

# **Monthly Deposit Scheme (MDS)**

## **Sub-Rules**

### **Board Resolution**

The managing committee of the Bank resolved to start a monthly deposit scheme with a total sala (Value) of Rs..... the sub rules regarding the scheme is approved by the committee unanimously and resolved to appoint the Secretary to submit the same before the Joint Registrar (General) for his approval.

### **Sub Rule**

1. This scheme is called Monthly Deposit Scheme (MDS)
2. The period of the monthly deposit scheme is 25 months/50 months/60 months/100 months.
3. The depositors of this scheme shall regularly deposit Rs.500/1000/2000/5000/ 10000/25000 as the case may be paid every month in the scheme till its maturity.
4. On the maturity of the scheme the bank shall remit the deposit amount after deducting 5% commission to the depositor within 30 days from the maturity.
5. The depositors of the scheme are entitled for loan which is 75% of the total deposit to the scheme.
6. The depositors who availed loan under this scheme should at least be a nominal member. There is no share linking for granting loan to members in this scheme.

7. The loan sanctioned under this scheme is restricted to one member in one month.
8. The bonus which is lost by the loanee is equally divided by all the members of the scheme including the loanee. The members shall remit their monthly installment after adjusting the share of bonus.
9. If the monthly installment is not deposited in the scheme regularly, the depositor is not entitled for bonus.
10. If the depositor failed to deposit the monthly installment regularly, the bank can charge interest at the rate fixed by the Registrar of Co-operative societies from time to time.
11. When the last date for the remittance of installment happens to be a bank holiday, the depositor can deposit the installment in the next working day of the bank.
12. The depositors who availed loan against the deposit shall remit the monthly installment regularly without any default till its maturity.
13. The monthly deposit scheme started on..... and ended in..... After the maturity of the scheme, the deposited amount is firstly adjusted in the loan outstanding. If the amount deposited in the scheme is not sufficient to set off the loan outstanding amount, the bank can recover the defaulted amount including interest and other charges from the depositors or sureties.
14. The depositor shall apply to the bank for loan against his monthly deposits in prescribed form. If the bank is satisfied with the application submitted it can grant loan in prescribed terms and

conditions to the member. The loan amount is issued only after the due date of installment of deposit.

15. The loan from the scheme is granted with the security of at least two members of the scheme or salary certificate of Government employees or Gold Ornaments or Fixed Deposit Certificate or movable or immovable properties.
16. With the written sanctions from the bank, the depositors in the scheme can transfer the interest of the scheme to another person. But the transfer of interest is not permitted in the case of depositors who availed loan under the scheme.
17. The depositor of the scheme is liable for any other dues belonging to him to the bank. In that case, the bank can adjust the dues amount in the deposit amount under the scheme.
18. For every remittance under the scheme bank has to issue proper receipts to the depositors. For every loan issued under the scheme, the members shall execute agreement with the bank. After acceptance of loan amount, the member shall sign and submit vouchers to the bank.
19. The fee for valuation and verification of the securities offered, registration fee etc. are borne by the member who availed loan under the scheme.
20. In case a member of the scheme failed to pay three or more installment continuously the bank has the right to remove the member from the scheme.

21. When a member is removed from the scheme due to continuous default, he is entitled to get only the actual amount deposited under the scheme and the payment is made only after the maturity of the scheme.

22. The Managing Committee of the bank is empowered to add new rules or delete existing rules with the prior permission of the Joint Registrar of Co-operative Societies (General) as it is necessary.

23. Any disputes arising in the scheme, the bank decision is final.

President

Secretary

Board Members

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