचालक	होद बु.	विद्यार कापूस	९७६७६६७४७०७
१६	मा.श्री. अनामिका शंकराज पाटील	संचालक	चौपडा	कापूस उत्पादक	९९२१७२५४२
१७	मा.श्री. राजेश शंकराज नेव	संचालिका	चौपडा	महिला राजीव	९४३३९७८६५०
१८	मा.श्री. जयशंकर शंकर	संचालिका	वेकडे	महिला राजीव	९८२२४७६४२५
१९	मा.श्री. सुनील विलासराव शंकर	संचालक	चौपडा	-	९८३२५५६६३३

सन २०१५-१६ ते २०२०-२१

संचालक मंडळ

रजि.नं. : बी.जी.ए./पी.आर.जी/(ए)/बी.एच.-६ वि.२७/०९/१९९९

मा. चौपडा लि. जळगाव

चौपडा गाविका शंकराजी संनिरुणी म्हा. चौपडा



Managing Director
Mr. Manish M. Mahajan
Mob. 9545899919

Vice Chairman
Mr. Prabbakar Bhimrao Patil
Mob. 9822207690

Chairman
Mr. Kailash Gorakh Patil (Ex.MLA)
Mob. 9850407696

Phone : (02585) 202009

Email - chopdacotspin2012@gmail.com

Address: G.A. No. 12, 7th Cross, Akhara, Chhapra, Dist. Ballia (U.P.) - 225107

Ref. 220/88-28

Date : 02 / 12 / 2016

प्रति

श्री राधामोहन सिंहजी

माननीय। केंद्रीय मंत्री,

कृषि और किसानों कल्याण मंत्रालय,

क्रिस्टी भवन, नई दिल्ली - 110001

उप: सीएसआईएसएसी के तहत पूंजी सब्सिडी जारी करने के लिए अनुरोध

आदरणीय महोदय,

चोपड़ा तालुका को-ऑप स्पिनिंग मिल एक किसान सहकारी समिति है जिसने महाराष्ट्र राज्य के जलगांव जिले में 25920 स्पिंडल की स्थापित क्षमता के साथ एक सूती यार्न कटाई मिल परियोजना स्थापित की है। नेशनल को-ऑप देव। निगम ने हमें रुपये की परियोजना लागत को वित्त पोषित करने के लिए वित्त के साधनों के रूप में 1,328.25 लाख रुपये की पूंजी सब्सिडी के साथ 4400.00 लाख रुपये का ऋण मंजूर कर दिया है। 8825.00 लाख समाज का एकमात्र लक्ष्य हमारे किसानों द्वारा उगाए जाने वाले कपास के लिए स्थानीय बाजार प्रदान करना है ताकि उनकी आय में वृद्धि हो सके और किसानों द्वारा निराशाजनक नेतृत्व वाली अवांछनीय कार्रवाइयों को बचाया जा सके और साथ ही किसानों को निजी धन उधारदाताओं के सबसे महंगा ऋण बोझ से मुक्त किया जा सके। चलते हैं। एक और उद्देश्य बेरोजगार खेत मजदूरों और बेरोजगार ग्रामीण युवाओं को लाभदायक रोजगार प्रदान करना है। हमने पहले से ही 319 कर्मचारियों को रोजगार दिया है और पूरी परियोजना के पूरा होने पर, कुल जनशक्ति 400 पार हो जाएगी। इस प्रत्यक्ष रोजगार के अलावा, हम सुरक्षा गार्ड एजेंसी, स्थानीय ट्रांसपोर्टर, कर्मचारियों के रूप में 100 से अधिक लोगों के लिए अप्रत्यक्ष रोजगार बनाने में सफल रहे हैं - वाहन एजेंसी, कैटीन ठेकेदारों, आवास और रेस्तरां ऑपरेटरों आदि जिनके लिए व्यवसाय के अवसर पैदा किए जाते हैं और हमारे शहर की अर्थव्यवस्था को बढ़ावा दिया जाता है।

जून 2016 में हमारी परियोजना को मंजूरी देकर, एनसीडीसी ने हमें रु। आपके मंत्रालय की सीएसआईएसएसी योजना के तहत 1328.25 लाख। हमने आज तक रुपये की सब्सिडी प्राप्त की है। केवल 122.78 लाख और इसलिए हमारी परियोजना पूर्ण होने में लागत वृद्धि के कारण भी देरी हुई है। सीएसआईएसएसी सब्सिडी के रिहाई की अनुपस्थिति में, हमने एनसीडीसी से सब्सिडी के बदले में पूरी तरह से स्वीकार्य ऋण का लाभ उठाया है। हमारे किसान सदस्यों ने निर्धारित पूंजी से अधिक सब्सक्राइब किया है और राज्य सरकार की शेयर पूंजी का 98% से

CHOPDA TALUKA SHETKARI SAHAKARI SOOTGIRNI MARYADIT, CHOPDA

Reg. No. JGA/PRG/(A)/DH-6 Date 27.9.1991



Managing Director
Mr. Mantesh M. Mahajan
Mob. 9545899919
Phone : (02586) 202009

Vice Chairman
Mr. Prabhakar Bhimrao Patil
Mob. 9822207690

Chairman
Mr. Kailash Gorakh Patil (Ex.MLA)
Mob. 9850407696
Email - chopdacotspin2012@gmail.com

Address: Gate No. 7/2082, At: Post: Akhrawade Tal: Chopda Dist: Jalgaon (Maharashtra) - 389007

Ref.

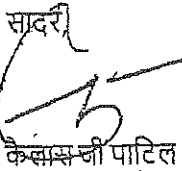
Date : / / 201

अधिक अब भी उठाया गया है। यह उल्लेखनीय है कि हमारे तालुका के 11000 से अधिक किसानों ने पूंजी का योगदान दिया है और वर्तमान में हमारे समाज के सदस्य बन गए हैं।

अब हमारी ऋण चुकौती सितंबर 18 से शुरू हुई है और सब्सिडी के लियू में ऋण के कारण अतिरिक्त ब्याज बोझ बहुत अधिक है। इसने हमारी लाभप्रदता पर प्रतिकूल प्रभाव डाला है। इसके अलावा, इस साल के गंभीर सूखे के परिणामस्वरूप खराब सूती पैदावार हुई है। इस तथ्य के परिणामस्वरूप इस साल से केंद्र सरकार द्वारा कपास की न्यूनतम समर्थन मूल्य में भारी वृद्धि के कारण हमारे लिए काफी नुकसान हुआ है। अन्यथा हम 18 जून तक नकद लाभ कमा रहे थे। हम कपास की कीमतों पर नियंत्रण नहीं रख सकते हैं और न ही हम किसानों को नुकसान की उम्मीद करना चाहते हैं, लेकिन अगर हम सीएसआईएसएसी सब्सिडी की लंबित राशि रु। 1205.47 लाखों जल्दी और आपके मंत्रालय से एकमुश्त रिहाई में। यह हमें पूर्ण क्षमता निर्माण को पूरा करने में भी सक्षम करेगा।

हम एनसीडीसी से समझते हैं कि उन्हें आपके अच्छे कार्यालय से सब्सिडी का अनुदान नहीं मिला है। इसलिए हम आपसे अनुरोध करते हैं कि आप हमारे मामले को विशेष रूप से (सूखे के विभिन्न कारकों की पृष्ठभूमि के खिलाफ, किसानों के ब्याज संरक्षण इत्यादि) के साथ सहानुभूतिपूर्वक विचार करें और जल्द से जल्द सब्सिडी की पूरी लंबित राशि जारी करें। हमें सब्सिडी राशि रु। केवल 122.78 लाख। इसलिए हम आपको अपने समाज को सर्वोच्च प्राथमिकता देकर एक ही किशत में शेष सब्सिडी राशि (1205.47 लाख) की पूरी राशि जारी करने का अनुरोध करते हैं। हमारी परियोजना प्राथमिकता के योग्य है क्योंकि यह हमारे सूखे-प्रोप जिले से सूती बढ़ते किसानों द्वारा शुरू की जाती है और हमारे अधिकांश सदस्य अनुसूचित जाति / अनुसूचित जनजाति / ओबीसी समुदायों सहित पिछड़े वर्ग श्रेणियों से संबंधित हैं। यह न केवल हमें लाभदायक व्यवसाय बनाने की क्षमता प्रदान करेगा बल्कि किसानों को निजी उधारदाताओं पर निर्भरता कम करने में भी मदद करेगा।

दयालु संबंध और अग्रिम धन्यवाद के साथ, हम रहते हैं

सादर

केशवराज पाटिल

अध्यक्ष

प्रतिलिपि: एनसीडीसी परियोजना स्वीकृति पत्र

CHOPDA TALUKA SHETKARI SAHAKARI SOOTGIRN MARYADI, CHOPDA

Reg. No. JGA/PRG(A)/DH-6 Date 27.9.1991



Managing Director
Mr. Mantesh M. Mahajan
Mob. 9545899919

Vice Chairman
Mr. Prabhakar Bhimrao Patil
Mob. 9822297690

Chairman
Mr. Kailash Gorakh Patil (Ex.MLA)
Mob. 9850407696

Phone : (02586) 202009

Email - chopdacotspin2012@gmail.com

Address: Gaidgaon, Tal. Chopda, Dist. Jalgaon (Maharashtra) - 392510

Ref. To,

Date: 20 / 11 / 2019

1. Honorable Shri Amit ji Shah Saheb
Home Minister- Government of India, New Delhi
2. Honorable Shri Narendrasing ji Tomar Saheb
Agriculture Minister - Government of India, New Delhi

Subject :- Release of Subsidy, Restructure of Loans and Requirement of Additional Working Capital from NCDC

Respected Sir,

Chopda Taluka Co-op. Spinning Mill is an Co-operative spinning mill formed by a group of Farmers having 25920 spindles capacity at Chopda, Dist Jalgaon of Maharashtra. For this NCDC, Delhi has financed us for first and also second phase. Subsidy is also sanctioned for this project but a major amount is still receivable.

With Reference to above mentioned subject I request you on behalf of our society to please do the needful in this matter.

1. CSISAC Subsidy :-

We request you to please do the needful to release CSISAC subsidy receivable by us of Rs. 12.05 Cr as early as possible. It will be very helpful if this amount of subsidy is released one time, as it will reduce our Interest cost.

2. Moratorium Period & Repayment Tenure :-

We also request you to please look in to matter to increase our moratorium period of the existing loan for Phase-II. And also increase a repayment tenure of existing loan to 10 Years.

3. Working Capital :-


For efficient working of any institution working capital plays key role so that day to day transactions can be operated without hurdle. Sir we further request you to please provide additional Working Capital loan of Rs. 10 Cr.

4. We also insist for Inspection by NCDC for Installation of all machinery having capacity of 25920 spindles which will be helpful in claiming State Government subsidy.

Our Society has employed approximately 400 employees. It will be helpful to reduce our interest cost because of release of subsidy. Additional working capital amount will help to operate day to day transactions hurdleless.

We have requested NCDC in this regard by communicating on various dates but no any action was taken till today. So it is our humble request to you to please look in to matter and do the needful.

Yours Faithfully



CHAIRMAN
Chopda Taluka Shetkari Sahakari
Sutgimi Maryadit, Chopda



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Mob. 9822207690

Chairman
Mr. Kailash Gorakh Patil (Ex.MLA)
Mob. 9850407696

Phone : (02586) 202009

Email - chopdacotspin2012@gmail.com

Address: Gate No. 7/2, Plot No. 7/A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, Chopda, Dist. Jalgaon (V. Jalgaon), Maharashtra - 425107

Ref. 252/2019-20

Date : 29/02/2020

Honorable Shri Bhagat Singhji Koshyari Saheb
Hon. Governor
Maharashtra State

Subject :- Release of Subsidy, Restructure of Loans and Requirement of Additional Working Capital from NCDC.

Respected Sir,

Chopda Taluka Co-op. Spinning Mill is an Co-operative spinning mill formed by a group of Framers having 25920 spindles capacity at Chopda, Dist. Jalgaon of Maharashtra. For this NCDC, Delhi has financed us for first and also second phase. Subsidy is also sanctioned for this project but a major amount is still receivable.

With reference to above mentioned subject I request you on behalf of our society to please do the needful in this matter.

1. CSISAC Subsidy :-

We request you to please do the needful to release CSISAC subsidy receivable by us of Rs. 12.05 Cr as early as possible. It will be very helpful if this amount of subsidy is released on time, as it will reduce our Interest cost.

2. Moratorium Period & Repayment Tenure :-

We also request you to please look in to matter to increase our moratorium period of the existing loan for Phase-II. And also increase repayment tenure of existing loan to 10 years.

3. Working Capital :-

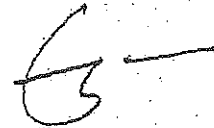
For efficient working of any institution working capital plays key role so that day to day transactions can be operated without hurdle. Sir we further request you to please provide additional Working Capital loan of Rs. 10 Cr.

4. We also insist for Inspection by NCDC for Installation of all machinery having capacity of 25920 spindles which will be helpful in claiming State Government subsidy.

Our Society has employed approximately 400 employees. It will be helpful to reduce our interest cost because of release of subsidy. Additional working capital amount will help to operate day to day transactions hurdleless.

We have requested NCDC in this regard by communicating on various dates but no any action was taken till today. So it is our humble request to you to please look in to matter and do the needful.

Yours Faithfully



CHAIRMAN
Chopda Taluka Shetkari Sahakari
Sutgimi Maryadi, Chopda



Managing Director
Mr. Manish M. Mahajan
Mob. 9545899919

Vice Chairman
Mr. Prabhakar Bhimrao Patil
Mob. 9822207690

Chairman
Mr. Kailash Gorakh Patil (Ex.MLA)
Mob. 9850407696

Phone : (02586) 202009

Email - chopdacotspin2012@gmail.com

Address - Gate No. 25 to 82, A. B. Road, Chopda Taluka, Jalgaon District, Jalgaon (Maharashtra) - 425107

Ref. 253/2019-20

Date : 29 / 02 / 2020

Honorable Shri Narendrasing ji Tomar Saheb
Agriculture Minister- Government of India, New Delhi

Subject :- Release of Subsidy, Restructure of Loans and Requirement of Additional Working Capital from NCDC.

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Yours Faithfully



CHAIRMAN
Chopda Taluka Shetkari Sahakari
Sutgimi Maryadi, Chopda

राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
(An ISO 9001:2008 Certified Organisation)
(Textile Division)



4 - Siri Institutional Area,
Hauz Khas, New Delhi 110016.
Tel.No. 011-26961930
Fax : 011-26961930, 26516032
E-mail: pprabu@ncdc.in
Website: www.ncdc.in

No.NCDC:20-3/2016-Tex/64/SA60041

Dated: 06.07.2016

From

Managing Director

To

The Chairman,
Chopda Taluka Shetkari Sahakari Soot Girni Limited,
Krushi Utpanna Bazar Samiti Awar,
Taluk Chopda, District Jalgaon, Maharashtra – 425107.

Sub: Sanction of financial assistance to Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra for establishment of new Spinning Mill under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) through Direct Funding - regarding.

Ref: Letter dated 28.04.2016 of Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra.

Sir,

I am directed to refer to the letter cited above seeking financial assistance from this Corporation for establishment of a new Spinning Mill by Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) through direct funding. The proposal has been examined and NCDC approves financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy (subject to availability from Government of India) for establishment of a new Spinning Mill at project cost of ₹8855.00 lakh as per details given below:

(₹ in lakh)

S.No.	Particulars	Estimated project cost
1	Site development	69.43
2	Building and Civil Works	1973.00
3	Plant & Machineries	3685.22
4	Miscellaneous Fixed Assets	1867.10
5	Pre-Operative Expenses	586.60
6	Contingencies at 5% of 3 & 4	277.62
7	Margin Money for raising Working Capital	396.03
TOTAL		8855.00

2. The project cost shall be funded as under:-

(₹ in lakh)

S.No.	Particulars	% of project cost	Amount
1.	Term loan from NCDC	49.69	4400.00
2.	Subsidy under CSISAC*	15.00	1328.25
3.	Society's contribution	35.31	3126.75
	Total	100.00	8855.00

*subject to availability from Government of India

3. Accordingly, I am directed to convey the sanction of the Corporation for financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy (subject to availability from Government of India) to Chopda Taluka Shetkari Sahakari Soot Girni Limited at project cost of ₹8855.00 lakh for establishment of a new Spinning Mill under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) through direct funding.

4. The above sanction is subject to the following conditions:

- a) Before availing the assistance, the society shall enter into loan agreement with NCDC and society shall mortgage its assets in favour of NCDC on first charge basis. Copy of loan agreement is enclosed at Annexure I.
- b) The society shall furnish certified copy of the resolution passed by the Board of Directors of the society agreeing to the terms and conditions of the loan and authorizing particular officer(s) of the society for executing various documents (format at Annexure -II).
- c) The society shall not avail any assistance towards capital expenditure other than that contained in this project without prior approval of NCDC till the currency of NCDC's assistance.
- d) The society shall create adequate reserves from out of its profit so as to ensure timely repayment of loan installments with interest to NCDC.
- e) The loan shall be for a period of 8 years including moratorium of 2 years on repayment of term loan. There shall not be any moratorium on payment of interest. Repayment shall be made in 12 half yearly installments i.e. two installments every year. Payment of first installment shall fall due on 5th March or 5th September whichever is falling first on completion of two years of release of first installment of loan.
- f) The loan shall carry rate of interest prevailing at the time of actual release of funds. Interest will be charged on monthly compounding basis on monthly rest. However, payment of interest shall be made half yearly on 5th March and 5th September or at the time of repayment of loan whichever is earlier on monthly compounding basis. Presently effective rate of interest is 11.45% charged on monthly compounding. Effective rate of interest shall be applicable in case repayment of installment is made on or before due date. In case repayment of

Installment is not made on or before due date, normal rate of interest, which is 1% p.a. higher than the effective rate shall be applicable. Further, in case of default in repayment of installments, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted installments and accrued normal interest for the period of delay. The other terms and conditions of loan shall remain the same as already communicated vide Corporation's letter No.NCDC:1-1/84-Budt.dated 15.10.84 and NCDC:1-1/90-Budt. dated 26.04.2016 and as amended from time to time.

- g) NCDC shall review the financials and operations of the cooperative on a regular basis and if in the opinion of NCDC, at any point of time there is deterioration of financial position and working of the cooperative to such an extent that the cooperative becomes ineligible for assistance based on the eligibility criteria prevailing at that point of time, NCDC shall have the discretion to stop further disbursements and withdraw the sanction.
- h) The society shall ensure that the assistance sanctioned is used for the purpose for which it has been sanctioned.
- i) The Corporation shall have right to accelerate repayment of loan in case of financial position of the society so warrants.
- j) The assistance will be released to the society only after furnishing the security for the loan as mentioned above and on executing necessary legal documents.
- k) The society shall pay Processing fee of ₹3.00 lakh (i.e. 0.5% of NCDC's assistance, subject to maximum ceiling of ₹3.00 lakh) alongwith Service Tax & education cess of ₹45,000/- @ 15.00% (including 0.50% towards Swacch Bharat Cess and 0.50% Krishi Kalyan cess levy) of processing fee.
- l) As the subsidy being provided under Central Sector Integrated Scheme on Agricultural Cooperation (subject to the availability from Government of India) is credit linked scheme, the borrower shall be liable to refund the subsidy if loan is repaid in advance.

5. Legal Fees

The society shall pay to NCDC legal fees in connection with carrying out of search and verification of title deeds of assets of the society and other documents for creation of security, if need be, by an advocate nominated by the Corporation from its panel. The amount of such legal fees will be intimated separately. Stamp duty payable in connection with mortgage of assets (including stamp duty on memorandum of entry) and travelling, lodging and boarding expenses of the advocate, if any, in connection with his visit to the society for investigating of title deeds shall be borne by the society separately.

