

LOAN GUIDELINES OF RMK



RASHTRIYA MAHILA KOSH

**Ministry of Women and Child Development
Dr. Durgabai Deshmukh Samaj Kalyan Bhawan,
B-12, 4th Floor, Qutab Institutional Area, New Delhi- 110016
Website: www.rmknic.in / Email: ed_rmknic.in**

CONTENTS

Sl No.	Particulars	Page No.
1.	Introduction	
2.	Credit Models of RMK	
3.	Lending Schemes of RMK	
4.	Credit Delivery Mechanism	
5.	Credit Process of RMK	
6.	Appendices	
I	Application Form For RMK Loan Schemes	
II	Sanction letter	
III	Application for drawal	
IV	Application for second drawal /subsequent drawals	
V	Resolution to be passed by the managing committee of the NGO/SO/organization authorising borrowing from RMK and also delegating the power to borrow from RMK.	
VI	Agreement-cum-Guarantee Deed	
VII	Receipt	
VIII	Disbursement certificate	
IX	Due Diligence Checklist for NGOs/IMOs/VOs	
X	Undertaking	

RASHTRIYA MAHILA KOSH

LOAN GUIDELINES

INTRODUCTION

Rashtriya Mahila Kosh (RMK), established in 1993 is a national level organization under the aegis of the Ministry of Women and Child Development. It is as an autonomous registered society with the objectives of providing and promoting credit for poor women. It broadly aims at the socio-economic empowerment of women particularly in the informal and non-institutionalized sector through microfinance. Poor women and women headed households were dependent upon informal credit sources for both production and consumption purposes as Banks have not been able to provide credit services to the required degree, and as such these poor women were often exploited with high interest rates and other undesirable forms, keeping them in perpetual state of indebtedness. It was in this context that Rashtriya Mahila Kosh was formed.

The operating model currently followed by RMK is a group model with RMK as a facilitating agency wherein RMK provides loan products to Non – Governmental Organization (NGO)/ Intermediary Micro-financing Organization (IMO) / Voluntary Organisation (VO) which on-lend to Women Groups like SHG, JLG etc. For furthering of its objectives of reaching out to the women beneficiaries with easy access to collateral free micro credit for income generating activities, RMK has formulated schemes to finance SHGs through SHG Federations and individual women entrepreneurs. As a promotional measure towards formation and strengthening of Women-SHG, awareness generation, capacity building and skill upgradation, through intermediary organizations, RMK has arrangements for training to NGOs/IMOs/VOs on microfinance management and operations.

MAIN OBJECTIVES OF RMK

- i. To promote or undertake activities for the promotion of credit as an instrument of socio-economic change and development through a package of financial and social infrastructure development services for women;
- ii. To promote and support schemes for improvement of facilities for women for:
 - a) Sustenance of their existing employment;
 - b) Generation of further employment;
 - c) Asset creation;
 - d) Asset redemption; and
 - e) Tiding over consumption, social and contingent needs.
- iii. To demonstrate and replicate participatory approaches in the organization of women's Groups for effective utilization of credit resources leading to self-reliance;
- iv. To promote and support experiments in the voluntary and formal sector using innovative methodologies to deliver credit and other social services to disadvantaged women;
- v. To sensitize existing government delivery mechanisms and increasing the visibility of poor women as a vital and viable clientele with regard to the conventional financial institutions;
- vi. To promote research, study, documentation, and analysis of the role of credit and

- its management;
- vii. To co-operate with and secure the co-operation of the Central Government, State Governments and Union Territory Administration, Credit institutions, industrial and commercial organizations and Non-governmental, Voluntary and other Organizations and Bodies in promoting the objectives of the RMK, and
 - viii. To accept subscriptions, grants, contributions, donations, loans, guarantees, gifts, bequests etc., on such term & conditions consistent with the aims and objectives of the RMK.