6. Mode of Release

The society shall maintain an account with a nationalized bank wherein the loan disbursed by the Corporation shall be credited and all disbursements made by the society for the project to be on account to account transfer/s basis. The other term of release will be as under:-


- A) 1st release upto 25% of loan as ways & advance shall be made after:
- i) Receipt of resolution of the Board of Directors of the society accepting the terms & conditions of the Corporation's sanction & authorizing the Directors/Officers to execute requisite documents;
 - ii) Execution of the loan agreement and payment of processing & legal fee;
 - iii) Mortgage of assets on first charge basis in favour of NCDC;
 - iv) The society initiates action for placement of orders for Plant & Machinery; and
 - v) The society has incurred expenditure of atleast 25% of its share in the project cost duly certified by Chartered Accountant.
- B) Subsequent releases will be made based on the progress of the project, receipt of item-wise details of actual expenditure incurred on the project and sources thereof duly certified by a Chartered Accountant and item-wise details of the anticipated expenditure likely to be incurred in next one month.

7. Other Conditions

- a) The society shall not make any change in the project, without prior approval of NCDC.
- b) The Corporation shall have the right to depute officer(s) for inspection/review of the working and financial position of the society and/or may cause it to be done through any other agency, the expenses for which shall be met by the society. Society shall keep open all its records and provide such details, as deemed fit by the official/s carrying out inspection/review on behalf of the Corporation.
- c) The society shall not pay any interest on the non-refundable deposits raised for meeting the proposed capital expenditure during the currency of the NCDC loan.
- d) Any incentive received by the society under the incentive scheme of the Central/State Government shall be kept in a separate account and utilized for repayment of NCDC only.
- e) The sanction will be valid upto 30.06.2018 by which date the society shall ensure completion of the project in all respects and also draw the entire sanctioned assistance from NCDC.

- f) The Corporation shall have a right to depute one nominee on the Board of Directors of the Society. The expenses for attending such meeting shall be met by the society.
- g) The society shall submit a quarterly report on the progress of implementation of project indicating therein also the details regarding capital expenditure already incurred.
- h) The financial assistance of the Corporation shall be utilized by the society only for the purpose for which it is sanctioned.
- i) In case of violation of any of the terms & conditions, the Corporation shall have the right to foreclose the sanction and recover the entire amount of assistance released alongwith the interest.
8. The receipt of this letter may please be acknowledged.

Yours faithfully,

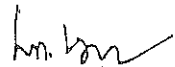


(P.Prabu)

Deputy Director
For Managing Director

Copy to:

1. The Principal Secretary, Government of Maharashtra, Cooperation, Marketing & Textiles Department, Mantralaya, Mumbai.
2. The Registrar of Cooperative Societies, Pune, Maharashtra.
3. Director of Handlooms, Powerlooms and Textiles, Government of Maharashtra, Old Secretariat Building, Opposite to GPO, Civil Lines area, Nagpur - 440001.
4. The Chief Director, (Cooperation), Ministry of Agriculture & Farmers Welfare, Department of Agriculture, Cooperation & Farmers Welfare, Krishi Bhawan, New Delhi.
5. The Regional Director, NCDC, Pune.
6. The Chief Director (Loan), NCDC, New Delhi.
7. Budget Section, NCDC, New Delhi.
8. Guard File.



(P.Prabu)

Deputy Director
For Managing Director

LOAN AGREEMENT

This AGREEMENT made at _____ this _____ day of _____ between Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra, a Society registered under the Maharashtra State Cooperative Societies Act of _____ with its Registered Head Office at....., (herein after referred to as the "Borrower" which expression shall, unless repugnant to the context include its successors and assigns) of the One part.

AND

National Cooperative Development Corporation, a statutory Corporation established under the National Cooperative Development Corporation Act, 1962 (26 of 1962) and having its Regional Office at Pune, Maharashtra (hereinafter referred to as "NCDC" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) of the other part.

ARTICLE-I

DEFINITIONS

1.1 The following terms shall have the following meanings:-

- a) "General conditions" means the GENERAL CONDITIONS APPLICABLE TO ASSISTANCE PROVIDED BY NCDC.
- b) "Project" means the project to be financed as described in Schedule-II hereto.
- c) "Financing Plan" means the financing plan as described in Schedule-III hereto.

1.2 GENERAL CONDITONS

The Loan hereby agreed to be granted by the NCDC shall be subject to the Borrower complying with the terms and conditions set out herein and also in the General Conditions contained in NCDC's sanction letter No.NCDC: 20-3/2016-Tex/64/SA60041 dated 06.07.2016 addressed to the Borrower and accepted by the Borrower by its Board's resolution dated _____. The General Conditions shall be deemed to form part of this Agreement and shall be read as if they are specifically incorporated herein.

ARTICLE-II

AGREEMENT AND TERMS OF LOAN

2.1 AMOUNT AND TERMS OF LOANS

The Borrower agrees to borrow from NCDC and NCDC agrees to provide assistance to the Borrower, on the terms and conditions contained therein as also in the General Conditions, the sum of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy set out in Schedule-I. The said sums are hereinafter collectively referred to as the "Loan" or "the loans" as the context admits.

2.2 INTEREST

The Borrower shall pay to the NCDC interest on the principal amounts of the loan outstanding from time to time half yearly in each year on 5th March and 5th September at the rate(s) set out in Schedule-IV hereto.

2.3 LAST DATE OF WITHDRAWAL

Unless the NCDC otherwise agrees, the right to make draws from the assistance shall cease on 30.06.2018.

2.4 CREDIT FOR LOAN DISBURSEMENT MADE AND REPAYMENTS RECEIVED

All payments from NCDC to the Borrower and from the Borrower to the NCDC shall be made by way of electronic transfer/Real Time Gross Settlement (RTGS) system or through a Bank draft. In case where disbursement of funds by NCDC to the Borrower is made by way of electronic transfer/Real time Gross Settlement (RTGS) system,

In case of remittance of funds by way of electronic transfer/Real Time Gross Settlement (RTGS) system, date of credit of the amount into the Bank Account of the Borrower or the Corporation shall be treated as the date of disbursement of funds by the Corporation or the date of payment by the Borrower as the case may be. In case of remittance by way of electronic transfer/RTGS system prior intimation of one day shall be given.

In case repayments to the Corporation are made by the Borrower through Bank Draft, the same may be marked "Account payee only" and drawn in favour of the "National Cooperative Development Corporation" and shall be payable at any Nationalized Banks at New Delhi and the Bank Drafts should be sent by speed post or delivered in person to the Corporation at its Head Office, New Delhi.

Notwithstanding, anything contained in this para, the credit for repayments made by the Borrower shall be given on the due date, if it happens to be later than the delivery of draft / fund transfer.

2.5 REPAYMENT

The Borrower undertakes to repay the principal amounts of the loan in accordance with the Amortization Schedule set forth in Schedule - V hereto.

ARTICLE- III

SECURITY

3.1 SECURITY FOR THE LOANS

(A) The loans together with all interest, penal interest, commitment charges, costs, expenses and other monies whatsoever stipulated in this Agreement shall be secured by :-

- a) A first mortgage and creation of first charge on 17.72 hectares of land which is in possession of society and other fixed assets being created out of NCDC's financial assistance in favour of NCDC in a form satisfactory to NCDC of all the Borrowers' immovable properties both present and future; and
- b) A first charge by way of hypothecation in favour of NCDC of all the borrower's movables (save and except book debts), including movable machinery, machinery spares, tools and accessories, present and future, subject to prior charges created and/or to be created:-
 - i) In favour of the borrower's bankers on the borrowers' stocks of raw materials, semi-finished and finished goods, consumable stores and such other movables as may be agreed to by the NCDC for securing the borrowings for working capital requirements in the ordinary course of business; and
 - ii) The hypothecation and charge referred above shall rank first charge basis with the mortgages and charges created and/or to be created in favour of NCDC.

(B) The Borrower shall make out a good and marketable title to its properties to the satisfaction of the NCDC and comply with all such formalities as may be necessary or required for the said purpose.

3.2 CREATION OF ADDITIONAL SECURITY

If, at any time during subsistence of this Agreement, the NCDC is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding, then, on the NCDC advising the Borrower to that effect, the Borrower shall provide and furnish to the NCDC to the satisfaction of the NCDC such additional security as may be acceptable to the NCDC to cover such deficiency.

3.3 ACQUISITION OF ADDITIONAL IMMOVABLE PROPERTIES

So long as any money remain due and outstanding to the NCDC, the Borrower undertakes to notify the NCDC in writing of all its acquisitions of immovable properties and as soon as practicable thereafter shall make out a marketable title to the satisfaction of the NCDC and charge the same in favour of NCDC by way of first charge in such form and manner as may be decided by the NCDC.

ARTICLE – IV

APPOINTMENT OF NOMINEE DIRECTOR (S)

The Borrower agrees that NCDC shall be entitled to appoint and withdraw from time to time a nominated Director as representative of NCDC on the Board of Directors of the Borrower at any time during the currency of this agreement.

ARTICLE - V

SPECIAL CONDITIONS

The Loan hereby granted shall also be subject to the Borrower complying with the special conditions set out in Schedule VI hereto.

ARTICLE-VI

EFFECTIVE DATE OF AGREEMENT

This Agreement shall become binding on the Borrower and the NCDC on and from the date first above written. It shall be in force till all the monies due and payable under this Agreement are fully paid off.

SCHEDULE - I

PARTICULARS OF ASSISTANCE

(₹ in lakh)

Name of the Lender	Financial assistance		
	Loan	Subsidy *	Total
National Cooperative Development Corporation, 4, Siri Institutional Area Hauz Khas, New Delhi - 110016	4400.00	1328.25	5728.25

* Subject to the availability from Government of India otherwise equivalent loan.

SCHEDULE - II

THE PROJECT

Details of approved project cost:

(₹ in lakh)

S.No.	Particulars	Estimated project
1	Site development	69.43
2	Building and Civil Works	1973.00
3	Plant & Machineries	3685.22
4	Miscellaneous Fixed Assets	1867.10
5	Pre-Operative Expenses	586.60
6	Contingencies at 5% of 3 & 4	277.62
7	Margin Money for raising Working	396.03
TOTAL		8855.00

SCHEDULE-III

FINANCING PLAN

The project is to be financed as under:-

(₹ in lakh)

S.No.	Particulars	% of project cost	Amount
1.	Term loan from NCDC	49.69	4400.00
2.	Subsidy under CSISAC*	15.00	1328.25
3.	Society's contribution	35.31	3126.75
	Total	100.00	8855.00

*subject to availability from Government of India

SCHEDULE – IV

PARTICULARS OF INTEREST

The loan shall carry rate of interest prevailing at the time of actual release of funds. Interest will be charged on monthly compounding basis on monthly rest. However, payment of interest shall be made half yearly on 5th March and 5th September or at the time of repayment of loan whichever is earlier on monthly compounding basis. Presently effective rate of interest is 11.45% charged on monthly compounding. Effective rate of interest shall be applicable in case repayment of installment is made on or before due date.

In case repayment of installment is not made on or before due date, normal rate of interest, which is 1% p.a. higher than the effective rate shall be applicable. Further, in case of default in repayment of installments, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted installments and accrued normal interest for the period of delay. The other terms and conditions of loan shall remain the same as already communicated vide Corporation's letter No.NCDC:1-1/84-Budt.dated 15.10.84 and NCDC:1-1/90-Budt. dated 26.04.2016 and as amended from time to time.

SCHEDULE-V

AMORTISATION SCHEDULE

PAYMENT OF PRINCIPAL

The loan shall be repayable over a period of 8 years including moratorium period of 2 years in repayment of principal. The loan shall be paid in 12 half yearly installments on 5th March and 5th September each year. First installment shall fall due on 5th March or 5th September whichever is falling first after 2 years of release of first installment of loan. There shall be no moratorium on payment of interest.

SCHEDULE- VI

SPECIAL CONDITIONS

No part of the assistance sanctioned shall be disbursed to the borrower until the Borrower has complied "inter-alia" with the following conditions:

- i) The Borrower satisfies NCDC that it has committed in writing both to the State Government and the Central Government that the Borrower will install the appropriate equipments and implement the prescribed measures for the prevention and control of pollution;
- ii) The Borrower satisfies the NCDC that the concerned State Pollution Control Board has certified in writing that the proposal meets with the environmental requirements and that the equipment installed or proposed to be installed are adequate and appropriate to the requirement;
- iii) The borrower has to form a committee comprising of technical and financial experts, chaired by Chairman of the society to manage and ensure timely implementation of the project with emphasis on proper and economic utilisation of funds; and
- iv) NCDC may invoke personal guarantee from Board of directors, if need be.

IN WITNESS WHEREOF, the Borrower has caused its common seal to be affixed in the presence of Shri (1) and Shri(2) who have executed these presents for an on behalf of the borrower on the date, month and year first herein above written.

(1)

(2)

Witnesses:

1. Signature :
Name :
Address :

2. Signature :
Name :
Address :

Signed for an on behalf of National Cooperative Development Corporation

(.....)

Witnesses:

1. Signature :
Name :
Address :

2. Signature :
Name :
Address :

Format of the Resolution to be passed by the Board of Directors of the Borrower Society for availing the loan from National Cooperative Development Corporation (NCDC) and for executing documents to create security in favour of NCDC

The Chairman informed the Board that the National Cooperative Development Corporation, New Delhi (NCDC) has sanctioned financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy to the Society vide its sanction Letter No.NCDC: 20-3/2016-Tex/64/SA60041 Dated 06.07.2016 on the terms and conditions contained in the said Sanction Letter. He placed the Sanction Letter received from NCDC on the table for consideration of the Board. The Board after discussion passed the following resolutions:

1. Resolved that the Society do avail the financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy sanctioned by NCDC to it for the purpose of establishment of new Spinning Mill on the terms and conditions contained in the NCDC's Sanction Letter No.NCDC: 20-3/2016-Tex/64/SA60041 Dated 06.07.2016 which be and are accepted.
2. Resolved further that the Society do execute with NCDC a Loan Agreement in respect of the above loan as per the draft received from NCDC along with the aforesaid Sanction Letter with such amendments and modifications as may be agreed upon between NCDC and Shri.....Chairman/Managing Director/Director of the Society.
3. Resolved further that the Society do secure the above financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy sanctioned by NCDC by mortgaging, hypothecating and charging its movable and immovable properties and assets in favour of NCDC in the manner required by NCDC.
4. Further resolved that the draft of the Deed of hypothecation received from NCDC for hypothecating movable properties and assets of the Society in favour of NCDC be and are hereby approved and the same be executed by ShriChairman/Managing Director/Director and Shri(Designation) for and on behalf of the Society.

5. Further resolved that the society do create registered mortgage / equitable mortgage on immovable properties to secure the aforesaid financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy in favour of NCDC and Shri.....Chairman/Managing Director/Director of the Society be and is authorised to sign/to deliver and deposit with NCDC the said title deeds for creating registered mortgage / mortgage by deposit of title deeds by way of constructive delivery respectively in favour of NCDC.

6. Further resolved that ShriChairman/ Managing Director/Director be and is authorized to issue subsequently a letter of confirmation on behalf of the Society to NCDC for depositing the title deeds by way of constructive delivery basis in case of equitable mortgage for the purpose aforesaid.

7. Resolved further that the Society do give to NCDC such declarations and undertakings in the matter of creation of security on its movable and immovable properties and assets in favour of NCDC as may be required by NCDC and ShriChairman/ Managing Director/Director of the Society be and is authorised to give such declarations and undertakings and sign loan agreement for and on behalf of the Society and affix the common seal on the same.

8. Further resolved that the copy of the above resolutions certified by the Chairman/Managing Director be sent / delivered to NCDC for further action in the matter.

Chairman/ Managing Director



NCDC
Assisting Cooperatives. Always!

राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
An ISO-9001:2015 Certified Organization
A Statutory Corporation Under the Ministry of Agriculture & Farmers Welfare,
Government of India
Textile Division

Tel.No. 011-26961930
Fax : 011-26961930, 26516032
E-mail: pprabu@ncdc.in

4-Siri Institutional Area,
Hauz Khas, New Delhi-110016 India
Website: www.ncdc.in

No. NCDC: 20-3/2016-Tex/119/RB00126

Dated: 21.09.2020

To

The Managing Director,
Chopda Taluka Shetkari Sahakari Soot Girni Maryadit,
Krushi Utpanna Bazar Samiti Awar, Taluk Chopda,
District Jalgaon, Maharashtra – 425107

Sub: Release of CSISAC subsidy to Chopda Taluka Shetkari Sahakari Soot Girni Maryadit, District Jalgaon, Maharashtra for establishment of Spinning Mill under CSISAC through direct funding – Regarding.

Sir,

I am directed to refer to NCDC sanction letter No.NCDC:20-3/2016-Tex/64/SA60041 dated 06/07/2016 and NCDC latest release letter No.NCDC:20-3/2016-Tex/585/RA90587 dated 31.03.2020 vide which NCDC has so far disbursed interest bearing loan in lieu of subsidy of ₹988.525 lakh to Chopda Taluka Shetkari Sahakari Sootgirni Maryadit for establishment of new spinning mill as CSISAC subsidy was not available at the time of release. Since NCDC has received part CSISAC subsidy from Gol at present, I am directed to convey the approval of this Corporation for payment of ₹85.00 lakh (Rupees Eighty Five Lakh only) as CSISAC subsidy (under general category) to Chopda Taluka Shetkari Sahakari Sootgirni Maryadit, District Jalgaon, Maharashtra.

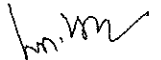
2. The CSISAC subsidy amount of ₹85.00 lakh (Rupees Eighty Five Lakh only) is being adjusted against accrued interest on rescheduled / restructured loan amount of ₹7336.49664 lakh, as per reschedulement / restructuring conveyed vide NCDC letter no. NCDC: 20-3/2016-Tex dated 11.09.2020.
3. The release of assistance sanctioned above shall be governed by the terms and conditions as contained in the sanction letter and annexure to this letter. The other terms and conditions shall, however, remain the same as communicated vide this Corporation's letter No. NCDC:1-1/84-Budt. dated 15.10.1984 and No. NCDC:1-1/90-Budt. dated 25.08.2020 and as amended from time to time.
4. The validity of sanction is extended upto 30.09.2020 for the purpose of disbursement of subsidy.

Yours faithfully,

Divide


151-153(9851)
22/09/2020

57


(Prabu Paulraj)
Director (Textile)

Copy to:

1. The Deputy Secretary (Cooperation), DAC&FW, Ministry of Agriculture & Farmers Welfare, Krishi Bhawan, New Delhi – 110001.
2. The Regional Director, NCDC, Pune.
3. The Chief Director (Loan), NCDC, New Delhi – with a request to adjust CSISAC subsidy of ₹ 85.00 lakh (Rupees Eighty Five Lakh only) on 21.09.2020 against accrued interest on rescheduled / restructured loan amount of ₹7336.49664 lakh, by way of release & recovery.
4. The Assistant Director (Budget), NCDC, New Delhi.