CREDIT POLICY OF RMK

1. RMK extends loans to registered non-government organizations (NGOs), Intermediary Organizations (IMOs) and Voluntary Organisation (VOs) who on-lend to group of individual beneficiaries (SHGs& JLGs) of poor women.
2. RMK's activities cover both rural as well as urban women of the country. RMK extends credit through various loan schemes viz Loan Promotion Scheme, Main Loan Scheme, Gold credit Scheme, Housing Loan Scheme, Working Capital Loan Scheme, Repeat Loan Scheme and Loan to SHGs through Federations.
3. As a measure towards awareness, capacity building and skill upgradation, RMK facilitates training to NGOs/IMOs/VOs through its resource centres.

Objectives of policy:

1. The overall objective of the policy is to promote credit linkages through NGOs/IMOs, both at individual and group levels, so that the poor women in the informal and non-institutionalized sector can access the financial services through microfinance.
2. The policy aims to enlarge the outreach by financing of both urban and rural under privileged women and women headed households through the vehicle of micro credit and eradicate exploitation by informal credit sources.
3. The policy aims to establish a commonality of approach regarding Credit appraisal skills and strategies through a simplified identification process.
4. The policy aims to seize market opportunities by introducing easy loan schemes at reasonable interest rates and also aiming at wider and quicker outreach and also ensuring reasonable returns to RMK.
5. The policy aims at the financial inclusion of the disadvantaged and distressed women by organising groups through NGOs/IMOs/VOs and strives to meet the socio-economic obligations.

CREDIT MODELS OF RMK

Micro Finance

Finance to NGOs/ IMOs / VOs for on- lending to the Self Help Groups/Joint Liability Groups and individual women beneficiaries.

Non Governmental Organizations (NGO):

Non-Governmental Organisation (NGO) include organizations engaged in public service, based on ethical, cultural, social, economic, political, religious, spiritual, philanthropic or scientific & technological considerations and must be registered under any law for the time being in force in India.

Intermediary Organizations (IMOs)

IMO mean an entity registered in any of the following legal forms whose principal object or principal business is the provision of micro finance services and are not regulated by Reserve Bank of India;

- a) A **society** registered under the Societies Registration Act, 1860.
- b) A **public Trust** registered under the Indian Trust Act, 1880 or any enactment governing religious or charitable public Trusts.
- d) A **co-operative society** registered under the provisions of the State Cooperative Societies Act or under Mutually Aided or Mutual Benefit Cooperative Societies Act, or Multi State Co-operative Societies Act, 2002 or under any other law relating to Co-operative Societies in force in India. A non Profit company under section 8 of Companies Act, 2013

Voluntary organizations (VOs)

Voluntary Organisations (VOs) include organizations engaged in public service, based on ethical, cultural, social, economic, political, religious, spiritual, philanthropic or scientific & technological considerations. VOs include formal as well as informal groups, such as: Community-based Organizations (CBOs); Non-governmental Development Organizations (NGDOs); charitable organizations; support organizations; networks or federations of such organizations; as well as professional membership associations.

An NGO/IMO/VO can also be registered under any of the above acts and be involved in the Micro Finance activities. Registration of NGOs with NITI Aayog (NGO Darpan) and Public Financial Management System (PFMS) is mandatory.

Criteria for selection of NGOs/IMOs/VOs for collaboration:

- An NGO/IMO/VO must have proven capacity for working with groups of rural/urban poor.
- They must have proper system of book keeping and duly audited balance sheets for the last 3 years

- NGO/IMO/VO must have adequate number of trained field level staff for close monitoring of on-lending.
- It must have professionally trained staff to deal with the issues relating to Micro Finance
- Board Meetings must have been conducted on regular basis in previous three years. The minutes of the discussion must have been recorded properly.
- It must not be accepting deposits from public in contravention to the provision of RBI Act.

Documents/information to be furnished by NGO/IMO/VO along with application for loan:

a. Administrative:

- Attested Copy of the Registration Certificate/Renewal.
- Certified copy of the Memorandum and Articles of Association from authority concerned.
- The NGO/IMO should be registered with NITI Aayog (NGO Darpan) and Public Financial Management System (PFMS) and a copy of the certificate / details to be provided to RMK.
- NGOs/IMOs/VOs to submit an undertaking with respect to following i.e.:-
 - a. to charge interest at the rate fixed by RMK from time to time on on-lending amount to SHG and end beneficiary.
 - b. to keep the registration of the organization alive during the currency of RMK loan.
 - c. that office bearers are not elected members of any Political Party/ Management Committee of such other organisation
 - d. to inform RMK in case of change in address and office bearers of NGO.
 - e. not being blacklisted by any Government Agency / Financial Institute / funding organization / development agency ever.
- Published materials (Annual Report) on the activities of the NGO/IMO, if any, for maximum of 3 years.
- List of Authorized signatories (amongst elected members only) with their specimen signatures attested by the Borrowers' bankers.
- Certified updated list of Directors/Office Bearers.
- List of existing manpower for implementation. Information on infrastructure availability with the organisation for training staff and group members, etc.
- List of Aadhaar linked bank accounts of all individual beneficiaries along with mobile number & the copy of Aadhar Card of the beneficiaries.

b. Financial:

- Audited Balance Sheet for the last 3 years along with annual report.
- If borrowed from other organizations:-
 - a. Copies of sanctions received from Funding Agencies/Govt. Departments etc.
 - b. Utilisation certificate for funds received from Funding Agencies/Govt. Departments.
 - c. No Dues / Over dues and balance outstanding certificate from such funding agencies.

- Details of Socio-Economic development activities implemented during the last 2/3 years
- DCB (Demand, Collection, Balance) for the last three years, as applicable.
- Bye-laws / Memorandum of Association of the organisation must have the clause that it may borrow from any agency and also lend to SHGs.
- Certificate by the Authorized Signatory stating that the total borrowings of the organisation from all agencies are within the overall borrowing power provided under the Bye-laws / MoA of the organisation.
- Detailed project proposal covering the following :
 - Project objectives, area of implementation, selected group, etc.
 - Year wise physical and financial performance indicators. If the proposal is for up scaling the operations of any ongoing programs, the latest details of such ongoing program may be furnished for the period including the repayment period.
- Detailed source of funding arrangement proposed, including own funds for the project.
- Detailed cash flow statement indicating inflows and outflows (on business activities) including repayment of proposed and other borrowings plus the cost of management. All the assumptions regarding inflow and outflow to be spelt out clearly.
- NGOs/IMOs/VOs who are applying for a loan of Rs.1 Crore and above must obtain/ have latest Credit Rating Report from certified rating agencies viz. CRISIL/M CRIL, CARE etc.
- The details of the loans outstanding disclosing the arrears, if any.
- Total demand, collection, overdue and recovery % duly certified by the Chartered Accountant to be submitted.

c. Managerial

- Details of current Managing Committee members in prescribed proforma duly self-attested.
- Passport size photographs of the President, Secretary & Treasurer of the organization duly self-attested individually.
- Certificate regarding proof of residence & PAN card of the President, Secretary and Treasurer with their present and permanent address duly self-attested.
- Clause of 2/3rd quorum in MOA / bye laws for making any decision.
- Self-certified true copy of the Board resolution authorizing a specific person to deal with the RMK / Execution of loan documents.
- Monitoring mechanism for the project.

LENDING SCHEMES OF RMK

Lending Schemes of RMK are as follows;

- i. Loan Promotion Scheme
- ii. Main Loan Scheme
- iii. Gold Credit Scheme
- iv. Housing Loan Scheme
- v. Working Capital Term Loan Scheme
- vi. Repeat Loan Scheme

(i) Loan Promotion Scheme

This scheme is for providing loans to new and smaller organizations with experience of at least 6 months in thrift & credit. The organization can avail a maximum loan up to Rs. 10 lakhs.

(ii) Main Loan Scheme

This scheme is for providing loans to organizations having minimum 3 years' experience in thrift & credit activities. The organization can avail a maximum loan upto 2 crores for 1 state. An organization can avail loan under the scheme for a maximum number of 3 states at a time. If the organization avails loan for more than 1 state, then the maximum loan amount can be upto Rs.6 crores.

(iii) Gold Credit Scheme

This scheme is for providing bulk loans to medium and large NGOs. This scheme is meant for organization which has in the past availed loan from RMK and have not defaulted in repayment. The organization can avail a maximum loan upto Rs 5 crores.