(Prabu Paulraj)
Director (Textile)

NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
(Textile Division)

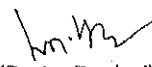
Annexure to Financial Release Letter No. NCDC: 20-3/2016-Tex/119/RB00126 dated 21.09.2020

(₹ in lakh)

1	Name of the borrower	Chopda Taluka Shetkari Sahakari Sootgimi Maryadi, District Jalgaon, Maharashtra																																	
2	Amount sanctioned by NCDC	<table border="1"> <tr> <td>Term Loan</td> <td>4400.00</td> </tr> <tr> <td>CSISAC Subsidy</td> <td>1328.25</td> </tr> <tr> <td>Total</td> <td>5728.25</td> </tr> </table>				Term Loan	4400.00	CSISAC Subsidy	1328.25	Total	5728.25																								
Term Loan	4400.00																																		
CSISAC Subsidy	1328.25																																		
Total	5728.25																																		
3	Amount released so far by NCDC	<table border="1"> <tr> <td>Term Loan</td> <td>4400.00</td> </tr> <tr> <td>CSISAC Subsidy</td> <td>237.645</td> </tr> <tr> <td>Interest bearing loan in lieu of subsidy</td> <td>988.525</td> </tr> <tr> <td>Total</td> <td>5626.170</td> </tr> </table>				Term Loan	4400.00	CSISAC Subsidy	237.645	Interest bearing loan in lieu of subsidy	988.525	Total	5626.170																						
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CSISAC Subsidy	237.645																																		
Interest bearing loan in lieu of subsidy	988.525																																		
Total	5626.170																																		
4	Amount being released under this letter	CSISAC subsidy : ₹85.00 lakh (This subsidy amount is being adjusted against accrued interest on restructured / rescheduled loan amount of ₹7336.49664 lakh)																																	
5	Amount of progressive release including (4) above	<table border="1"> <tr> <td>Term Loan</td> <td>4400.00</td> </tr> <tr> <td>CSISAC Subsidy</td> <td>322.645</td> </tr> <tr> <td>Interest bearing loan in lieu of subsidy</td> <td>988.525</td> </tr> <tr> <td>Total</td> <td>5711.17</td> </tr> </table>				Term Loan	4400.00	CSISAC Subsidy	322.645	Interest bearing loan in lieu of subsidy	988.525	Total	5711.17																						
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CSISAC Subsidy	322.645																																		
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Total	5711.17																																		
6	Details of progressive subsidy release as per membership details	<table border="1"> <thead> <tr> <th>Description</th> <th>SC</th> <th>ST</th> <th>Others</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Membership %</td> <td>7.23%</td> <td>3.29%</td> <td>89.48%</td> <td>100%</td> </tr> <tr> <td>Eligible subsidy under said category as per actual expenditure incurred so far</td> <td>94.926</td> <td>43.196</td> <td>1174.828</td> <td>1312.95</td> </tr> <tr> <td>Subsidy so far released under said category</td> <td>94.449</td> <td>43.196</td> <td>100.000</td> <td>237.645</td> </tr> <tr> <td>subsidy under said category being released under this letter</td> <td>0.000</td> <td>0.00</td> <td>85.000</td> <td>85.000</td> </tr> <tr> <td>Progressive release of subsidy under said category including above</td> <td>94.449</td> <td>43.196</td> <td>185.000</td> <td>322.645</td> </tr> </tbody> </table>				Description	SC	ST	Others	Total	Membership %	7.23%	3.29%	89.48%	100%	Eligible subsidy under said category as per actual expenditure incurred so far	94.926	43.196	1174.828	1312.95	Subsidy so far released under said category	94.449	43.196	100.000	237.645	subsidy under said category being released under this letter	0.000	0.00	85.000	85.000	Progressive release of subsidy under said category including above	94.449	43.196	185.000	322.645
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Progressive release of subsidy under said category including above	94.449	43.196	185.000	322.645																															
7	Scheme under which the assistance is sanctioned	Under Component-II of CSISAC scheme - Assistance to Cooperative Spinning Mills.																																	
8	Activity	Textile																																	

Note: CSISAC subsidy is not adjusted against interest bearing loan in lieu of subsidy as the same has already been capitalized as a part of reschedulement / restructuring package conveyed vide NCDC letter No. NCDC: 20-3/2016-Tex dated 11.09.2020

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(Prabu Paulraj)
Director (Textile)



NCDC

Assisting Cooperatives. Always!

NATIONAL COOPERATIVE DEVELOPMENT CORPORATION

An ISO-9001:2015 Certified Organization

A Statutory Corporation Under the Ministry of Agriculture & Farmers Welfare,
Government of India

Annexure-IV

Textile Division

Tel.No. 011-26961930
Fax : 011-26961930, 26516032
E-mail: pprabu@ncdc.in

4-Siri Institutional Area,
HauzKhas, New Delhi-110016 India
Website: www.ncdc.in

No. NCDC: 20-3/2016-Text

Date: 11/09/2020

To

The Chairman,
Chopda Taluka Shetkari Sahakari Sootgirmi Maryadit,
Krushi Utpanna Bazar Samiti Awar,
Taluk Chopda, District Jalgaon, Maharashtra – 425107

Sub: Request of Chopda Taluka Shetkari Sahakari Sootgirmi Maryadit, District Jalgaon, Maharashtra for re-schedulement of its outstanding loans along with interest. – regarding

Ref: NCDC TL sanction letter no. NCDC: 20-3/2016-Text/64/SA60041 dated 06.07.2016 and WC loan sanction letter No.NCDC:24-8/2016-Text/291/SA60217 dated 15.02.2017

Sir,

I am directed to refer to your letter No. 06/20-21 dated 04.06.2020 and subsequent email messages, requesting NCDC for re-schedulement of outstanding term loan & working capital loan along with interest and to inform that the request of the society has been considered and examined.

2. Accordingly, I am directed to convey the approval of this Corporation for re-schedulement / restructuring of overdue/outstanding NCDC loans of ₹6017.86577 lakh comprising term loan of ₹4968.76854 lakh and working capital loan of ₹1049.09723 lakh along with capitalization of interest payable of ₹1318.63087 lakh as on 23.06.2020 comprising overdue interest of ₹1192.69625 lakh and interest not yet due of ₹125.93462 lakh, for the period of 8 years (i.e., repayable in 16 half yearly installments payable on 5th March & 5th September of every year w.e.f. 05/03/2021) on the following terms and conditions:

- a) Re-schedulement shall be effective from 23/06/2020. After rescheduling / restructuring, total outstanding term loan is ₹7336.49664 lakh and the applicable effective rate of interest is 10.96 % p.a. on monthly compounding basis (Calculated on weighted average). Accordingly, the revised repayment reschedule is as under:

S. No.	Installment due date	Principal to be repaid (Amount in ₹)
1	5 th March 2021	45853000
2	5 th September 2021	45853000
3	5 th March 2022	45853000
4	5 th September 2022	45853000
5	5 th March 2023	45853000
6	5 th September 2023	45853000
7	5 th March 2024	45853000
8	5 th September 2024	45853000

10/9/20

10/9/20

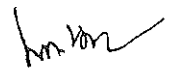
60

No. 111-112 (9251) /
14/09/2020

S. No.	Installment due date	Principal to be repaid (Amount in ₹)
9	5 th March 2025	45853000
10	5 th September 2025	45853000
11	5 th March 2026	45853000
12	5 th September 2026	45853000
13	5 th March 2027	45853000
14	5 th September 2027	45853000
15	5 th March 2028	45853000
16	5 th September 2028	45854664
	Total	733649664

- b) The society shall pay principal dues as per revised repayment reschedule given above. In addition to the principal dues, the society shall pay interest accrued from the date of re-schedulement (i.e. 23/06/2020) upto 4th March 2021, on or before 5th March 2021 and continue to make payment of interest on 5th September & 5th March of every year, till the settlement of entire dues of NCDC;
- c) As the outstanding term loan is inclusive of interest bearing loan in lieu of subsidy, the CSISAC subsidy as and when received from DAC&FW and any other subsidy from Government of Maharashtra, will be adjusted in the ensuing installment due (or) if subsidy is in excess of installment due, it will be adjusted against outstanding term loan principal amount in such a way that the tail end of repayments would be advanced;
- d) In case, payment of installment is not received on or before due date, normal rate (effective+ 1%) i.e., 11.96% p.a. would be applicable. In case of default in payment of installment, penal interest @ 2.5% p.a. over and above the normal rate of interest shall be charged on the defaulted installment of principal amount for the period of default and the benefit of weighted average interest rate will be withdrawn. The other terms and conditions of loans shall remain the same as already communicated vide sanction letters at reference above; and
- e) The existing security for NCDC assistance shall continue without any dilution / alienation till the repayment of entire NCDC loans, interest, penal interest or other charges, if any.
3. The above reschedulement is subject to the condition that the society would bring in extra capital to their own funds linked to operational profits to service NCDC debts.
4. The society shall accept the revised repayment schedule on the above said terms & conditions and shall give an acknowledgement to this letter as a mark of acceptance.

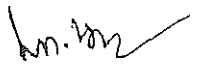
Yours faithfully,



Prabu Paulraj
Director (Textile)

Copy to:

1. The Regional Director, NCDC, Pune.
2. The Chief Director (Loan cell), NCDC, New Delhi.
3. The Assistant Director (Budget), NCDC, New Delhi



Prabu Paulraj
Director (Textile)

CHOPDA TALUKA SHETKARI SAHAKARI SOCIETY MARYADIT, CHOPDA

Reg No. JGA/PRG(A)/DH-6 Date 27.9.1991



Managing Director
Mr. Mantesh M. Mahajan
Mob. 9545399919
Phone : (02586) 202009

Vice Chairman
Mr. Prabhakar Bhimrao Patil
Mob. 9822207690

Chairman
Mr. Kailash Gorakh Patil (Ex.MLA)
Mob. 9850407696
Email - chopdacotspin2012@gmail.com

CHOPDA TALUKA SHETKARI SAHAKARI SOCIETY MARYADIT, CHOPDA

Ref. 89/2020-21

Date : / / 201

Certified True Copy of Resolution No. 2 passed by the Board in Meeting held on 25/09/2020

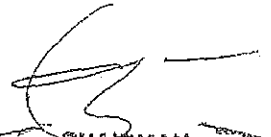
Subject No. 2 : Acceptance of Restructure of Term Loan & Working Capital done by National Co-operative Development Corporation, New Delhi (NCDC, New Delhi).

Resolution No. 2 : **RESOLVED THAT**, Letter No. NCDC:20-3/2016-Text dated 11/09/2020 received from NCDC, New Delhi regarding Restructure of existing Loan and Interest amount Total of Rs. 7336.49 Lakh breakup as Term Loan Rs. 4968.76 Lakh, Working Capital of Rs. 1049.09 Lakh and Interest payable Rs. 1318.63 Lakh is received. Terms & conditions mentioned in the above letter are accepted by board meeting including Repayment schedule.

Further Board also **RESOLVED THAT**, in the meantime NCDC, New Delhi should inspect Mills Machinery for State Governments subsidy purpose and Files Form-C for the same. All the signing rights and documents required for the above subject are given to the Chairman and Vice Chairman by the board.

Place : Chopda

Date : 30/09/2020


CHAIRMAN
Chopda Taluka Shetkari Sahakari
Sutgimi Maryadit, Chopda

Tapi Shetkari Sahakari Soot Girni Maryadit, Chopda

Reg. No. JGA/PRG/(A)/DH-6 Date 27.9.1991



General Manager

Mr. Vijay Patil

Mob. 8668310009

Email - maintchopdacotspin@gmail.com

Vice Chairman

Mr. Prabhakar Bhimrao Patil

Mob. 9822207690

Chairman

Mr. Kailash Gorakh Patil (Ex.MLA)

Mob. 9850407696

Email - chopdacotspin2012@gmail.com

Address : Gat No. 72 to 82, At & Post Akhatwade Tal. Chopda Dist. Jalgaon (Maharashtra) - 425107

Ref. Adm/2021-22/261

Date : / / 202

Date: 29/10/2021

To,
The Director (Textile)
National Cooperative Development Corporation
New Delhi

Subject: Regarding repayment of September.2021 Over Due amount

Respected Sir,

As discussed in the meeting with you on 29/10/2021 at Tapi Shetkari Sahakari Soot Girni Ltd, Chopda. After detailed discussion regarding repayment of overdue today we made payment of Rs. 40 Lakh and for remaining overdue amount of around Rs. 4.40 Crore, under signed is giving assurance that, we will pay the entire overdue amount as per below schedule

Month	Amount
10th November.2021	2,20,00,000/-
15th November.2021	2,20,00,000/-
Total	4,40,00,000/-

Submitted for information

Thanks/Regards

Kailash Gorakh Patil

Chairman

Maharashtra Government Resolution (Policy) 2019 Dt:16/01/2019

Subject: Guidelines for capital subsidy instead of interest subsidy and capital subsidy to self finance textile projects.

Preamble: The New textile policy of Maharashtra state for the period 2018-2023 has being declared under government resolution dt: 15/02/2018 having considered the suggestions made by textile organizations, textile entrepreneur and the bankers providing financial assistance to textile projects; Major clarifications regarding some issues in the policy have been made under GR Dt:16/03/2018 and some partial reforms have been also made under GR Dt:21/02/2018.

Different subsidy schemes were made available in the textile policy (2011-17) prevalent prior to this policy. Definitions of scheduled caste and scheduled tribes and minority are confirmed under GR Dt:18/10/2013. The capital subsidy scheme was declared for self finance projects under GR referred in No.2 above. The capital subsidy was made applicable to replace interest subsidy scheme under GR referred in No.3 Dt:18/4/2016.

The capital subsidy scheme for different textile units has been declared under the provisions of this GR in accordance with reforms in new textile policy (2018-2023).

Issuance of guidelines in regard with new textile policy (2018-23) was under consideration of government and accordingly the guidelines are being issued here under.

Government Resolution

The state government has stipulated guidelines for the textile projects in commensurate with their textile processing units, place of project in the state, category of entrepreneurs backward/minority etc for their eligibility to receive capital subsidy instead of interest subsidy under new textile policy (2018-23) as below:

1. Textile projects in the areas other than Vidarbha Marathwada and uttar Maharashtra are given subsidy as below:

Sr No	Eligible Textile unit	Processing(yarn, fabric, printing, technical textile, knitting hojiary and garmenting	Spinning mill, ginning and pressing units	Erection of shuttle less looms or looms based on modern technical knowhow to place old plain power looms	Latest power looms based on modern technical knowhow excluding plain power looms, exclusive of column no2to5 weaving, preparatory, sizing, doubling, TFO with other textile units
1	2	3	4	5	6
1	Subsidy for general category components	40%	25%	25%	25%
2	Subsidy SC,ST,Minority category components textile unit	45%	30%	30%	30%

Additional capital subsidy

3	Additional capital subsidy for the units producing untraditional threads and its subsidiary products	10%	10%	--	--
4	Additional capital subsidy for the projects having investment of Rs.500 cores and more	5%	5%	5%	5%
5	Additional subsidy for the projects having investments of Rs.5 cores and more and first in the block	5%	5%	5%	5%
6	The project started processing units forward/backward integration	5%	5%	--	5%

(2) Textile projects in the areas Vidarbha, Marathawada and uttar Maharashtra are given subsidy as below:

Sr. No	Eligible Textile unit	Processing(yarn, fabric, printing, technical textile, knitting hojiary and garmenting)	Spinning mill, ginning and pressing units	Erection of shuttle less looms or looms based on modern technical knowhow to place old plain power looms	Latest power looms based on modern technical knowhow excluding plain power looms, exclusive of column no2to5 weaving, preparatory, sizing, doubling, TFO with other textile units
1	2	3	4	5	6
1	Subsidy for general category components	60%	35%	35%	35%
2	Subsidy SC,ST,Minority category components textile unit	65%	40%	40%	40%

Additional capital subsidy

3	Additional capital subsidy for the units producing untraditional threads and its subsidiary products	10%	10%	--	--
4	Additional capital subsidy for the projects having investment of Rs.500 cores and more	5%	5%	--	5%
5	Additional subsidy for Installation of spinning mill in the no spinning mill block	--	5%	--	--
6	Additional subsidy for the projects having investments of Rs.5 cores and more and first in the block	5%	5%	5%	5%
7	The project started processing units forward/backward integration	5%	5%	5%	5%

2. This scheme will remain in force for the period 15/02/2018 to 31/03/2023. In this period the criteria's for schemes sponsored by center like TUFSS and thereafter will be applicable for projects as under:
 1. Projects having sanctioned long terms loans for machinery
 2. Projects installed self financially
 3. The ginning and pressing units. The projects for which banks or financial institutes sanction long terms loans for the machinery qualified under central government's RR -TUFSS criteria or the machinery approved by state government. As well as self financed projects are also eligible under this scheme.
 4. The construction cost for ETP/CETP /ZLD in processing projects is eligible for capital subsidy.

This capital subsidy will be payable to the textile projects on the total cost of qualified machinery as ascertained above. The long term loan taken for machinery plus partial financed portions and wholly self financed cost amount in total will be eligible for capital subsidy as drafted in the tables above.

3. Projects and amount eligible for subsidy.

1. The project is expected to apply online in form "A" on the website of textile department on sanction of long term loan by the bank and the self financed project has to apply in form "A1".
2. The textile projects excluding spinning mills and ginning, pressing units are eligible for capital subsidy up to the total amount of long term loan sanctioned by the bank or financial institute for machinery plus self contribution inclusive of ETP /CEPT ZLD for the machinery mentioned in the list of machinery under A-TUFSS scheme sponsored by centre. The total cost of qualified machinery for self financed projects is eligible for subsidy.

3. The ginning and pressing mills are eligible for capital subsidy up to the total amount of long term loan sanctioned by bank plus self contribution for the machinery qualified under central government's RR -TUFs or the machinery approved by the state government.

Wholly self financed projects are eligible for subsidy upto the total cost of qualified machinery.

4. This subsidy scheme is applicable for erection of new textile units, extension, modernization and diversification of the existing projects

5. The existing projects which will invest to install 10% or more of the book value of their existing machinery would stand as extension, modernization and diversification of the project. Such extension, modernization and diversification would be with forward backward process.

6. No maximum limit of investment for the projects under this scheme.

7. The construction cost for ETP/CEPT /ZLD in processing projects will be eligible for capital subsidy provided the construction cost needs to be certified by "SISMIRA" and the subsidy should be demanded through the bank with attachment of such certificates. The self financed projects are to apply for subsidy through the director of textile.

8. An additional subsidy would be permissible on anyone unit claimed out of two or more projects installed in forward/backward integration processing chain by the project.

4. The projects which are sanctioned during the period 01/08 /2018 to 14/02/2018 or the self financed projects which placed order for purchase of machinery are given option to choose either of the schemes declared under the policy 2011 to 2017 or the policy 208-2023

1. The application for subsidy by the textile projects installed during the period 18/0/2016 to 31/07/2016 will be received subject to

fulfillment of provisions under GR Dt:18/04/2016 and the projects installed during the period 01/08/2017 to 14/02/2018 are permissible to apply for subsidy under the earlier policy under GR Dt:18/04/2016 or under this policy(2018-2023)but such projects will have to undergo the apply and sanction procedure as declared under this policy.

2. Applications for subsidy by the self financed projects installed during Dt:2/12/2016 to 31/07/2017 will be received subject to fulfillment of provisions under GR Dt:2/12/2015 and the textile projects installed during the period 1/08/2017 to 14/02/2018 are permissible to apply for subsidy under the earlier policy GR Dt:02/12/2015 under this policy but such projects will have to undergo apply and sanction procedure declared under this policy

3. The textile projects installed on 15/02/2018 or thereafter can apply for subsidy under this GR.

5. Distribution of Subsidy

1. Capital subsidy will be deposited in the bank account of project in three installments on commencement of production as under

- First installment -30% of eligible amount after 12 months
- Second installment -30% of eligible amount after 24 months
- Third installment-40% after 36 months.

2. Conditions for distribution of subsidy

- I. First Installment- the textile projects other than ginning pressing and spinning mills will be released first installment of total eligible subsidy amount after 12 months if reached the 70% or more of its production capacity for machinery qualified under the criteria of A-TUFS.
- II. The ginning pressing and spinning mills will be released first installment of total eligible subsidy amount after 12

- months if reached 70% of more of its capacity for machinery qualified under the RRTUFS scheme
- III. If the concerned project did not expend total eligible amount of subsidy before first installment, the amount expended for qualified machinery before first installment will be considered for the distribution of first installment of total subsidy amount.
 - IV. Second installment –the second installment of the subsidy should be released on ensuing of 100% projection of its capacity as well whole amount of qualified machinery is expended the residual amount not expended last year but expended current year should also be considered for release of capital subsidy
 - V. Third installment-the actual amount spend for purchase of qualified machinery and the payable subsidy on it should be distributed in third installment having gone through the first and second installment distributed.
 - VI. The concerned projects are expected to produce following certificates while presenting proposals for subsidy demand.
 - i. The installed machinery is at the project site and is in work.
 - ii. The electricity bills of project for last three month
 - iii. The adjacent raw material purchase bill.
 - iv. The adjacent sales bills of product produce in the project.
 - VII. The textile project which already applied on government website for subsidy under the scheme “capital subsidy instead of interest subsidy” declared under GR Dt:18/04/2016 are required to apply in reformed Form-A attached with this GR for which the work procedure ought to be followed mentioned in this GR but the

eligible subsidy and distribution period will be applicable to these projects under GR Dt:18/04/2016

- VIII. The self financed textile projects which already applied on government websites for subsidy under the scheme "capital subsidy to self finance projects" declared under GR Dt:2/12/2015 are required to apply in reformed Form-A1 attached with this GR for which the work procedure ought to be followed mentioned in this GR but the eligible subsidy and distribution period for such projects will be applicable as under GR Dt:2/12/2015.