(iv) Housing Loan Scheme

This scheme is for providing loan for construction/ repair and maintenance of houses to women who are members of Self Help Group/ Joint Liability Groups (JLGs). This loan is provided through IMOs/NGOs/VOs. The organization can avail a maximum loan upto Rs 1,00,000/- per beneficiary for construction of low cost house. The organization has to mortgage the immovable property created out of RMK's loan by deposit of title deed (i.e. equitable mortgage). The NGO/ IMO/VO may hold the deeds in trust for RMK and details of the same be captured in RMK database. An NGO/IMO/ VO can avail a maximum loan upto Rs. 6 crores for a maximum of 3 states at a time.

Common eligibility norms for I to IV of loan schemes of RMK:

- i. The organization must be registered with a statutory body at least for last 3 years on the date of application to RMK.
- ii. The office bearers of the organization shall not be elected representatives under The Representation of the People Act, 1951 of any political party/ Managing Committee of any such organization.
- iii. The organization should have experience in Thrift and Credit Management for 3 years or more and/ or should have promoters/seniors management having at least 5/10 years of experience in micro credit/ banking/NBFC lending operations.
- iv. The NGO/IMO/VO should have audited financial statements (in case of NGO with microfinance as a programme, the NGO should have separate audited financial statements for MF programme) and it should have systems, processes and procedures in place as required of a financial intermediary like accounting, internal audit, risk management, timely MIS etc. The organization applying for loan must have broad based objectives of serving the social and economic needs of the poor women.
- iv. The application shall clearly reflect the source of funds earlier utilized for credit.
- v. Recoveries of the loans given to its members earlier must be at least 90%.
- vi. There must be proper and specific clause / provision in the Bye-laws / Memorandum of Association of the organization about powers to borrow or raise loans from any outside agency.
- vii. The NGO/IMO/VO should not be in default to any FI/ NBFC/ Bank/ Govt Corporation.
- viii. The NGO should have lending in its main object clause and powers to mortgage its property should also be spelt out.
- ix. The NGO/IMO/ VO should follow tenets of responsible lending practices.
- x. The NGO/IMO/ VO to carry due diligence and seek specific information about the borrowings of each customer to ensure that no customer has availed loan from more than two MFI/Banks/ Corporations.

Purpose of Loan

Organisations availing loan from RMK shall on-lend to the end beneficiaries for the following purposes:-

- a. Income generating activities such as setting up of small business, asset creation, agriculture, petty shop, livestock rearing, transport services, etc.
- b. Consumption Loans:
 - i) Life Cycle need: Birth, Death, Education, Marriage, House construction, Old age, Widowhood, Festival and other family events, etc.
 - ii) Emergency needs: Medical emergencies, Natural calamities, Theft & Accidents, etc.

Rate of Interest

RMK may revise the rate of interest on loans availed by NGOs/IMOs/VOs and also on-lending rate to SHG / beneficiaries from time to time.

Interest rate w.e.f.17.11.2015 are as follows;

- i) RMK to NGO - 6% p.a. on reducing balance
- ii) NGO to SHG/ Individual Beneficiary - any rate on or above 6% p.a. subject to maximum ceiling of 10% p.a. on reducing balance.

Distribution of loan

RMK fund is for income generation activities as mentioned under purpose of loan. Loan for consumption purposes shall not be more than 1 % of total amount given by IMOs to women beneficiaries.

Security

- i. No security for loan upto Rs. 50 lakh
- ii. Loans above Rs.50 lakh and upto Rs.1 Crore:- 10% of the project cost as margin amount in the form of fixed deposit till the loan is cleared.
- iii. For loans above Rs. 1 Crore, 10% of the project cost be kept as margin money in the form of fixed deposit with RMK till the loan is repaid and immovable property having value equal to or more than 50 % of loan amount be taken as collateral security by deposit of title deed (Equitable Mortgage) after following the due procedure in mortgaging such properties.
- iv. The NGO/IMO/VO may hold the deeds in trust for RMK of the immovable properties created out of RMK's Housing Loan Scheme.