6. The online procedure for the scheme:

The procedure for online governance of scheme declared under the textile policy 2018-23 is being mentioned here under:

- i. The Textile projects financed by bank and the self financed projects are required to apply online on the website www.mahatextile.maharashtra.gov.in for capital subsidy in Form-A and Form-A1 respectively
- ii. The application submitted as per above will be sanctioned by the bank on the basis of documents presented and actual visit by the project to the concerned bank if the project is financed by the bank and the self financed project will be sanctioned by SICOM or any nationalized bank on the basis of documents and actual visit. On receipt of such sanction the projects applied are given separate login id and password accordingly.
- iii. The project is expected to apply in Form-C, Form-C1, Form-C2 and Form-C3 on receipt of login id and password.
- iv. The bank financed project is required to apply for capital subsidy online in Form-C through the concerned bank after 12 months of commencement of production.

- v. The self financed project is required to apply towards the director textiles for capital subsidy online in Form-C1 after 12 months of commencement of production.
- vi. The textile project which have already applied online for subsidy under scheme "capital subsidy instead of interest subsidy" under GR Dt:18/04/2016, during the period 18/04/2016 to 31/07/2017 and applied currently will receive separate Id and password on getting registered in Form-A such projects are required to apply online for capital subsidy in Form-C2 attached with this GR
- vii. The projects which have already applied online on government website under GR Dt: 2/12/2015 under the scheme capital subsidy for self finance projects during the period 2/12/2015 to 31/7/2018 and applied currently will receive separate Id and password on getting registered in Form-A1. Such projects are required to apply online for capital subsidy in Form-C3 attached with this GR.
- viii. The bank financed textile projects demanding capital subsidy in Form-C and self financed projects applied for subsidy in Form-C1 as well the projects applied in form-C2 under the "Capital subsidy instead of interest subsidy" declared under GR Dt:18/04/2016 and the self financed project applied in Form-C3 under the scheme "capital subsidy for self financed projects under GR Dt:2/12/2015 are required to upload following certificates online:
 - I. Certificate of project Registration.
 - II. Certificate for utilization of place availed by the concern authority ,the lease agreement copy if place for project is on rent
 - III. The acknowledgement of receipt of machinery at project site.

- IV. The certificate of payment of cost of machinery issued by chartered accountant.
- V. GST certificate.
- VI. Self declaration by the project for commencement of production.
- VII. Electricity bills for last 3 months.
- VIII. First raw material purchased bills
- IX. First sales bill of products produced in the project.
- X. Bank inspection report of project
- XI. The bank/financial institute will ensure the regulatory repayment of loan before forwarding proposal on its receipt from the project.
- XII. The project producing untraditional Threads and its subsidiary products will have to receive certificate from SASIMRA for such production and such certificate be attached with
- XIII. The projects started forward/backward integration processing units and applied for additional subsidy are required to submit self declaration certified by the concerned DIC through the bank if project is financed by the bank and self financed projects are required to submit self declaration certified by the concerned DIC towards the Director of textiles.
- XIV. The projects having investment of Rs.500 cores or more and applied for additional subsidy will have to submit self declaration certified by the

concerned DIC and through the concerned bank towards Director of textiles if the project is financed by the bank and the self financed project is required to submit self declaration certified by the concerned DIC towards Director of textiles while applying for additional subsidy.

XV. The projects having investment of Rs.15cores and more and the first in the concerned block is required to submit self declaration certified by the concerned DIC towards the Director textile while demanding for additional subsidy.

XVI. The spinning mill to be installed in the block where no spinning mill earlier is required to submit self declaration certified by the concerned DIC while applying for the additional subsidy.

ix. The applications submitted online in Form-C ,Form-C2 as it is by the projects financed by the bank are to be scrutinized at bank level and get rectified found defects if any. Ought to be forwarded to the Director textile online with bank certificates uploaded properly.

x. The applications are to be submitted to the Director textiles by the projects self financed in Form-C1, Form-C3 are to be scrutinized at director level and get rectified online and be forwarded to the government with necessary certificates uploaded properly.

xi. The actual cost paid for machinery subject to maximum price of the machinery In the project approved by the bank of financially institute will be treated as eligible subsidy amount as well the amount of expenditure done by self financed projects will be treated as eligible subsidy amount .

xii. The projects making defaults in repayment of loan installment are not eligible for capital subsidy, the bank should not forward such proposals.

xiii. If the amount paid for purchase of machinery is more than the eligible amount such excessive amount should not be taken into consideration for subsidy.

xiv. The proposal received online by the Director textiles from the bank are to be scrutinized at director level and ought to be forwarded to the government with his appropriate remarks. The proposals need to be forwarded to the government within one month. Proposals with reasons of delay should be forwarded to the government by the Director if not forwarded within one month.

xv. The Director textiles will scrutinized that demand of subsidy has been in the accordance with the eligible amount stated in Form-C, Form-C1,C2,C3 received online and will be forwarded to the government for further action if defects are not found. The proposal would be returned to the concern bank with reasons of refusal online if defects are found in the proposal .

xvi. The Director textile would submit proposals received by him with his recommendations for proposal amount to be sanctioned in the sequenced first come first out to the government.

xvii. The subsidy proposals received from the Director textiles would be scrutinized online at government level and would be put up before the committee for sanction the proposals would get rectified separately by the Director or the concerned bank for fresh put up.

xviii. The self financed projects required to get their projects evaluated by the SICOM or any national bank.

xix. The self financed project would demand their subsidy in the Form-C1, C3 by online application towards the Director textiles would discharge his liabilities in regards with self financed projects as are discharge by the bank regarding projects financed by bank. The proposal for demand of subsidy received from the projects in Form-C1and C-3 are forwarded to the

government for further action if not found defected and are forwarded suitably rectified if defects are found in the proposal.

xx. The proposal received from the Director textiles would be scrutinized online at government level for put up before committee to sanction it .

7. The high level committee for sanction of capital subsidy to the textile projects, registered under in this scheme as under:

Secretary/Chief secretary/Additional chief secretary(Textile)-Chairman	
Secretary/Chief secretary/Additional chief secretary(Planning)-Member	
Secretary/Chief secretary/Additional chief secretary(Finance)-Member	
Director textiles-	Member
Joint/deputy secretaries (Textile) 5 -	Members

The monthly or as required meeting of the committee is arranged for decision to sanction capital subsidy for the proposals received by the government.

The textile department will issue the order of subsidy distribution accordingly .

8. The textile projects belonging to SC/ST /Minorities –

The private textile projects owned by the people belonging to SC/ST/Minorities are eligible for subsidy.80% members are need to be belonging to SC/ST/Minorities if the project is on co-operative basis.

The Muslims ,Christians, Sikhs ,Buddhist ,Parsi and Janis residing in Maharashtra are declared as minorities groups . the remarks of caste and religion in the school leaving certificates in regard with minorities, Baptism certificate regarding Christians and the affidavits made by the person mentioning his caste and religion is treated as evidence of Minority.

9. Other Terms and conditions:

1. The relaxation under this scheme is applicable to both private and co-operative units of eligible textile projects.
2. No capital subsidy will be payable on the excessive portion of the basic cost of project.
3. This subsidy is all apart from relaxation sponsored by the centre under TUFS and department of industry.
4. Application for the benefit of this scheme is receivable through the bank of financial institute ascertained under the TUFS scheme sponsored by central government.
5. The changes done in the TUFS of if the scheme is closed by the central government such changes are not applicable to the State scheme automatically.
6. The state subsidy scheme will reviewed if required in continuance of its liabilities if TUFS is closed by the centre.
7. The machineries ascertained under A-TUFS scheme are eligible for subsidy under this scheme for ETP/CETP /ZLD
8. The sanctioned fund can be credited in the current account of project by the concerned bank if repayment of loan is not defaulted.

10. This GR can be amended as and when required by the government

11. The liability of Textile project:

1. The textile projects are given consent under this scheme as mentioned above to apply for subsidy through the concerned bank/SICOM nationalize bank
2. The textile projects are required apply for capital subsidy through their concerned banks and self financed projects are required to apply towards the Director of Textiles .
3. The liability to apply in Form-A and A-1 for the registration of subsidy at government website online will be of the concerned project.
4. The self financed projects have to get evaluated by the SICOM or any nationalize bank

5. The textile project will upload Form-C and C1, Form -C2 and C3 with certificates mentioned in para 6 (8)above ,for demand of subsidy on commencement of its production.

12. The liability of bank or financial institute:

1. The bank and financial institute are required to scrutinized the proposals thoroughly received online for demand of capital subsidy, get the defected proposal rectified and submit Director textiles online.
2. The banks are authorized to rectify the proposals received online for subsidy from the textile projects.
3. The banks required to upload following certificates with seal and signatures of the competent officers ,having scrutinized the machinery installed by the project is in accordance with the criteria of centre sponsored A-TUFS /RRTUFS schemes
 1. The clarification followed by the certificate ,mentioning that project is eligible for additional subsidy under GR Dt:15/02/2018
 2. The certificate ensuring the amount demanded by the project and the information produced is correct
 3. Certificate of commencement of production in the project
 4. Certify the project if it is new ,extensive, diversified or modernized project
 5. The bank or financial institute ensures the total cost of project , of which long term loan , self contribution of the project .The eligible amount under TUF (Loan+sale contribution) etc is to be certified right and correct

6. Certificate of regular repayment
 7. Certify the amount of subsidy distributed earlier is credited in the account of project properly.
 8. Certify the project is fulfilling all the terms and conditions as are mentioned in this GR.
4. The concerned bank will open separate account in the coordination branch for distribution of fund. Firstly the payable subsidy amount is credited in the said account. The payable amount of subsidy to the concerned project is credited in the current account of the project from the said account if loan repayment is regular.

13. The liability of Director of Textile:

- I. The director of textile is required to scrutinize the subsidy proposal received online from the banks and certify the amount demanded is correct and forward it to the government online with his recommendations for approval within one month from the date of receipt of the proposal

Proposal received with necessary certificates for capital subsidy from the self finance projects are to be scrutinized online and forwarded to the government within one month from the date of receipt. Forward the proposal with reasons of delay if could not be sent within one month .

14. The liability of Department of textile:

The proposals for demand of capital subsidy received from the director of textiles online are scrutinized thoroughly at government level and forwarded to the committee for its consent. The rectified proposals, got rectified from the concerned bank or Director textiles if found defected would be forwarded to the committee once again.

15. The budgetary provision of fund for the bank financed project eligible for subsidy under the scheme "capital subsidy instead of interest subsidy" has been

done under existing head of account as mentioned below and the expenditure of this scheme is done from it.

2851, gram udyog and laghu udyog

110, sammitra gram udyog and laghu udyog and sahakari sanstha

(02)(78) Capital subsidy instead of interest subsidy scheme under the textile policy (2011-17).33 Financial assistance(285,165,65)

16. The budgetary provision of fund for subsidy to self financed textile projects has been done under the existing head of account as mentioned below.

2851, gram udyog and laghu udyog

110, sammitra gram udyog and laghu udyog and sahakari sanstha

(02)(77) Capital subsidy to self financed textile projects under the textile policy (2011-17).33 Financial assistance(285,165,65)

17. This GR is available on government website www.maharashtra.gov.in the web no is 201901161650308502 .

This government resolution is signed digitally .

In the name of Governor of Maharashtra and ordered by him.

Sd-

Joint Sceretary

(Textiles)

Government of Maharashtra

89

राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
(An ISO 9001:2008 Certified Organisation)
(Textile Division)



4 - Siri Institutional Area,
Hauz Khas, New Delhi 110016.
Tel.No. 011-26961930
Fax : 011-26961930, 26516032
E-mail: pprabu@ncdc.in
Website: www.ncdc.in

No.NCDC:20-3/2016-TeX/64/SA60041

Dated: 06.07.2016

From

Managing Director

To

The Chairman,
Chopda Taluka Shetkari Sahakari Soot Girni Limited,
Krushi Utpanna Bazar Samiti Awar,
Taluk Chopda, District Jalgaon, Maharashtra - 425107

Sub: Sanction of financial assistance to Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra for establishment of new Spinning Mill under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) through Direct Funding - regarding.

Ref: Letter dated 28.04.2016 of Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra.

Sir,

I am directed to refer to the letter cited above seeking financial assistance from this Corporation for establishment of a new Spinning Mill by Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) through direct funding. The proposal has been examined and NCDC approves financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy (subject to availability from Government of India) for establishment of a new Spinning Mill at project cost of ₹8855.00 lakh as per details given below:

		(₹ In lakh)
S.No.	Particulars	Estimated project cost
1	Site development	69.43
2	Building and Civil Works	1973.00
3	Plant & Machineries	3685.22
4	Miscellaneous Fixed Assets	1867.10
5	Pre-Operative Expenses	586.60
6	Contingencies at 5% of 3 & 4	277.62
7	Margin Money for raising Working Capital	396.03
TOTAL		8855.00

2. The project cost shall be funded as under:-

(₹ in lakh)			
S.No.	Particulars	% of project cost	Amount
1.	Term loan from NCDC	49.69	4400.00
2.	Subsidy under CSISAC*	15.00	1328.25
3.	Society's contribution	35.31	3126.75
	Total	100.00	8855.00

*subject to availability from Government of India

3. Accordingly, I am directed to convey the sanction of the Corporation for financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy (subject to availability from Government of India) to Chopda Taluka Shetkari Sahakari Soot Girni Limited at project cost of ₹8855.00 lakh for establishment of a new Spinning Mill under Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) through direct funding.

4. The above sanction is subject to the following conditions:

- a) Before availing the assistance, the society shall enter into loan agreement with NCDC and society shall mortgage its assets in favour of NCDC on first charge basis. Copy of loan agreement is enclosed at Annexure I.
- b) The society shall furnish certified copy of the resolution passed by the Board of Directors of the society agreeing to the terms and conditions of the loan and authorizing particular officer(s) of the society for executing various documents (format at Annexure -II).
- c) The society shall not avail any assistance towards capital expenditure other than that contained in this project without prior approval of NCDC till the currency of NCDC's assistance.
- d) The society shall create adequate reserves from out of its profit so as to ensure timely repayment of loan installments with interest to NCDC.
- e) The loan shall be for a period of 8 years including moratorium of 2 years on repayment of term loan. There shall not be any moratorium on payment of interest. Repayment shall be made in 12 half yearly installments i.e. two installments every year. Payment of first installment shall fall due on 5th March or 5th September whichever is falling first on completion of two years of release of first installment of loan.
- f) The loan shall carry rate of interest prevailing at the time of actual release of funds. Interest will be charged on monthly compounding basis on monthly rest. However, payment of interest shall be made half yearly on 5th March and 5th September or at the time of repayment of loan whichever is earlier on monthly compounding basis. Presently effective rate of interest is 11.45% charged on monthly compounding. Effective rate of interest shall be applicable in case repayment of installment is made on or before due date. In case repayment of

Installment is not made on or before due date, normal rate of interest, which is 1% p.a. higher than the effective rate shall be applicable. Further, in case of default in repayment of installments, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted installments and accrued normal interest for the period of delay. The other terms and conditions of loan shall remain the same as already communicated vide Corporation's letter No.NCDC:1-1/84-Budt.dated 15.10.84 and NCDC:1-1/90-Budt. dated 26.04.2016 and as amended from time to time.

- g) NCDC shall review the financials and operations of the cooperative on a regular basis and if in the opinion of NCDC, at any point of time there is deterioration of financial position and working of the cooperative to such an extent that the cooperative becomes ineligible for assistance based on the eligibility criteria prevailing at that point of time, NCDC shall have the discretion to stop further disbursements and withdraw the sanction.
- h) The society shall ensure that the assistance sanctioned is used for the purpose for which it has been sanctioned.
- i) The Corporation shall have right to accelerate repayment of loan in case of financial position of the society so warrants.
- j) The assistance will be released to the society only after furnishing the security for the loan as mentioned above and on executing necessary legal documents.
- k) The society shall pay Processing fee of ₹3.00 lakh (i.e. 0.5% of NCDC's assistance, subject to maximum ceiling of ₹3.00 lakh) alongwith Service Tax & education cess of ₹45,000/- @ 15.00% (including 0.50% towards Swacch Bharat Cess and 0.50% Krishi Kalyan cess levy) of processing fee.
- l) As the subsidy being provided under Central Sector Integrated Scheme on Agricultural Cooperation (subject to the availability from Government of India) is credit linked scheme, the borrower shall be liable to refund the subsidy if loan is repaid in advance.

5. Legal Fees

The society shall pay to NCDC legal fees in connection with carrying out of search and verification of title deeds of assets of the society and other documents for creation of security, if need be, by an advocate nominated by the Corporation from its panel. The amount of such legal fees will be intimated separately. Stamp duty payable in connection with mortgage of assets (including stamp duty on memorandum of entry) and travelling, lodging and boarding expenses of the advocate, if any, in connection with his visit to the society for investigating of title deeds shall be borne by the society separately.

6. Mode of Release

The society shall maintain an account with a nationalized bank wherein the loan disbursed by the Corporation shall be credited and all disbursements made by the society for the project to be on account to account transfer/s basis. The other term of release will be as under:-

- A) 1st release upto 25% of loan as ways & advance shall be made after:
- i) Receipt of resolution of the Board of Directors of the society accepting the terms & conditions of the Corporation's sanction & authorizing the Directors/Officers to execute requisite documents;
 - ii) Execution of the loan agreement and payment of processing & legal fee;
 - iii) Mortgage of assets on first charge basis in favour of NCDC;
 - iv) The society initiates action for placement of orders for Plant & Machinery; and
 - v) The society has incurred expenditure of atleast 25% of its share in the project cost duly certified by Chartered Accountant.
- B) Subsequent releases will be made based on the progress of the project, receipt of item-wise details of actual expenditure incurred on the project and sources thereof duly certified by a Chartered Accountant and item-wise details of the anticipated expenditure likely to be incurred in next one month.

7. Other Conditions

- a) The society shall not make any change in the project, without prior approval of NCDC.
- b) The Corporation shall have the right to depute officer(s) for inspection/review of the working and financial position of the society and/or may cause it to be done through any other agency, the expenses for which shall be met by the society. Society shall keep open all its records and provide such details, as deemed fit by the official/s carrying out inspection/review on behalf of the Corporation.
- c) The society shall not pay any interest on the non-refundable deposits raised for meeting the proposed capital expenditure during the currency of the NCDC loan.
- d) Any incentive received by the society under the incentive scheme of the Central/State Government shall be kept in a separate account and utilized for repayment of NCDC only.
- e) The sanction will be valid upto 30.06.2018 by which date the society shall ensure completion of the project in all respects and also draw the entire sanctioned assistance from NCDC.

- f) The Corporation shall have a right to depute one nominee on the Board of Directors of the Society. The expenses for attending such meeting shall be met by the society.
- g) The society shall submit a quarterly report on the progress of implementation of project indicating therein also the details regarding capital expenditure already incurred.
- h) The financial assistance of the Corporation shall be utilized by the society only for the purpose for which it is sanctioned.
- i) In case of violation of any of the terms & conditions, the Corporation shall have the right to foreclose the sanction and recover the entire amount of assistance released alongwith the interest.
8. The receipt of this letter may please be acknowledged.

Yours faithfully,



(P.Prabu)

Deputy Director
For Managing Director

Copy to:

1. The Principal Secretary, Government of Maharashtra, Cooperation, Marketing & Textiles Department, Mantralaya, Mumbai.
2. The Registrar of Cooperative Societies, Pune, Maharashtra.
3. Director of Handlooms, Powerlooms and Textiles, Government of Maharashtra, Old Secretariat Building, Opposite to GPO, Civil Lines area, Nagpur – 440001.
4. The Chief Director, (Cooperation), Ministry of Agriculture & Farmers Welfare, Department of Agriculture, Cooperation & Farmers Welfare, Krishi Bhawan, New Delhi.
5. The Regional Director, NCDC, Pune.
6. The Chief Director (Loan), NCDC, New Delhi.
7. Budget Section, NCDC, New Delhi.
8. Guard File.



(P.Prabu)

Deputy Director
For Managing Director

LOAN AGREEMENT

This AGREEMENT made at _____ this _____ day of _____ between Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra, a Society registered under the Maharashtra State Cooperative Societies Act of _____ with its Registered Head Office at....., (herein after referred to as the "Borrower" which expression shall, unless repugnant to the context include its successors and assigns) of the One part.

AND

National Cooperative Development Corporation, a statutory Corporation established under the National Cooperative Development Corporation Act, 1962 (26 of 1962) and having its Regional Office at Pune, Maharashtra (hereinafter referred to as "NCDC" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) of the other part.

ARTICLE-I

DEFINITIONS

1.1 The following terms shall have the following meanings:-

- a) "General conditions" means the GENERAL CONDITIONS APPLICABLE TO ASSISTANCE PROVIDED BY NCDC.
- b) "Project" means the project to be financed as described in Schedule-II hereto.
- c) "Financing Plan" means the financing plan as described in Schedule-III hereto.

1.2 GENERAL CONDITONS

The Loan hereby agreed to be granted by the NCDC shall be subject to the Borrower complying with the terms and conditions set out herein and also in the General Conditions contained in NCDC's sanction letter No.NCDC: 20-3/2016-Tex/64/SA60041 dated 06.07.2016 addressed to the Borrower and accepted by the Borrower by its Board's resolution dated _____. The General Conditions shall be deemed to form part of this Agreement and shall be read as if they are specifically incorporated herein.

ARTICLE-II

AGREEMENT AND TERMS OF LOAN

2.1 AMOUNT AND TERMS OF LOANS

The Borrower agrees to borrow from NCDC and NCDC agrees to provide assistance to the Borrower, on the terms and conditions contained therein as also in the General Conditions, the sum of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy set out in Schedule-I. The said sums are hereinafter collectively referred to as the "Loan" or "the loans" as the context admits.

2.2 INTEREST

The Borrower shall pay to the NCDC interest on the principal amounts of the loan outstanding from time to time half yearly in each year on 5th March and 5th September at the rate(s) set out in Schedule-IV hereto.

2.3 LAST DATE OF WITHDRAWAL

Unless the NCDC otherwise agrees, the right to make draws from the assistance shall cease on 30.06.2018.

2.4 CREDIT FOR LOAN DISBURSEMENT MADE AND REPAYMENTS RECEIVED

All payments from NCDC to the Borrower and from the Borrower to the NCDC shall be made by way of electronic transfer/Real Time Gross Settlement (RTGS) system or through a Bank draft. In case where disbursement of funds by NCDC to the Borrower is made by way of electronic transfer/Real time Gross Settlement (RTGS) system,

In case of remittance of funds by way of electronic transfer/Real Time Gross Settlement (RTGS) system, date of credit of the amount into the Bank Account of the Borrower or the Corporation shall be treated as the date of disbursement of funds by the Corporation or the date of payment by the Borrower as the case may be. In case of remittance by way of electronic transfer/RTGS system prior intimation of one day shall be given.

In case repayments to the Corporation are made by the Borrower through Bank Draft, the same may be marked "Account payee only" and drawn in favour of the "National Cooperative Development Corporation" and shall be payable at any Nationalized Banks at New Delhi and the Bank Drafts should be sent by speed post or delivered in person to the Corporation at its Head Office, New Delhi.

Notwithstanding, anything contained in this para, the credit for repayments made by the Borrower shall be given on the due date, if it happens to be later than the delivery of draft / fund transfer.

2.5 REPAYMENT

The Borrower undertakes to repay the principal amounts of the loan in accordance with the Amortization Schedule set forth in Schedule - V hereto.

ARTICLE- III

SECURITY

3.1 SECURITY FOR THE LOANS

(A) The loans together with all interest, penal interest, commitment charges, costs, expenses and other monies whatsoever stipulated in this Agreement shall be secured by :-

- a) A first mortgage and creation of first charge on 17.72 hectares of land which is in possession of society and other fixed assets being created out of NCDC's financial assistance in favour of NCDC in a form satisfactory to NCDC of all the Borrowers' immovable properties both present and future; and
- b) A first charge by way of hypothecation in favour of NCDC of all the borrower's movables (save and except book debts), including movable machinery, machinery spares, tools and accessories, present and future, subject to prior charges created and/or to be created:-
 - i) In favour of the borrower's bankers on the borrowers' stocks of raw materials, semi-finished and finished goods, consumable stores and such other movables as may be agreed to by the NCDC for securing the borrowings for working capital requirements in the ordinary course of business; and
 - ii) The hypothecation and charge referred above shall rank first charge basis with the mortgages and charges created and/or to be created in favour of NCDC.

(B) The Borrower shall make out a good and marketable title to its properties to the satisfaction of the NCDC and comply with all such formalities as may be necessary or required for the said purpose.

3.2 CREATION OF ADDITIONAL SECURITY

If, at any time during subsistence of this Agreement, the NCDC is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding, then, on the NCDC advising the Borrower to that effect, the Borrower shall provide and furnish to the NCDC to the satisfaction of the NCDC such additional security as may be acceptable to the NCDC to cover such deficiency.

3.3 ACQUISITION OF ADDITIONAL IMMOVABLE PROPERTIES

So long as any money remain due and outstanding to the NCDC, the Borrower undertakes to notify the NCDC in writing of all its acquisitions of immovable properties and as soon as practicable thereafter shall make out a marketable title to the satisfaction of the NCDC and charge the same in favour of NCDC by way of first charge in such form and manner as may be decided by the NCDC.

ARTICLE – IV

APPOINTMENT OF NOMINEE DIRECTOR (S)

The Borrower agrees that NCDC shall be entitled to appoint and withdraw from time to time a nominated Director as representative of NCDC on the Board of Directors of the Borrower at any time during the currency of this agreement.

ARTICLE - V

SPECIAL CONDITIONS

The Loan hereby granted shall also be subject to the Borrower complying with the special conditions set out in Schedule VI hereto.

ARTICLE-VI

EFFECTIVE DATE OF AGREEMENT

This Agreement shall become binding on the Borrower and the NCDC on and from the date first above written. It shall be in force till all the monies due and payable under this Agreement are fully paid off.

SCHEDULE - I

PARTICULARS OF ASSISTANCE

(₹ in lakh)

Name of the Lender	Financial assistance		
	Loan	Subsidy *	Total
National Cooperative Development Corporation, 4, Siri Institutional Area Hauz Khas, New Delhi - 110016	4400.00	1328.25	5728.25

* Subject to the availability from Government of India otherwise equivalent loan.

SCHEDULE - II

THE PROJECT

Details of approved project cost:

(₹ in lakh)

S.No.	Particulars	Estimated project
1	Site development	69.43
2	Building and Civil Works	1973.00
3	Plant & Machinerles	3685.22
4	Miscellaneous Fixed Assets	1867.10
5	Pre-Operative Expenses	586.60
6	Contingencies at 5% of 3 & 4	277.62
7	Margin Money for raising Working	396.03
TOTAL		8855.00

SCHEDULE-III

FINANCING PLAN

The project is to be financed as under:-

(₹ in lakh)

S.No.	Particulars	% of project cost	Amount
1.	Term loan from NCDC	49.69	4400.00
2.	Subsidy under CSISAC*	15.00	1328.25
3.	Society's contribution	35.31	3126.75
	Total	100.00	8855.00

*subject to availability from Government of India

SCHEDULE - IV

PARTICULARS OF INTEREST

The loan shall carry rate of interest prevailing at the time of actual release of funds. Interest will be charged on monthly compounding basis on monthly rest. However, payment of interest shall be made half yearly on 5th March and 5th September or at the time of repayment of loan whichever is earlier on monthly compounding basis. Presently effective rate of interest is 11.45% charged on monthly compounding. Effective rate of interest shall be applicable in case repayment of installment is made on or before due date.

In case repayment of installment is not made on or before due date, normal rate of interest, which is 1% p.a. higher than the effective rate shall be applicable. Further, in case of default in repayment of installments, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted installments and accrued normal interest for the period of delay. The other terms and conditions of loan shall remain the same as already communicated vide Corporation's letter No.NCDC:1-1/84-Budt.dated 15.10.84 and NCDC:1-1/90-Budt. dated 26.04.2016 and as amended from time to time.

SCHEDULE - V

AMORTISATION SCHEDULE

PAYMENT OF PRINCIPAL

The loan shall be repayable over a period of 8 years including moratorium period of 2 years in repayment of principal. The loan shall be paid in 12 half yearly installments on 5th March and 5th September each year. First installment shall fall due on 5th March or 5th September whichever is falling first after 2 years of release of first installment of loan. There shall be no moratorium on payment of interest.

SCHEDULE- VI

SPECIAL CONDITIONS

No part of the assistance sanctioned shall be disbursed to the borrower until the Borrower has complied "inter-alia" with the following conditions:

- i) The Borrower satisfies NCDC that it has committed in writing both to the State Government and the Central Government that the Borrower will install the appropriate equipments and implement the prescribed measures for the prevention and control of pollution;
- ii) The Borrower satisfies the NCDC that the concerned State Pollution Control Board has certified in writing that the proposal meets with the environmental requirements and that the equipment installed or proposed to be installed are adequate and appropriate to the requirement;
- iii) The borrower has to form a committee comprising of technical and financial experts, chaired by Chairman of the society to manage and ensure timely implementation of the project with emphasis on proper and economic utilisation of funds; and
- iv) NCDC may invoke personal guarantee from Board of directors, if need be.

IN WITNESS WHEREOF, the Borrower has caused its common seal to be affixed in the presence of Shri (1) and Shri(2) who have executed these presents for an on behalf of the borrower on the date, month and year first herein above written.

(1)

(2)

Witnesses:

1. Signature :	2. Signature :
Name :	Name :
Address :	Address :

Signed for an on behalf of National Cooperative Development Corporation

(.....)

Witnesses:

1. Signature :	2. Signature :
Name :	Name :
Address :	Address :

Format of the Resolution to be passed by the Board of Directors of
the Borrower Society for availing the loan from National Cooperative
Development Corporation (NCDC) and for executing documents to
create security in favour of NCDC

The Chairman informed the Board that the National Cooperative Development Corporation, New Delhi (NCDC) has sanctioned financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy to the Society vide its sanction Letter No.NCDC: 20-3/2016-Tex/64/SA60041 Dated 06.07.2016 on the terms and conditions contained in the said Sanction Letter. He placed the Sanction Letter received from NCDC on the table for consideration of the Board. The Board after discussion passed the following resolutions:

1. Resolved that the Society do avail the financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy sanctioned by NCDC to it for the purpose of establishment of new Spinning Mill on the terms and conditions contained in the NCDC's Sanction Letter No.NCDC: 20-3/2016-Tex/64/SA60041 Dated 06.07.2016 which be and are accepted.
2. Resolved further that the Society do execute with NCDC a Loan Agreement in respect of the above loan as per the draft received from NCDC along with the aforesaid Sanction Letter with such amendments and modifications as may be agreed upon between NCDC and Shri.....Chairman/Managing Director/Director of the Society.
3. Resolved further that the Society do secure the above financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy sanctioned by NCDC by mortgaging, hypothecating and charging its movable and immovable properties and assets in favour of NCDC in the manner required by NCDC.
4. Further resolved that the draft of the Deed of hypothecation received from NCDC for hypothecating movable properties and assets of the Society in favour of NCDC be and are hereby approved and the same be executed by ShriChairman/Managing Director/Director and Shri(Designation) for and on behalf of the Society.

5. Further resolved that the society do create registered mortgage / equitable mortgage on immovable properties to secure the aforesaid financial assistance of ₹5728.25 lakh comprising ₹4400.00 lakh as term loan and ₹1328.25 lakh as subsidy in favour of NCDC and Shri.....Chairman/Managing Director/Director of the Society be and is authorised to sign/to deliver and deposit with NCDC the said title deeds for creating registered mortgage / mortgage by deposit of title deeds by way of constructive delivery respectively in favour of NCDC.

6. Further resolved that ShriChairman/ Managing Director/Director be and is authorized to issue subsequently a letter of confirmation on behalf of the Society to NCDC for depositing the title deeds by way of constructive delivery basis in case of equitable mortgage for the purpose aforesaid.

7. Resolved further that the Society do give to NCDC such declarations and undertakings in the matter of creation of security on its movable and immovable properties and assets in favour of NCDC as may be required by NCDC and ShriChairman/ Managing Director/Director of the Society be and is authorised to give such declarations and undertakings and sign loan agreement for and on behalf of the Society and affix the common seal on the same.

8. Further resolved that the copy of the above resolutions certified by the Chairman/Managing Director be sent / delivered to NCDC for further action in the matter.

Chairman/ Managing Director

राष्ट्रीय सहकारी विकास निगम
(आई.एस.ओ.प्रमाणित संस्थान)
(वस्त्र प्रभाग)



4, सीरी इंस्टीट्यूशनल एरिया,
हौज़ खास, नई दिल्ली-110 016.
दूरभाष न. 011-26961930
फैक्स न. : 011-26961930, 26516032
ई-मेल : pprabu@ncdc.in
वेब साईट : www.ncdc.in

संख्या : रा.स.वि.नि.:24-8/2016-वस्त्र/291/SA60217

दिनांक : 15.02.2017

सेवा में

अध्यक्ष,

चोपड़ा तालुका शेतकारी सहकारी सूत गिरनी लिमिटेड,
कृषि उत्पन्न बाज़ार समिति अवर,
तालुक चोपड़ा, जिला जलगाँव, महाराष्ट्र - 425107

विषय: निगम प्रायोजित योजना के अंतर्गत चोपड़ा तालुका शेतकारी सहकारी सूत गिरनी लिमिटेड,
तालुक चोपड़ा, डिस्ट्रिक्ट जलगाँव, महाराष्ट्र को सहकारी कताई मिल की कार्यशील पूंजी की
जरूरत पूरा करने के लिए कार्यशील पूंजी ऋण की स्वीकृति ।

सन्दर्भ: सोसाइटी का पत्र संख्या : 383/2016-17 दिनांक 20.01.2017.

महोदय,

मुझे आपके उपरोक्त पत्र, जिसके तहत ₹25.00 करोड़ कार्यशील पूंजी ऋण स्वीकृत कराने हेतु
का अनुरोध किया गया है, के सन्दर्भ में आपकी सहकारी कताई मिल की कार्यशील पूंजी की आवश्यकता
को पूरा करने के लिए इस निगम से ₹15.00 करोड़ के कार्यशील पूंजी ऋण 5 वर्षों की अवधि के लिए
परिक्रामी सुविधा के साथ स्वीकृत करने का निर्देश प्राप्त हुआ है ।

2. स्वीकृति से सम्बंधित नियम एवं शर्तें इस पत्र के साथ संलग्न अनुबंध में अंकित हैं । ग्राहक
फीडबैक प्रपत्र भी संलग्न है, जिसे भरकर रा.स.वि.नि. को भेज दिया जाए ।

3. कृपया इस पत्र की पावती भेजें ।

भवदीय,

(पी. प्रबु)

उप निदेशक (वस्त्र)
कृते प्रबंध निदेशक

प्रतिलिपि :

1. पंजीयक, सहकारी समितियां, दूसरा तल, न्यू सेंट्रल बिल्डिंग, अम्बेडकर वेल्लेस्ले रोड, पुणे, महाराष्ट्र - 411001 |
2. उप सचिव (सहकारिता), कृषि और किसान कल्याण मंत्रालय, कृषि सहकारिता और किसान कल्याण विभाग, कृषि भवन, नई दिल्ली |
3. क्षेत्रिय निदेशक, रा.स.वि.नि. पुणे |
4. मुख्य निदेशक (ऋण), रा.स.वि.नि., नई दिल्ली |
5. बजट विभाग, रा.स.वि.नि., नई दिल्ली |
6. गार्ड फाइल

पी. प्रबु
(पी. प्रबु)
उप निदेशक (वस्त्र)
कृते प्रबंध निदेशक

Annexure to NCDC's sanction letter No. NCDC: 24-8/2016-Tex/291/SA60217 dated
15.02.2017

**Terms & Conditions applicable to working capital loan of ₹15.00 crore sanctioned to
Chopda Taluka Shetkari Sahakari Soot Girmi Limited, District Jalgaon, Maharashtra**

- a) The society shall create first charge on its assets in favour of NCDC to secure the above loan of ₹15.00 crore.
- b) Before availing the loan, the society shall enter into loan agreement with the Corporation in the prescribed proforma as per enclosed format at Appendix-I and shall submit letter of continuity as per enclosed format at Appendix-II.
- c) The working capital loan shall be for a period of 5 years on revolving basis. This sanction shall be subject to renewal and revalidation at the end of each year. While renewing the sanction, society's financial performance and the requirement of funds will be taken into consideration.
- d) Each disbursement made by the Corporation (including re-drawal of refunded amount) shall be repayable in one year in half yearly installments. However, if the society proposes to avail the revolving facility, i.e., refund and re-drawal, it shall maintain a minimum balance of ₹10.00 lakh at any point of time till such time it avails such facility. The first installment shall fall due on expiry of six months of release of assistance. At the end of six months, the society has to repay first installment i.e., minimum 10% of the working capital loan released and second installment (remaining amount) on completion of one year. The sanction would be revalidated on yearly basis, on the request of the society, depending on the financial position of the society.
- e) The society may refund the loan in advance after a minimum retention period of 3 months. In case of loan repaid in advance, interest shall be paid simultaneously at the time of prepayment. The amount refunded or redrawn on each occasion should not be less than 10% of the loan and maximum of 4 transactions each of refund and re-drawals in a year will be allowed.
- f) If during the aforesaid period of one year from the date of disbursal of loan, the society requires the loan for its working capital after making repayment in advance before due date, the Corporation at its sole discretion may allow the society on its request to avail the amount to the extent of principal amount repaid by it in advance to the Corporation against the security created for the aforesaid loan in terms of the agreement which will continue to be valid, binding and in force till the repayment of entire amount of loan.
- g) Disbursements of loan shall be made in such a way that at any point of time, the outstanding NCDC's working capital loan shall not exceed the sanctioned limit of ₹15.00 crore.
- h) NCDC shall review the financials and operations of the cooperative on a regular basis and if in the opinion of NCDC, at any point of time there is deterioration of financial position and working of the cooperative to such an extent that the cooperative becomes ineligible for sanction of fresh assistance based on the eligibility criteria prevailing at that point of time, NCDC shall have the discretion to stop further disbursements and withdraw the sanction.

i) The loan shall carry rate of interest prevailing at the time of actual release/re-drawal of the funds. Interest shall be charged on monthly compounding basis and compounding shall be done on the last day of each month. Payment of interest shall be made in half yearly installment and at the time of repayment of loan. Presently, the effective rate of interest is 9.05% per annum in respect of loan for one year. In case the society requests in advance for release of loans for shorter period i.e., from 3 to 9 months, in such cases effective rate of interest will be 8.70% p.a. where period of loan is 6 to 9 months and 8.40% p.a. where period of loan is 3 to 6 months. Effective rate of interest shall be applicable in case of repayment of installment is made on or before due date. In case repayment of installment is not received on or before due date, normal rate of interest, which is 1% p.a. higher than the effective rate shall be applicable. Further, in case of default in repayment of installments, penal interest @ 2.5% p.a. over and above the normal rate of interest shall be charged on the defaulted installments of principal amount and normal interest for the period of default. The other terms and conditions of the Corporation shall be according to NCDC's letters No. NCDC:1-1/84-Budt. dated 15.10.1984 and No. NCDC: 1-1/90-Budt. dated 10.01.2017 and as amended from time to time.