Insurance

The borrowing organization/ end beneficiaries shall ensure adequate insurance cover of all assets created out of RMK's loan.

Repayment

Loan amount availed under all schemes other than Gold Card Scheme, to be repaid within three years i.e. in 30 monthly instalments with an initial gestation period of 6 months. Repayment period for the Gold Card Scheme is 30 monthly instalments with an initial gestation period of one year.

Margin

The organization is required to contribute a margin of 10% of the loan to be availed from RMK. NGOs/IMOs/VOs will be advanced 90% of the total cost of the scheme approved. However, thrift/compulsory savings/voluntary savings of borrowers should not be used in the form of margin money.

Disbursement

Loan amount up to Rs.1 Crore shall be disbursed to NGOs/IMOs/VOs in two equal instalments and loan amount above Rs.1 Crore shall be released in 3 instalments at the ratio of 40:40:20 after unit visit and based on the reports submitted by RMK's representatives. Final disbursement will be made after due approval of competent authority.

The maximum on lending amount per individual beneficiary shall not exceed the amount as given under:

- a) New Borrower : Rs.60,000/-
- b) Repeat Borrower : Rs.1,00,000/- (existing plus new loan)

All disbursements to individual beneficiaries to be made by NGO/IMO/VO through their Aadhar linked bank account only.

Monitoring

Pre sanction and post sanction monitoring to be conducted by RMK to evaluate the loan proposal/utilization of loan.

(v) Working Capital Loan (WCL) Scheme

This scheme is for providing working capital term loan to the intermediary organization for backward and forward marketing linkage of product of Women SHGs/Individuals and group entrepreneurs, namely technology transfer, education and skill up gradation. The applicant has to submit a detailed project proposal to RMK.

1. Eligibility Norms

- a. Eligibility norms remain the same as mentioned above under lending schemes.
- b. The organization has to submit a detailed project proposal, which should be economically and technically viable and fulfil the social objectives /responsibilities of the organization.
- c. The borrowing organization must have availed a loan under micro-credit scheme of RMK/ SIDBI/ NABARD/ Commercial Banks/Other Financial Institutions and must have repaid as per repayment schedule.

2. Purpose of Loan

The loan under WCTL can be utilized by the borrowing organization for the following purpose:-

- a. For development of infrastructure to implement micro-credit programme like:-
 - i. Vehicle to carry SHG products from production place to market place.
 - ii. Work shed to carry out SHG activities.
 - iii. Business outlets/shops for selling of SHG products.
 - iv. For establishment of chilling plant, godown, local haat etc.
- b. To carry out various Government programmes by investing funds availed from RMK and employing SHG members / women entrepreneur.
- c. Procurement of SHG product and marketing.
- d. Purchase/Lease of land to carry out crop cultivation by employing SHG members.
- e. To provide loan to individual women micro entrepreneur or group of women entrepreneurs to undertake income generating activities. The organization has to undertake the marketing of the product of women entrepreneurs and ensure for repayment of loan.
- f. To rehabilitate sick societies having at least 1/3rd women members.
- g. To carry out various training / capacity building / skill up-gradation / education program of SHG members / women entrepreneurs.
- h. Life Cycle need: Birth, Death, Education, Marriage, House Construction, Old age, Widowhood, Festival, and other family events etc.
- i. Emergency needs: Medical emergencies, Natural calamities, Theft & Accidents, etc.

3. Maximum Amount of Loan

- a. The maximum amount of loan to be provided by RMK to borrowing organization

will be Rs. 2 crore per State. However, the organization can avail a maximum loan of Rs. 6 crores to operate in 3 States.

- b. Loan amount is to be decided on case to case basis considering the actual need of the loan, financial health/management of the organization, experience/exposure in micro-credit and the creditability of the organization.
- c. The second loan will be considered only after complete repayment of the first loan.
- d. The formula for arriving at the working capital loan amount will be as under: -
Amount of the Proposed Credit Proposal - Available Margin with the Organization = Working Capital Term Loan (WCTL).
- e. WCTL availed by the organisation shall be reviewed every year for its proper utilisation.