2. The society shall pay to NCDC legal fees in connection with carrying out of search and verification of title deeds of assets of the society and other documents for creation of security to be done by an advocate nominated by the Corporation from its panel. The amount of such legal fees will be intimated separately. Stamp duty payable in connection with mortgage of assets (including stamp duty on Memorandum of Entry) and travelling, lodging and boarding expenses of the advocate, if any, in connection with his visit to the society for investigation of title deeds shall be borne by the society separately.

3. The society shall pay to NCDC processing fee of ₹3.00 lakh (i.e. 0.5% of NCDC's assistance but not exceeding ₹3.00 lakh) alongwith service tax on it applicable at the time of payment of processing fee. Presently, service tax payable is at 15.00% which works out to ₹45,000/- and accordingly total processing fee payable to NCDC is ₹3.45 lakh.

4. The society shall ensure that it will furnish quarterly progress reports in the prescribed proforma and other information as required by the Corporation from time to time. The society will ensure that the loan sanctioned will be utilised for the purpose for which it is sanctioned i.e., meeting working capital requirement. The Corporation shall have the right to accelerate repayment of loan in case financial position of the society so warrants.

5. The loan will be released to the society only after the society (i) executes loan agreement; (ii) furnishes security of the loan; and (iii) furnishes letter of confirmation of security on the prescribed format as mentioned above and on executing necessary legal documents.

6. The sanction is valid upto 15.02.2022. However, the sanction will be subject to renewal and revalidation at the end of each year. The society should, however, complete all legal formalities with regard to providing security of the loan / execution of necessary documents immediately so as to release the loan at the earliest.

7. In case, the above terms and conditions are acceptable to the society, the society shall furnish a copy of the resolution passed by the Board of Directors agreeing to the terms and conditions of the loan and authorizing particular officer(s) of society for executing various documents on the prescribed format (Appendix -III).

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P. Prabu
Deputy Director

LOAN AGREEMENT

LOAN AGREEMENT BETWEEN CHOPDA TALUKA SHETKARI SAHAKARI
SOOT GIRNI LIMITED, DISTRICT JALGAON, MAHARASHTRA AND
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION

This AGREEMENT made at _____ this _____ day of _____ between Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra, a Society registered under the Maharashtra Cooperative Societies Act of _____ with its Registered Head Office at _____ (hereinafter referred to as the "Borrower" which expression shall, unless repugnant to the context include its successors and assigns) of the One part.

AND

National Cooperative Development Corporation, a Statutory Corporation established under the National Cooperative Development Corporation Act, 1962 having its Regional Office at Pune, Maharashtra (hereinafter referred to as "NCDC" which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) of the Other part.

Whereas at the request of the Borrower, NCDC has agreed vide its sanction letter No.NCDC:24-8/2016-Tex/291/SA60217 dated 15.02.2017 (a copy whereof is annexed to and shall form integral part of this Agreement) to provide working capital loan of ₹15.00 crore (hereinafter referred to as the said "loan") to the society for raising its working capital base on the terms and conditions specified hereinafter.

NOW THIS AGREEMENT WITNESSTH THAT in consideration of the premises, it is hereby agreed by and between the aforesaid parties as under:

INTEREST

2. The loan shall carry rate of interest prevailing at the time of actual release/re-drawal of the funds. Interest shall be charged on monthly compounding basis and compounding shall be done on the last day of each month. Payment of interest shall be made in half yearly installment and at the

time of repayment of loan. Presently, the effective rate of interest is 9.05% per annum in respect of loan for one year. In case the society requests in advance for release of loans for shorter period i.e., from 3 to 9 months, in such cases effective rate of interest will be 8.70% p.a. where period of loan is 6 to 9 months and 8.40% p.a. where period of loan is 3 to 6 months. Effective rate of interest shall be applicable in case of repayment of installment is made on or before due date. In case repayment of installment is not received on or before due date, normal rate of interest, which is 1% p.a. higher than the effective rate shall be applicable. Further, in case of default in repayment of installments, penal interest @ 2.5% p.a. over and above the normal rate of interest shall be charged on the defaulted installments of principal amount and normal interest for the period of default. In case of loan repaid in advance, interest shall be paid simultaneously at the time of prepayment. The other terms and conditions of the Corporation shall be according to NCDC's letters No. NCDC:1-1/84-Budt. dated 15.10.1984 and No. NCDC: 1-1/90-Budt. dated 10.01.2017 and as amended from time to time.

REPAYMENT

3. The working capital loan shall be for a period of 5 years on revolving basis subject to renewal and revalidation at the end of each year. Each disbursement made by the Corporation (including re-drawal of refunded amount) shall be repayable in one year in half yearly installments. However, if the society proposes to avail the revolving facility, i.e., refund and re-drawal, it shall maintain a minimum balance of ₹10.00 lakh at any point of time till such time it avails such facility. The first installment shall fall due on expiry of six months of release of assistance. At the end of six months, society has to repay first installment i.e., minimum 10% of the working capital loan released and second installment (remaining amount) on completion of one year.

UTILISATION OF ASSISTANCE

4. The borrower shall exclusively utilise the said loan of ₹15.00 crore for the purpose of which it has been sanctioned. It shall not be utilised for any other purpose without first obtaining consent in writing of NCDC.

CREDIT FOR LOAN DISBURSEMENT MADE AND REPAYMENTS RECEIVED

5. All payments from NCDC to the Borrower and from the Borrower to the NCDC shall be made by way of Electronic Transfer/Real Time Gross Settlement (RTGS) system.

5.1 Remittance of funds may be made by way of Electronic Transfer/Real Time Gross Settlement (RTGS) system, date of credit of the amount into the Bank Account of the Borrower or NCDC shall be treated as the date of disbursement of funds by NCDC or the date of payment by the Borrower as the case may be. Prior intimation of one day shall be given about remittance by way of Electronic Transfer/RTGS system.

LIABILITY TO PAY THE INSTALLMENTS OF THE LOAN AND INTEREST

6. While NCDC may send a demand notice to the borrower to facilitate prompt repayment of loan and /or interest, it shall be the responsibility of the borrower to ensure repayment of the loan installments and payment of interest due by the due dates. Non receipt of a demand notice from NCDC will not be a reason for non-repayment of the loan installments and /or interest thereon by due dates or for waiver of the interest becoming due in case of default.

REVOLVING THE LOAN AMOUNT

7. If during the aforesaid period of one year from the date of disbursal of loan, the society requires the loan for its working capital after making repayment in advance, the Corporation at its sole discretion may allow the society on its request to avail the amount to the extent of principal amount repaid by it in advance to the Corporation against the security created for the aforesaid loan in terms of the agreement which will continue to be valid, binding and in force till the repayment of entire amount of loan. The amount refunded or redrawn on each occasion should not be less than 10% of the loan. Maximum number of transactions for each of refund and re-drawals in a year shall be limited to 4 in one year. Minimum retention period of loan is 3 months. The period from the date of release of loan and date of repayment of last installment of loan released and redrawn if any, shall not exceed loan period.

7.1 Disbursements of loan shall be made in such a way that at any point of time, the outstanding NCDC's working capital loan shall not exceed the sanctioned limit of ₹15.00 crore.

7.2 The society shall not be eligible for re-drawal of loan refunded in advance, if, at any point of time, outstanding loan balance of the society is less than ₹10.00 lakh.

7.3 NCDC shall review the financials and operations of the cooperative on a regular basis and if in the opinion of NCDC, at any point of time there is deterioration of financial position and working of the cooperative to such an extent that the cooperative becomes ineligible for sanction of fresh assistance based on the eligibility on the criteria prevailing at that point of time, NCDC shall have the discretion to stop further disbursements and withdraw the sanction.

INSPECTION OF BOOKS AND ACCOUNTS

8. The NCDC shall be at liberty and be entitled to have the books and accounts of the Borrower and its working inspected by one or more of its officers or any other person or persons nominated by it in this behalf and also to order investigation into the affairs of the Borrower to be carried out by such a person or persons as may be nominated by NCDC in this behalf and the cost of such inspection or investigation calculated by NCDC shall be borne and paid by the Borrower immediately on receipt of a demand to that effect from NCDC. The borrower shall provide all the facilities to such officers or person/persons deputed by NCDC to carry out the inspection or investigation.

FURNISHING OF REPORT AND STATEMENTS

9. The Borrower shall furnish to NCDC such returns, financial statements, periodical reports and other data as may be required by NCDC from time to time.

AUDIT AND INSPECTION

10. The Borrower shall, if the statutory audit and inspection by Cooperation Department of the State Government or the inspection or investigation at the instance of NCDC or any other authorised agency discloses any defect or defects in the working of the borrower, Borrower will take steps within three months from the date of audit report or the reports of the defects and remedy the irregularities disclosed as aforesaid and report to NCDC the action taken thereon.

SECURITY FOR THE LOANS

11. Loans together with all interest, penal interest, commitment charges, costs, expenses and other monies whatsoever stipulated in this Agreement shall be secured by :-

- a) Mortgage on first charge basis in favour of NCDC in a form satisfactory to the NCDC of all the Borrowers' immovable assets both present and future; and
- b) First charge by way of hypothecation in favour of NCDC of all the Borrower's moveable (save and except book debts), including moveable machinery, machinery spares, tools and accessories, present and future, subject to prior charges created and/or to be created:-
 - i) in favour of the Borrower's Bankers on the Borrowers' stocks of raw materials, semi-finished and finished goods, consumable stores and such other moveable as may be agreed to by the NCDC for securing the borrowings for working capital requirements in the ordinary course of business; and
 - ii) the hypothecation and charge referred above shall rank Pari-passu with the mortgages and charges created and/or to be created in favour of NCDC.

11.1 The Borrower shall make out a good and marketable title to its properties to the satisfaction of the NCDC and comply with all such formalities as may be necessary or required for the said purpose.

CREATION OF ADDITIONAL SECURITY

12. If, at any time during subsistence of this Agreement, the NCDC is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding, then, on the NCDC advising the Borrower to that effect, the Borrower shall provide and furnish to the NCDC to the satisfaction of the NCDC such additional security as may be acceptable to the NCDC to cover such deficiency.

ACQUISITION OF ADDITIONAL IMMOVABLE PROPERTIES

13. So long as any money remain due and outstanding to the NCDC, the Borrower undertakes to notify the NCDC in writing of all its acquisitions of immovable properties and as soon as practicable thereafter shall make out a marketable title to the satisfaction of the NCDC and charge the same in favour of NCDC by way of first charge in such form and manner as may be decided by the NCDC.

RIGHT TO RECALL THE LOAN

14. If at any time, in the opinion of NCDC, the borrower has failed to observe or fulfill any of the terms and conditions enumerated in this Agreement, or on the occurrence of any event or circumstance which, in the opinion of NCDC, would or is likely to prejudicially or adversely affect in any manner the capacity of the borrower to repay the said loan and interest, then notwithstanding the unexpired period of the repayment of the said loan, the borrower shall be liable to pay to NCDC in one lump sum the outstanding principal of the said loan and interest due thereon.

PAYMENT OF THE COST OF REALISATION OF THE LOAN

15. The Borrower shall be liable to pay the NCDC all costs, charges and other expenses whatsoever the NCDC may incur in the realisation of the said loan from the borrower.

APPLICABILITY OF CONDITIONS OF LETTER OF SANCTION

16. The said loan will be governed by the other terms and conditions, stipulated in NCDC's letter No. 24-8/2016-TEX/291/SA60217 dated 15.02.2017. Borrower will furnish a resolution of the Board of Directors of the Borrower for availing the said loan and also accepting the terms and conditions of sanction.

JURISDICTION OF COURTS IN DELHI / MAHARASHTRA

17. If any dispute shall arise between the borrower and NCDC in respect of the above transaction, interpretation or operation or enforcement of the terms, the same shall be subject to the jurisdiction of the Delhi/Maharashtra High Court or the Competent Court subordinate thereto or Debt Recovery Tribunal or any other authority in Delhi having jurisdiction in the matter.

EFFECTIVE DATE OF AGREEMENT

18. This Agreement shall become binding on the Borrower and the NCDC on and from the date first above written. It shall be in force till all the monies due and payable under this Agreement are fully paid off.

IN WITNESS WHEREOF, the Borrower has caused its common seal to be affixed in the presence of Shri (1) and Shri(2) who have executed these presents for an on behalf of the borrower on the date, month and year first herein above written.

(1)

(2)

Witnesses:

1. Signature :
Name :
Address :

2. Signature :
Name :
Address :

Signed for an on behalf of National Cooperative Development Corporation

(.....)

Witnesses:

1. Signature :
Name :
Address :

2. Signature :
Name :
Address :

FORMAT OF LETTER OF CONTINUITY

Kolhapur
Dated: __/__/2017

To

The Managing Director,
National Cooperative Development Corporation (NCDC),
4-Siri Institutional Area, Hauz Khas,
New Delhi – 110016.

Dear Sir/Madam,

We, Chopda Taluka Shetkari Sahakari Soot Girni Limited, District Jalgaon, Maharashtra having our registered office at _____ have entered into a Loan Agreement dated __/__/2017 with you to avail from you a Working capital loan of ₹15.00 crore (Rupees Fifteen crore only) on a revolving basis as provided therein and have executed mortgage of fixed assets on first charge basis in favour of NCDC to secure the repayment of the said Working capital loan availed/to be availed by us on a revolving basis. In this connection, we confirm that the said securities will remain and continue to be valid, binding and in force notwithstanding the fact that the aforesaid revolving loan availed of by us from time to time is reduced or extinguished at any point of time, the intention being that the security created as aforesaid shall be continuing security to you for any borrowing made by us from you at any time out of the said revolving loan.

Yours faithfully,

()
Chairman/Managing Director/Director of the Society
For Chopda Taluka Shetkari Sahakari Soot Girni Ltd., District Jalgaon, Maharashtra

Format of the Resolution to be passed by the Board of Directors of the Borrower Society for availing the loan from National Cooperative Development Corporation (NCDC) and for executing documents to create security in favour of NCDC

The Chairman informed the Board that the National Cooperative Development Corporation, New Delhi (NCDC) has sanctioned working capital loan of ₹15.00 crore to the Society vide its sanction Letter No.NCDC: 24-8/2016-TEX/291/SA60217 dated 15.02.2017 on the terms and conditions contained in the said Sanction Letter. He placed the Sanction Letter received from NCDC on the table for consideration of the Board. The Board after discussion passed the following resolutions:

1. Resolved that the Society do avail the loan of ₹15.00 crore sanctioned by NCDC to it for working capital requirement of the Spinning Mill on the terms and conditions contained in the NCDC's Sanction Letter No. 24-8/2016-TEX/291/SA60217 dated 15.02.2017 which be and are accepted.
2. Resolved further that the Society do execute with NCDC a Loan Agreement in respect of the above loan as per the draft received from NCDC along with the aforesaid Sanction Letter with such amendments and modifications as may be agreed upon between NCDC and Shri.....Chairman/Managing Director/Director of the Society.
3. Resolved further that the Society do secure the above loan of ₹15.00 crore sanctioned by NCDC by mortgaging its fixed assets in favour of NCDC in the manner required by NCDC.
4. Further resolved that the draft of the Deed of hypothecation received from NCDC for hypothecating movable properties and assets of the Society in favour of NCDC be and are hereby approved and the same be executed by ShriChairman/Managing Director/Director and Shri(Designation) for and on behalf of the Society.

5. Further resolved that the Society do create registered mortgage / equitable mortgage on immovable properties to secure the aforesaid loan of ₹15.00 crore in favour of NCDC and Shri.....Chairman/Managing Director/Director of the Society be and is authorised to sign/to deliver and deposit with NCDC the said title deeds for creating registered mortgage / mortgage by deposit of title deeds by way of constructive delivery respectively in favour of NCDC.

6. Further resolved that ShriChairman/ Managing Director/Director be and is authorized to issue subsequently a letter of confirmation on behalf of the Society to NCDC for depositing the title deeds by way of constructive delivery basis in case of Equitable Mortgage for the purpose aforesaid.

7. Resolved further that the Society do give to NCDC such declarations and undertakings in the matter of creation of security on its movable and immovable properties in favour of NCDC as may be required by NCDC and ShriChairman/ Managing Director/Director of the Society be and is authorised to give such declarations and undertakings and sign loan agreement for and on behalf of the Society and affix the common seal on the same.

8. Further resolved that the copy of the above resolutions certified by the Chairman/Managing Director be sent / delivered to NCDC for further action in the matter.

Chairman/ Managing Director



NCDC CLIENT FEEDBACK

To

Chopda Taluka Shetkari Sahakari Soot Girni Limited,
Krushi Utpanna Bazar Samiti Awar,
Taluk Chopda, District Jalgaon, Maharashtra – 425107

Sir,

Your organization is a valuable client of ours and we at NCDC were privileged to serve you. You are requested to kindly give us your free and fair feedback in the format below. This is required as a part of our ISO 9001:2015 based systems for our improvement so that we can provide you even better services in future. We request you to please spare a few moments for us for this.

Thanking you,

Yours faithfully,

P. Prabu

Deputy Director (Textile)
(For and on behalf of MD)

CLIENT FEEDBACK

Feedback on NCDC's working capital assistance to your spinning mill

Type of Service Availed

- a. Sanction () SA60217 dated 15.02.2017
- b. Legal Documentation ()
- c. Release of funds ()

Sl. No	Area of Service	Excellent 5	Very good 4	Good 3	Satisfactory 2	Poor 1
A	Guidance/Clarification provided was prompt, clear and adequate					
B	Overall services provided by NCDC					
(Please tick : <input checked="" type="checkbox"/>)						
C	Would you like to avail financial assistance from NCDC in future	Yes		Most Likely		No
D	Would you recommend other cooperatives to avail the services from NCDC	Yes		Most Likely		No

In case of "No" for C & D, please specify reasons.
Suggestions/comments, if any:

To
MD, NCDC

Signature :
Name :
Organization :
Designation :
Date :



NCDC
Assisting Cooperatives. Always!

राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
An ISO-9001:2015 Certified Organization
A Statutory Corporation Under the Ministry of Agriculture & Farmers Welfare,
Government of India
Textile Division

Tel.No. 011-26961930
Fax : 011-26961930, 26516032
E-mail: pprabu@ncdc.in

4-Siri Institutional Area,
Hauz Khas, New Delhi-110016 India
Website: www.ncdc.in

No. NCDC: 20-3/2016-Text

Dated: 06.10.2020

To

Section Officer (I&P/CPC), Cooperation Division,
Department of Agriculture, Cooperation & Farmers Welfare,
Ministry of Agriculture & Farmers Welfare,
Krishi Bhawan, New Delhi – 110001.

Attention: Shri Chandra Shekhar Prasad

Sub: Representation of Shri Kailash Gorakh Patil, Chairman of Chopda Taluka Shetkari Sahakari Soot Girmi Maryadit, District Jalgaon, Maharashtra addressed to Committee on petitions branch, Lok Sabha Secretariat – Reg.

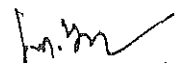
Sir,

I am directed to refer to DAC&FW, Cooperation Division letter No.R-11016/24/2020-I&P dated 29/09/2020 seeking comments of NCDC on representation of Shri Kailash Gorakh Patil, Chairman of Chopda Taluka Shetkari Sahakari Soot Girmi Maryadit, District Jalgaon, Maharashtra through letter No.78/2020-21 dated 11/09/2020 forwarded by Committee on petitions branch, Lok Sabha Secretariat vide OM No.11/CPB/2020/R-176 dated 24/09/2020 and to furnish the point-wise comments, as under:-

S.No	Requests of the society	Comments of NCDC																
1.	Release of balance CSISAC subsidy of ₹12.05 crore at one time, as it will reduce interest cost and loan burden.	<p>In July 2016, NCDC sanctioned financial assistance of ₹57.28 crore comprising term loan of ₹44.00 crore and CSISAC subsidy of ₹13.28 crore to Chopda Taluka Shetkari Sahakari Soot Girmi Limited for establishment of new Spinning Mill of 25,920 spindles at total project cost of ₹88.55 crore. The details of sanction (<u>Annex-1</u>) & release (<u>Annex-2</u>) are as under:-</p> <p style="text-align: right;">(Rs. in crore)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Sanctioned</th> <th>Released</th> <th>Spillover</th> </tr> </thead> <tbody> <tr> <td>Term loan</td> <td>44.00</td> <td>44.00</td> <td>0.00</td> </tr> <tr> <td>CSISAC subsidy@</td> <td>13.28</td> <td>3.23</td> <td>10.05</td> </tr> <tr> <td>Total</td> <td>57.28</td> <td>47.23</td> <td>10.05</td> </tr> </tbody> </table> <p>@ CSISAC subsidy is subject to availability from DAC&FW, Government of India.</p> <p>Since, CSISAC subsidy was not available at the time of release of term loan, to keep up the continuity of implementation of the project, on the request of the society, an amount of ₹11.36 crore was provided as loan in lieu of subsidy. As and when subsidy received from DAC&FW, it was adjusted against loan in lieu of subsidy and at present, the outstanding loan in lieu of subsidy is ₹9.88 crore .</p> <p>Balance eligible CSISAC subsidy would be provided to the society, by way of adjustments, against the loan in lieu of subsidy as and when the same is made available by DAC&FW to NCDC.</p>	Particulars	Sanctioned	Released	Spillover	Term loan	44.00	44.00	0.00	CSISAC subsidy@	13.28	3.23	10.05	Total	57.28	47.23	10.05
Particulars	Sanctioned	Released	Spillover															
Term loan	44.00	44.00	0.00															
CSISAC subsidy@	13.28	3.23	10.05															
Total	57.28	47.23	10.05															

S.No	Requests of the society	Comments of NCDC
2.	Increase in moratorium period of existing loan and repayment tenure to 10 years.	<p>In February 2017, NCDC sanctioned Working Capital (WC) loan of ₹15.00 crore to the society for a period of 5 years, subject to renewal on yearly basis based on financial/operational performance. The WC loan facility was renewed upto 16/12/2018. However, WC facility was not renewed beyond 16/12/2018 due to deterioration in financial position as also the society defaulted in repayment of term loan installments w.e.f. 05/03/2019 and working capital loan installments w.e.f. 22/02/2019.</p> <p>The society made part payment of ₹2.45 crore upto 16/03/2020 and submitted request for re-schedulement / restructuring of outstanding loans alongwith interest, vide letter dated 20/03/2020. Based on examination and further scrutiny, by following the prudent lending norms, NCDC vide letter No.NCDC:20-3/2016-Text dated 11.09.2020 (<u>Annex-3</u>) conveyed the approval for reschedulement/ restructuring of outstanding loans. The rescheduled / restructured loan package has since been accepted by the society vide its letter No. 89/2020-21 dated 30.09.2020 (<u>Annex-4</u>).</p>
3.	Additional working capital loan of ₹10.00 crore over and above the loan provided earlier.	As indicated at S.No.2 above, the society is not eligible for sanction of additional loan.
4.	Inspection of unit for claiming State Government subsidy	<p>The Government of Maharashtra has scheme for supporting textile sector by extending capital subsidy to spinning mills. As per the scheme guidelines, defaulting units are not eligible for subsidy/grant. Since NCDC vide letter dated 11/09/2020 has rescheduled / restructured outstanding loans, for the purpose of receiving subsidy, the loan account would be treated as regular. Technical inspection of the unit would be conducted by NCDC, as per requirements of the scheme, subject to submission of the following:</p> <ol style="list-style-type: none"> Component-wise actual expenditure incurred by the society supported with CA certified statement along with sources of funds; Component-wise physical progress in implementation of project; and Project completion report.

Yours faithfully,



(Prabu Paulraj)
Director (Textile)

100231/2022/COP

Annexure - XI
N-176

CHOPDA TALUKA SHETKARI SAHAKARI SOOTGIRNI MARYADIT, CHOPDA

Reg. No. JGA/PRG(A)/DH-6 Date 27.9.1991



General Manager

Mr. Vijay Patil

Mob. 8668310009

Email - maintchopdacotspin@gmail.com

Vice Chairman

Mr. Prabhakar Bhimrao Patil

Mob. 9822207690

Chairman

Mr. Kailash Gorakh Patil (ex. MLA)

Mob. 9850407696

Email - chopdacotspin2012@gmail.com

Address - Ga. No. 72 to 82, A & Post, A. W. B. Yade, Tal. Chopda Dist. Jalgaon (Maharashtra) - 392001

Ref. 2021-22/319

Date: 17/01/2022

The Chairman,
Parliamentary Committee on Petitions, Lok Sabha,
Parliament House Annexe,
New Delhi.

Subject: Release of additional Working Capital of Rs. 10 crore from the National Cooperative Development Corporation (NCDC) and completion of Inspection.

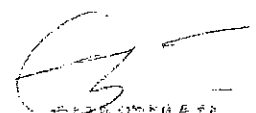
Sir,

First of all, let us introduce ourselves to the esteemed Parliamentary Committee on Petitions of Lok Sabha. We are a registered Cooperative Society, namely, Chopda Taluka Shetkari Sahakari Sootgiri Maryadit, Taluk Chopda, District Jalgaon, Maharashtra. This Society was established under the Cooperative Movement to help the poor farmers for production, marketing and various other works connected with production of spindles in the year 1991. With the honest initiatives of the Management of the Society who also come from the farmer community and the assistance from the Ministry of Agriculture & Farmers' Welfare, through their various Schemes, the Society/Mill is able to provide direct help to around 11000 farmers of the region along with lakhs of farmers indirectly so that they have an uninterrupted source of income. Besides, the Society is providing direct employment to more than 400 people of the region.

2. The Government of India (Ministry of Agriculture & Farmers' Welfare) provide financial assistance to NCDC under the Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC). In July, 2016, the NCDC had sanctioned financial assistance of Rs. 57.28 crore comprising term loan of Rs. 44 crore and CSISAC subsidy of Rs. 13.28 crore to the Society for establishment of new Spinning Mill of 25,920 spindles at a total project cost of Rs. 88.55 crore.

Rejoinder
FTS from

Amar
18.1.21


CHAIRMAN
Chopda Taluka Shetkari Sahakari
Sootgiri Maryadit, Chopda

3. Since the Society is cent percent genuine not only in its operations and the objective of achieving the aim of helping the cotton growing farmers' of the region, but also in making repayment of loan to the Government at regular intervals. The Society also has pious intention of continuing with their endeavor to help the farmers' and transform the entire region, where incidents of suicide by farmers due to acute financial distress was a very common feature prior to the year 2014.

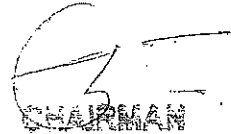
4. Sir, upto March, 2020, the overall affairs of the Society were going on as per the pre-determined trajectory as a result of which, the Society made part payment of Rs. 2,45 crore to the Government. However, during this period, the first wave of Covid-19 erupted in our country, which has shaken the entire business activities and millions of people become unemployed. The lockdown announced by the Government on the one hand, had undoubtedly contained the spread of this deadly virus, but on the other hand, the entire production line of our establishment was badly disturbed. The situation worsened during the subsequent waves of this pandemic.

5. Due to this pandemic, which our Honourable Prime Minister has rightly pointed out that it is the most critical situation which our country has faced during the last hundred years, our Society/Mill was also badly shaken as a result of which, all our financial plans and production and marketing activities, went away.

6. It was in this backdrop that in August 2020, we had submitted a Petition to the Committee on Petitions, Lok Sabha to persuade the Ministry of Agriculture to provide an additional loan in lieu of CSISAC subsidy which NCDC was not able to release due to various reasons. The Honourable Committee was kind to take up our Petition for examination and investigation and accordingly, the Ministry officials were called on 28 December 2020 for knowing the reasons for not supporting a genuine Society/Mill during this pandemic inspite of the fact that it is the stated policy of the Government of India to help and support the business enterprises in these difficult times so that the citizens of our country are able to cope with the situation and have at least a minimum level of subsistence.

7. With the active help of the Honourable Committee on Petitions, the Ministry of Agriculture agreed to release additional loan in lieu of subsidy, though it as only a book-entry on the part of the Ministry/NCDC, without any physical financial transaction. At that time, we also requested that keeping in view the overall precarious situation in the country which has led to economic recession and slow down, an additional loan of Rs. 10 crore may be sanctioned by NCDC. We also requested for urgent completion of inspection by NCDC for installation of all machinery having capacity of 25920 spindles. However, it is shocking to note that till date, both of our requests have not been considered by the Ministry/NCDC.

8. Sir, we are somehow managing the affairs of the Society/Mill for which we are in need of an additional loan of Rs. 10 crore along with urgent inspection by NCDC because once the inspection is made by them, Form 'C' would be filed for claiming the State Government subsidy so that our interest cost burden would be


CHAIRMAN
Chopra Taluk Shetkari Sahakar
Burgin, Marpadi, Chopra

decreased and the financial condition of the Society during this pandemic would improve and the Mill be in a condition to repay the loan to the Government.

9. We, therefore, make the following prayer to your goodself with a request to kindly take up this Petition for detailed examination by the Committee on Petitions, Lok Sabha:-

(i) An additional working capital of Rs. 10 crore may be sanctioned and released to the Society by the NCDC on urgent basis to run the Mill which will benefit more than 11300 farmer members and more than 400 employees of the mill.

(ii) Inspection by NCDC for installation of all machinery having capacity of 25920 spindles may be completed on urgent basis so that a good amount subsidy is released by the State Government and the interest cost burden of the Society/Mill is decreased substantially and the Society is saved from bankruptcy.

17 January, 2022

Thanking you,

Yours faithfully,


CHAIRMAN
Chopda Taluka Shetkari Sahakari
Sangli Maryada, Chopda



NCDC
Assisting Cooperatives. Always!

राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
An ISO-9001:2015 Certified Organization
A Statutory Corporation Under the Ministry of Cooperation,
Government of India
Textile Division

Tel.No. 011-26961930
Fax : 011-26961930, 26516032
E-mail: textile@ncdc.in

4-Siri Institutional Area,
Hauz Khas, New Delhi-110016 India
Website: www.ncdc.in

No. NCDC: 20-3/2016-Text

Dated: 31/01/2022

To

Secretary to the Government of India,
Ministry of Cooperation
Krishi Bhawan, New Delhi – 110001.

Kind Attention: Shri Shekhar Bose, Under Secretary (Cooperation)

Sub: Representation of Shri Kailash Gorakh Patil, Chairman of Tapi Shetkari Sahakari Soot Girni Limited (Formerly Chopda Taluka Shetkari Sahakari Sootgirmi Limited), District Jalgaon, Maharashtra to the Chairman, Parliamentary Committee on Petitions Branch, Lok Sabha Secretariat – Reg.

Sir,

I am directed to refer to I&P Section, Ministry of Cooperation, Government of India letter No. R-11016/24/2020-I&P dated 21/01/2022 seeking comments of NCDC on representation of Shri Kailash Gorakh Patil, Chairman of Tapi Shetkari Sahakari Soot Girni Limited (Formerly Chopda Taluka Shetkari Sahakari Sootgirmi Limited), District Jalgaon, Maharashtra through letter No. 2021-22/319 dated 17/01/2022 forwarded by Committee on Petitions Branch, Lok Sabha Secretariat vide OM No.11/CPB/2020/R-176 (E-112608) dated 19/01/2022 and to furnish the point-wise comments, as under:-

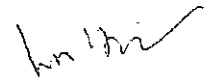
S. No	Requests of the society	Comments of NCDC
A.	An Additional working capital loan of ₹10.00 crore may be sanctioned and released to the society by NCDC on urgent basis to run the mill which will benefit more than 11,300 farmer members and more than 400 employees of the mill.	<p>In February 2017, NCDC sanctioned Working Capital (WC) loan of ₹15.00 crore to the society for a period of 5 years, subject to annual renewal/revalidation based on financial/operational performance of the society. The WC loan facility was renewed upto 16/12/2018. However, WC facility was not renewed beyond 16/12/2018 as the society defaulted in repayment of term loan installments w.e.f. 05/03/2019 and working capital loan installments w.e.f. 22/02/2019.</p> <p>The society made part payment of ₹2.45 crore upto 16/03/2020 and submitted request for re-schedulement / restructuring of outstanding loans alongwith interest, vide letter dated 20/03/2020. Based on examination and further scrutiny, by following the prudent lending norms, NCDC vide letter No. NCDC: 20-3/2016-Text dated 11/09/2020 (<u>Annex-1</u>) conveyed the approval for re-schedulement / restructuring of outstanding loans. The re-scheduled / restructured loan package has since been accepted by the society vide board resolution dated 30/09/2020 (<u>Annex-2</u>).</p> <p>After re-schedulement / restructuring, installment due payable by the society on 05/03/2021 was adjusted through disbursement of CSISAC subsidy from Government of India. Subsequently, the society made</p>

		<p>only part payment and defaulted in repayment of installment due on 05/09/2021. A team of NCDC officials visited the society on 29/10/2021 to study its operational issues and lend helping hand in preparation of action plan for mitigating its overdues. Thereafter, the society has submitted its action plan (<u>Annex-3</u>) for clearing the entire NCDC overdues by 15/11/2021. But the society did not honour its promise. On continuous persuasion by NCDC, the society has so far made part payment of ₹6.25 crore and as on 30/01/2022, total overdue is ₹2.15 crore comprising principal of ₹2.12 crore and interest of ₹0.03 crore.</p> <p>The request of the society for sanction and release of additional Working Capital loan cannot be considered on the following grounds:</p> <p>(i) The society defaulted in repayment of term loan and Working Capital Loan;</p> <p>(ii) On the specific request of the society, the entire overdue amount has been re-structured and rescheduled by NCDC vide letter No. NCDC:20-3/2016-Text dated 11/09/2020;</p> <p>(iii) As per re-structured loan package, Working Capital of ₹10.49 crore has been capitalized and restructured and hence the said amount is available with the society for meeting its day-to-day business operations; and</p> <p>(iv) The society has again defaulted in repayment of re-schedulement / restructuring loan.</p>
B.	<p>Inspection by NCDC for all installed machinery having capacity of 25,920 spindles may be completed on urgent basis so that a good amount of subsidy is released by the State Government and the interest cost burden of the society / mill is decreased substantially and the society is saved from bankruptcy.</p>	<p>The Government of Maharashtra has adopted Textile Policy for supporting textile sector by extending capital subsidy to spinning mills. As per the scheme guidelines, defaulting units are not eligible for subsidy / grant. Copy of Scheme Guidelines of Maharashtra Textile Policy is attached at <u>Annex-4(A)-English Translation and Annex-4(B)-Marathi</u>. NCDC vide letter dated 11/09/2020 has re-scheduled / restructured outstanding loans. Even after re-schedulement / restructuring, the society has again defaulted in repayment of installment due on 05/09/2021 and hence the loan account of the society is treated as irregular.</p> <p>Technical inspection of the unit would be conducted by NCDC, as per requirements of the scheme, subject to clearance of NCDC overdues and account being treated as standard, subject to submission of the following documents:</p> <ol style="list-style-type: none"> Component-wise actual expenditure incurred by the society supported with CA certified statement along with sources of funds; Component-wise physical progress in implementation of project; and Project completion report. <p>Further, it is submitted that NCDC conducts Technical Inspection of Cooperative Spinning Mills and make the reports available to Government of Maharashtra as promotional activity without levying any fee / agency charges.</p>

2. NCDC, is an autonomous organization under Ministry of Cooperation, doesn't get any budgetary support or Administrative Grant from Government or any agency. It operates purely on market-based business principles by borrowing funds from open market, on its own strength & performance rating, at prevailing rates. Since NCDC raises funds from the open market, at prevailing rates, for supporting the cooperative developmental projects across the country and thus has liability to recover, recycle and service them.

3. Also, it is pertinent to mention that a similar representation was received earlier from the same society through Parliamentary Committee on Petitions Branch, Lok Sabha Secretariat and through Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) and NCDC vide letter dated 06/10/2020 (copy is enclosed at Annex-5 for reference) furnished the comments to DAC&FW.

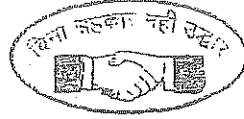
Yours faithfully,



(Prabu Paulraj)
Director (Textile)

CHOPDA TALUKA SHETKARI SAHAKARI SOOTGIRNI MARYADIT, CHOPDA

Reg. No. JGA/PRG/(A)/Dh-6 Date 27.9.1991



R-176
6637

General Manager
Mr. Vijay Patil
Mob. 8668310009
Email - maintchopdacotspin@gmail.com

Vice Chairman
Mr. Prabhakar Bhimrao Patil
Mob. 9822207690

Chairman
Mr. Kailash Gorakh Patil (Ex.M.L.A.)
Mob. 9850407696
Email - chopdacotspin2012@gmail.com

Address: Co. No. 210391, A.P. Post, A. Taluk, District Jalgaon, Maharashtra - 392001

Ref. 346/2021-22

Date: 03/03/2022

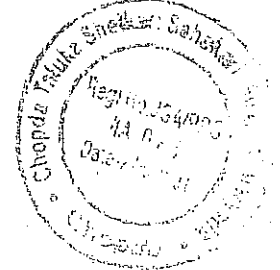
The Chairman,
Parliamentary Committee on Petitions, Lok Sabha,
Parliament House Annexe,
New Delhi.

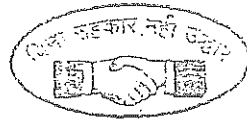
Subject: Release of additional Working Capital of Rs. 10 crore from the National Cooperative Development Corporation (NCDC) and completion of Inspection - Additional facts before the Honourable Committee on Petitions.

Sir,

Kindly refer to our earlier petition dated 17 January, 2022, wherein, we have brought to your kind notice that our Cooperative Society i.e. Chopda Taluka Shetkari Sahakari Sootgirmi Maryadit, Taluk Chopda, District Jalgaon, Maharashtra has contributed in the efforts of our Honourable Prime Minister to transform our country as "atmnrhbhar bharat" by utilizing the cotton grown by the farmers of the region in the form of establishing this Society/Mill and also providing direct help to around 11000 farmers along with lakhs of other farmers indirectly for providing a decent level of subsistence. In addition to this, the Society is also providing direct employment to more than 400 people of the region.

2. In our efforts, the Ministry of Cooperation, Government of India (*erstwhile Ministry of Agriculture & Farmers' Welfare*) had also contributed and sanctioned loan through NCDC. Since our Mill/Society has been involved in honest and transparent activities as a result of which we never defaulted in payment of our loans. However, due to sudden eruption of Covid-19 pandemic, our Mill/Society faced severe financial constraints as a result of which we requested NCDC for restructuring of our loan. NCDC was also kind to restructure our loan.





General Manager

Mr. Vijay Patil

Mob. 8688310009

Email - maintchopdacotspin@gmail.com

Vice Chairman

Mr. Prabhakar Bhimrao Patil

Mob. 9822207690

Chairman

Mr. Kailash Gorakh Patil (Emo)

Mob. 9850407696

Email - chopdacotspin2012@gmail.com

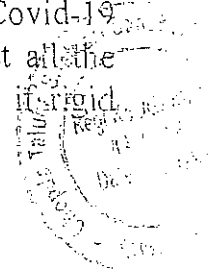
Ref. 346/2021-22

Date : 03/03/2022

3. The first instalment was due in March, 2021 which was later on adjusted by NCDC against our subsidy amount released. The next instalment was due in September, 2021 which was paid by us in Parts as per Schedule which was agreed to by NCDC (copy enclosed). The total instalment in September, 2021 [Principal amount + interest thereon] was Rs. 8.15 crores out of which Rs. 6.25 crores have already been paid by us till December, 2021 inspite of severe resource crunch due to Covid-19 pandemic. The total outstanding amount therefore comes to Rs. 1.90 crores only which will also be paid before the close of current financial year. It is also a fact that there is no other amount outstanding against our Mill/Society.

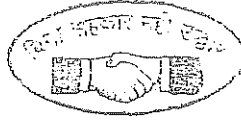
4. It was in this background that our Mill/Society requested that an additional loan of Rs. 10 crore may be sanctioned by NCDC. We also requested for urgent completion of inspection by NCDC for installation of all machinery having capacity of 25920 spindles. However, till date, no action has been taken by NCDC on the grounds that our Mill/Society has defaulted in paying back the loan amount which is not factually correct.

5. We therefore request you to urgently take up this issue with NCDC so that we are able to cope up the economic slowdown witnessed by our economy due to Covid-19 pandemic and start our activities as earlier. If there is any further delay in sanctioning of additional loan and completion of inspection by NCDC on such technical and flimsy grounds, it will have serious repercussions on the livelihood of farmers and at the same time, our Mill/Society will not be having any other option but to close down our operations. We sincerely believe that NCDC which is one of the pioneer institutions in providing financial assistance to Cooperative Societies are well aware of the fact that due to sudden eruption of Covid-19 pandemic, there was severe economic recession and slowdown in almost all the sectors of our economy, including big businesses, and in this situation, it is rigid.



CHOPDA TALUKA SHETKARI SAHAKARI SOCIETY'S MARYADI, LTD

Reg. No. JGA/PRG/(A)/DH-6 Date 27.9.1991



General Manager

Mr. Vijay Patil

Mob. 9665310009

Email - mainchopdacotspin@gmail.com

Vice Chairman

Mr. Prabhakar Bhirao Patil

Mob. 9822207690

Chairman

Mr. Anant Goralkar

Mob. 9850407695

Email - chopdacotspin2012@gmail.com

Ref.

346/2021-22

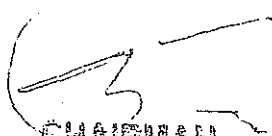
Date: 03/03/2022

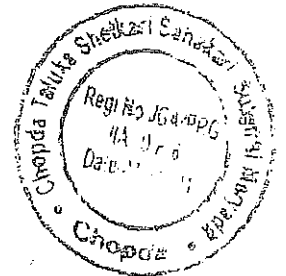
norms are applied, it would further contribute in miseries of poor farmers of the region who have no alternate source of income but to undertake various activities connected with our Mill/Society.

24 February, 2022

Thanking you,

Yours faithfully,


CHAIRMAN
Chopda Taluka Shetkari Sahakari
Sugmari Maryadi, Chopda





राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION
An ISO-9001:2015 Certified Organization
A Statutory Corporation Under the Ministry of Cooperation,
Government of India
Textile Division

Tel.No. 011-26961930
Fax : 011-26961930, 26516032
E-mail: textile@ncdc.in

4-Siri Institutional Area,
Hauz Khas, New Delhi-110016 India
Website: www.ncdc.in

No. NCDC: 20-3/2016-Tex

Dated: 30/03/2022

To

Secretary to the Government of India,
Ministry of Cooperation
Krishi Bhawan, New Delhi – 110001.

Attention: Shri Kumar Ram Krishna, Deputy Secretary (Cooperation)

Sub: Representation of Shri Kailash Gorakh Patil, Chairman of Tapi Shetkari Sahakari Soot Girni Limited (Formerly Chopda Taluka Shetkari Sahakari Sootgirni Limited), District Jalgaon, Maharashtra to the Chairman, Parliamentary Committee on Petitions Branch, Lok Sabha Secretariat – Reg.

Sir,

I am directed to refer Ministry of Cooperation, Government of India e-mail dated 28/03/2022 & 30/03/2022 requesting appropriate action on representation of Shri Kailash Gorakh Patil, Chairman of Tapi Shetkari Sahakari Soot Girni Limited (Formerly Chopda Taluka Shetkari Sahakari Sootgirni Limited), District Jalgaon, Maharashtra through letter No. 2021-22/319 dated 17/01/2022 & letter no. 346/2021-22 dated 03/03/2022 forwarded by Committee on Petitions Branch, Lok Sabha Secretariat vide OM No.11/CPB/2020/R-176 (LAFEAS-CP021/155/2020-COP/E-112608) dated 24/03/2022 and to say that NCDC vide letter dated 31/01/2022 replied to Ministry of Cooperation in response to society's representation dated 17/01/2022. In respect of society's representation letter dated 03/03/2022, the contents & request of the society is similar and therefore updated response on the requests of the society is furnished as under:

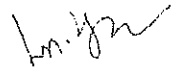
S. No	Requests of the society	Comments of NCDC
A.	An Additional working capital loan of ₹10.00 crore may be sanctioned and released to the society by NCDC.	In February 2017, NCDC sanctioned Working Capital (WC) loan of ₹15.00 crore to the society for a period of 5 years, subject to annual renewal/revalidation based on financial/operational performance of the society. The WC loan facility was renewed upto 16/12/2018. However, WC facility was not renewed beyond 16/12/2018 as the society defaulted in repayment of term loan installments w.e.f. 05/03/2019 and working capital loan installments w.e.f. 22/02/2019. The society made part payment of ₹2.45 crore upto 16/03/2020 and submitted request for re-schedulement / restructuring of outstanding loans alongwith interest, vide letter dated 20/03/2020. Based on examination and further scrutiny, by following the prudent lending norms, NCDC vide letter No. NCDC: 20-3/2016-Tex dated 11/09/2020 (<u>Annex-1</u>) conveyed the approval for re-schedulement / restructuring of outstanding loans. The re-scheduled / restructured loan package has since been accepted by the society vide board resolution dated 30/09/2020 (<u>Annex-2</u>).

		<p>After re-schedulement / restructuring, installment due payable by the society on 05/03/2021 was adjusted through disbursement of CSISAC subsidy from Government, of India. Subsequently, the society made only part payment and defaulted in repayment of installment due on 05/09/2021. A team of NCDC officials visited the society on 29/10/2021 to study its operational issues and lend helping hand in preparation of action plan for mitigating its overdues. Thereafter, the society has submitted its action plan (<u>Annex-3</u>) for clearing the entire NCDC overdues by 15/11/2021. But the society did not honour its promise. On continuous persuasion by NCDC, the society made part payment of ₹6.25 crore and again defaulted in its installment due on 05/03/2022. As on 30/03/2022, total overdue is ₹10.78 crore comprising principal of ₹6.70 crore and interest of ₹4.08 crore.</p> <p>The request of the society for sanction and release of additional Working Capital loan cannot be considered on the following grounds:</p> <p>(i) The society defaulted in repayment of term loan and Working Capital Loan (before the COVID-19 pandemic itself) ;</p> <p>(ii) On the specific request of the society, the entire overdue amount has been re-structured and rescheduled by NCDC vide letter No. NCDC:20-3/2016-Text dated 11/09/2020;</p> <p>(iii) As per re-structured loan package, Working Capital of ₹10.49 crore has been capitalized and restructured and hence the said amount is available with the society for meeting its day-to-day business operations; and</p> <p>(iv) The society has again defaulted in repayment of re-scheduled / restructured loan.</p>
B.	<p>Inspection by NCDC for all installed machinery having capacity of 25,920 spindles may be completed on urgent basis so that eligible subsidy can be availed from Government of Maharashtra.</p>	<p>The Government of Maharashtra has adopted Textile Policy for supporting textile sector by extending capital subsidy to spinning mills. As per the scheme guidelines, defaulting units are not eligible for subsidy / grant. Copy of Scheme Guidelines of Maharashtra Textile Policy is attached at <u>Annex-4(A)-English Translation and Annex-4(B)-Marathi</u>. NCDC vide letter dated 11/09/2020 has re-scheduled / restructured outstanding loans. Even after re-schedulement / restructuring, the society has again defaulted in repayment of installment dues payable on 05/09/2021 & 05/03/2022 and hence the loan account of the society is treated as irregular.</p> <p>Technical inspection of the unit would be conducted by NCDC, as per requirements of the scheme, subject to clearance of entire NCDC overdues and account being treated as standard and submission of Project completion report.</p> <p>Further, it is submitted that NCDC conducts Technical Inspection of Cooperative Spinning Mills and make the reports available to Government of Maharashtra as promotional activity without levying any fee / agency charges.</p>

2. NCDC, is an autonomous organization under Ministry of Cooperation, doesn't get any budgetary support or Administrative Grant from Government or any agency. It operates purely on market-based business principles by borrowing funds from open market, on its own strength & performance rating, at prevailing rates. Since NCDC raises funds from the open market, at prevailing rates, for supporting the cooperative developmental projects across the country and thus has liability to recover, recycle and service them.

3. Also, it is pertinent to mention that a similar representation was received earlier from the same society through Parliamentary Committee on Petitions Branch, Lok Sabha Secretariat and through Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) and NCDC vide letters dated 06/10/2020 & 31/01/2022 (copies are enclosed at Annex-5 for reference) furnished the comments to DAC&FW & Ministry of Cooperation, respectively.

Yours faithfully,



(Prabu Paulraj)
Director (Textile)

**MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

The Committee met on Monday, 28 December, 2020 from 1200 hrs. to 1330 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Dr. Virendra Kumar - Chairperson

MEMBERS

2. Smt. Anupriya Patel
3. Dr. Bharati Pravin Pawar
4. Shri Brijendra Singh
5. Shri Manoj Tiwari

SECRETARIAT

1. Shri Raju Srivastava - Director
2. Shri G.C. Dobhal - Additional Director

WITNESSES

**MINISTRY OF AGRICULTURE & FARMERS' WELFARE
(DEPARTMENT OF AGRICULTURE, COOPERATION & FARMERS' WELFARE)**

1. Ms. Alka Bhargava - Additional Secretary
2. Shri Sundeep Kumar Nayak - MD, NCDC

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting of the Committee.

*[The representatives of the Ministry of Agriculture & Farmers' Welfare
(Department of Agriculture, Cooperation & Farmers' Welfare) were ushered in]*

3. After welcoming the representatives of the Ministry of Agriculture & Farmers' Welfare (Department of Agriculture, Cooperation & Farmers' Welfare), the Hon'ble Chairperson drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings of the Committee.

4. Thereafter, the Committee were briefed by the representatives of the Ministry of Agriculture & Farmers' Welfare (Department of Agriculture, Cooperation & Farmers' Welfare) on the representation of Shri Kailash Gorakh Patil, Chairman, Chopda Taluka Shetkari Sahakari Sootgiri Maryadit, Chopda, Jalgaon (Maharashtra) requesting for release of subsidy, restructure of loans and providing additional Working Capital from National Cooperative Development Corporation. The major issues put forth before the Committee by these witnesses, were as follows:-

- (i) The Government of India provides financial assistance to National Cooperative Development Corporation (NCDC) under the Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC).
- (ii) CSISAC has three components - (a) Assistance to NCDC Programmes for Development of Cooperatives; (b) Cooperative Education & Training; and (c) Assistance to Multi-State Cooperative Federations. NCDC provides loan to cooperatives and subsidy part is covered from the Scheme of the Government. During the last five years, NCDC has been provided Rs.558 crore under CSISAC.
- (iii) In July, 2016, NCDC sanctioned financial assistance of Rs.57.28 crore comprising Term Loan of Rs.44.00 crore and CSISAC subsidy of Rs.13.28 crore to Chopda Taluka Shetkari Sahakari Sootgiri Limited for establishment of new Spinning Mill of 25,920 spindles at total project cost of Rs.88.5 crore.
- (iv) Since CSISAC subsidy was not available at the time of release of Term Loan, an amount of Rs.11.36 crore was provided as loan in lieu of subsidy to keep up the continuity of implementation of the project.
- (v) Balance eligible CSISAC subsidy would be provided to the Society, by way of adjustments, against the loan in lieu of subsidy as and when the same is made available.
- (vi) In February, 2017, NCDC sanctioned Working Capital loan of Rs.15.00 crore to the Society for a period of 5 years, subject to renewal on yearly basis based on financial/operational performance. Working Capital loan facility was not renewed beyond 16.12.2018 due to deterioration in financial position as also the Society defaulted in repayment of Term Loan and Working Capital loan installments.
- (vii) The Society made part payment of Rs. 2.45 crore upto 16.3.2020 and submitted request for re-scheduling/restructuring of outstanding loans along with interest which was approved after the examination and further scrutiny by following the prudent lending norms.

(viii) The Government of Maharashtra has a scheme for supporting textile sector by extending capital subsidy to spinning mills. As per the scheme guidelines, defaulting units are not eligible for subsidy/grant. Since, NCDC rescheduled/restructured outstanding loans for the purpose of receiving subsidy, the loan account would be treated as regular. Technical inspection of the unit would be conducted by the NCDC as per the requirements of the scheme.

5. After hearing the views of the representatives of the Ministry of Agriculture & Farmers' Welfare (Department of Agriculture, Cooperation & Farmers' Welfare), the Committee expressed their views, as under:-

- (i) Subsidy of Rs. 9.90 crore was released to the Society by the NCDC on 18.12.2020. However, the Committee were not informed about the action taken by them.
- (ii) The manner of releasing subsidy to the Society by the NCDC, i.e., releasing the subsidy in the bank account of the Society or adjusting the subsidy payable to the Society in the loan amount has not been clarified by the Ministry/NCDC.

6. The Committee, therefore, urged the representatives of the Ministry/ NCDC to give appropriate clarification within two days.

[The representatives of the Ministry of Agriculture & Farmers' Welfare (Department of Agriculture, Cooperation & Farmers' Welfare), then, withdrew]

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9.	***	***	***	***	***	***

The Committee, then, adjourned.

*** Does not pertain to this Report.

**MINUTES OF THE TWENTIETH SITTING OF THE COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

The Committee met on Tuesday, 5 April, 2021 from 1500 hrs. to 1700 hrs. in Committee Room No. 3, Block A, Parliament House Annexe (Extension), New Delhi.

PRESENT

Shri Harish Dwivedi - Chairperson

MEMBERS

2. Shri Anto Antony
3. Shri Hanuman Beniwal
4. Shri P. Ravindhranath
5. Shri Arvind Ganpat Sawant
6. Shri Brijendra Singh
7. Shri Sushil Kumar Singh
8. Shri Prabhubhai Nagarbhai Vasava

SECRETARIAT

1. Shri Raju Srivastava - Director
2. Shri G.C. Dobhal - Additional Director

WITNESSES

MINISTRY OF COOPERATION

1. Shri Devendra Kumar Singh - Secretary
2. Shri Prabu Paulraj - Director (Textile) NCDC

2.	***	***	***	***	***	***
3.	***	***	***	***	***	***
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6. *** *** *** *** *** ***

[The representatives of the Ministry of Cooperation/ National Cooperative Development Corporation (NCDC) were ushered in]

7. After welcoming the representatives of the Ministry of Cooperation, the Hon'ble Chairperson drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings of the Committee. The Committee were then, briefed by the representatives of the Ministry of Cooperation on the representations dated 17 January 2022 and 3 March 2022 of Shri Kailash Gorakh Patil Chairman of Chopda Taluka Shetkari Sahakari Soot Girni Maryadit District Jalgaon Maharashtra *inter alia* regarding release of additional Working Capital of Rs 10 crore from the National Cooperative Development Corporation (NCDC) and completion of Inspection, etc. However, before hearing the views of the representatives of the Ministry, the Committee while recapitulating the two unresolved issues *viz.*, sanction and release of additional Working Capital and completion of Inspection and issue of Form 'C' during the discussion held with the representatives of the Ministry of Agriculture & Farmers' Welfare [The then Ministry in charge of the matters related to cooperation] on 28.12.2020, observed that no positive outcome has come out as yet and therefore, sought clarifications on the following aspects related to the instant case:-

- (i) The Chopda Taluka Shetkari Sahakari Soot Girni Maryadit, Jalgaon (Maharashtra) has been providing direct employment to approximately 11,000 people who are working in their spinning mill which make cotton spindles. Moreover, they buy cotton from approximately 2 lacs cotton farmers, providing them the source of livelihood. As a matter of fact, the Society, in question, has already made part payment of Rs. 6.25 crore as on 30.01.2022 and now, the total overdue amount is Rs. 2.15 crore, which stands as a testimony that the Society has been repaying to the NCDC against their term loan and the Working Capital Loan gradually and it is not a fake paper Society/Company. Moreover, on 31.03.2022, the said overdue amount has also been repaid by the Society. In such a situation, the moot question arises as to why the Ministry of Cooperation/NCDC are not considering release of additional Working Capital of Rs. 10 crore, completion of Inspection and issue of Form 'C' to the Society?
- (ii) In the wake of the Covid-19 pandemic and intermittent lockdowns, the Government of India had taken various policy initiatives, particularly for MSME sector, such as waiver of interest, restructuring of loans, etc., to mitigate the adverse economic impact. As many as 80 crore population of the country were given free ration by the Union Government during the pandemic. In such a difficult situation, the Ministry of Cooperation/NCDS should also sympathetically consider the request of the Society to provide additional Working Capital, etc., to overcome their operational problems.

8. Thereafter, the major issues put forth by the representatives of the Ministry Cooperation/NCDC before the Committee were, as under:-

- (i) In the year 2016, the Society was sanctioned term loan and later in 2017, Working Capital loan was also sanctioned. Although, the Society have been repaying the installments, they have defaulted on some occasions despite the fact that the repayment term has been rescheduled and extended up to 5 September, 2028. Moreover, at the time of restructuring, the existing outstanding Working Capital loan of Rs. 10.49 crore was recapitalized, which was at disposal of the Society.
- (ii) Upon inspection of the Society/Unit in the year 2021, it was found that the Society was running well; however, there were some difficulties being faced by them in regard to financial management or actively deploying the finances of the Society. The Ministry of Cooperation/NCD are also well aware of the fact that during the Covid-19 pandemic, the cost of the raw materials has enormously increased and when there is consequent escalation of the procurement cost, naturally any Production Unit requires additional Working Capital. However, as per the Guidelines, there are some hindrances in re-scheduling/re-structuring the loan, in case of a defaulting Society/Unit. The loan of the Society, in question, was re-scheduled/re-structured in the light of Guidelines issued during the pandemic. Further, their Working Capital was also recapitalized.
- (iii) As regards Inspection of the Units, as per the Government of Maharashtra Scheme, which allows the lending institution/Bank to forward only those proposals for Inspection of the Units/Society which are not defaulting.
- (iv) As per the Government of Maharashtra Scheme, capital subsidy is allowed only for eligible Company.

9. After hearing the views of the representatives of the representatives of the Ministry of Cooperation/NCDC, the Committee expressed their views, as under:-

- (i) The Ministry of Cooperation/NCDC should verify the latest payments made by Chopda Taluka Shetkari Sahakari Soot Girmi Maryadit, Jalgaon (Maharashtra) and take further decision in the matter accordingly.
- (ii) The requests of the Society for sanctioning and release of additional Working Capital, completion of Inspection of their Units and issue of Form 'C' should be considered by the Ministry of Cooperation/NCDC keeping in view the need for revival of the Society and again making it financially viable.

- (iii) The Ministry of Cooperation/NCDC should apprise the Committee about their final version in the matter within seven working days.

[The representatives of the Ministry of Cooperation then, withdrew]

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15.	***	***	***	***	***	***

The Committee, then, adjourned.

*** Does not pertain to this Report.

**MINUTES OF THE TWENTY SECOND SITTING OF THE COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

The Committee met on Wednesday, 13 July, 2022 from 1200 hrs. to 1300 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Harish Dwivedi - Chairperson

MEMBERS

2. Prof. Sanjay Sadashivrao Mandlik
3. Shri Arvind Ganpat Sawant
4. Shri Brijendra Singh
5. Shri Manoj Kumar Tiwari

SECRETARIAT

1. Shri Raju Srivastava - Director
2. Shri G.C. Dobhal - Additional Director

WITNESSES

*** *** *** *** *** ***

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting of the Committee.

3. *** *** *** *** *** ***

4. *** *** *** *** *** ***

5. *** *** *** *** *** ***

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7. The Committee, thereafter, took up for consideration the draft Report on the representation of Shri Kailash Gorakh Patil, Chairman, Chopda Taluka Shetkari Sahakari Sootgimi Maryadit, Chopda, Jalgaon (Maharashtra) requesting for release of subsidy, restructuring of loans, providing additional working capital from National Cooperative Development Corporation (NCDC) and completion of inspection, etc.

8. After discussing the draft Report in detail, the Committee adopted the Report without any modification(s). The Committee also authorised the Chairperson to finalise the draft Report and present the same to the House in the ensuing Session.

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The Committee, then, adjourned.

*** Does not pertain to this Report.