4. Security

- i. No security for loan up to Rs. 50 lakh.
- ii. In case of loan above Rs.50 lakh and upto Rs.1 Crore, the organization has to provide 10% of the project cost as margin amount in the form of fixed deposit till the total repayment of the loan.
- iii. For loans above Rs. 1 Crore, 10% of the project cost be kept as margin money in the form of fixed deposit with RMK till the loan is repaid and immovable property having value equal to or more than 50 % of loan amount be taken as collateral security by deposit of title deed (Equitable Mortgage) after following the due procedure in mortgaging such properties.
- iv. All the movable assets created out of RMK's loan will be hypothecated to Rashtriya Mahila Kosh.
- v. The organization has to mortgage (equitable mortgage, that is, deposit the title deeds of) the immovable properties which will be taken as collateral.
- vi. Where the on- lending of the loan is made to members of a self-help groups by the NGO/IMOs the assets created out of the loan will continue to remain in the name of the members.

5. Insurance

The borrowing organization/ individual beneficiaries has to ensure adequate insurance cover of the movable and immovable properties/assets which will be created out of RMK's loan.

6. Repayment

To be repaid within 36 months in monthly instalments with an initial gestation period of 6 months.

7. Rate of interest

Same as given above under other Lending Schemes

8. Margin

The organization is required to contribute a margin of 10% of the total working capital term loan to be availed from RMK.

9. Disbursement

Loan amount to NGOs/IMOs/VOs up to Rs.1 Crore to be disbursed in two instalments and loan amount above Rs.1 Crore to be disbursed in 3 instalments (of 40:40:20) after unit visit and based on the reports submitted by RMK's representatives. Disbursement will be made after due approval of competent authority.

10. Monitoring

Like other schemes there will be pre sanction monitoring and post sanction monitoring to be conducted by RMK to evaluate the loan proposal / utilization of loan.

vi. Repeat Loan Scheme

For a repeat loan, the NGO/IMO must have promptly repaid **80%** of the previous loan without any break or delay in repayment. All other criteria for assessment, approval etc. will be the same as that of availing a fresh loan under (i) to (iv) Lending Schemes of RMK.

Special Package for North-Eastern Region

A concessional package for the voluntary organizations of the North-Eastern region for easy access of credit from RMK to meet the credit needs of the poor women of the region in order to remove the uneven presence of micro-credit in the country which is witnessed mostly in North- Eastern region due to poor presence of banking net-work, lack of infrastructure and awareness.

The concessions provided by RMK for NE Region are:

1. The organization having completed one year of its registration (previously 3 years) can apply for the loan.
2. Margin on loan reduced from 10% to 5%.
3. The grace period on repayment of loan enhanced from 6 months to 12 months.
4. The repayment period of loan enhanced to five years invariably for all schemes.
5. The NGOs to be supported with 10% of the loan sanctioned as capacity building assistance.
6. To provide second class sleeper rail fare and where there is no rail link, cheaper class to and fro Air fare to the members of NGOs (up to 2 numbers) for coming to Delhi for execution of documents.

CREDIT DELIVERY MECHANISM

Credit is provided to the poor women beneficiaries through Intermediary Micro Financing Organizations (IMOs) working at grass root level such as NGOs, Co-operatives, Not for Profit Companies registered under Section 8 of the Companies Act, 2013, other Voluntary / Civil Society Organizations, SHG Federations and individual women entrepreneurs by following a client friendly, simple, without collateral, for livelihood and income generation activities, housing, and micro-enterprises etc.

The following entities are eligible for RMK loans:

- i) NGOs/ IMOs/VOs.
- ii) State Women Development Corporations.
- iii) Cooperative Societies having at least 1/3rd women members.
- iv) Registered bodies of women etc.

It is a single-window organization. Apart from giving micro-credit, it also builds the capacities of SHGs / women members and partner organizations through trainings in financial management including risk management, project management, enterprise development, skill up-gradation, exposure visits, and assistance in marketing to bring about holistic development.

Pricing of Credit

- RMK may revise the interest rate on the loans availed by NGOs/IMOs/VOs and also on-lending interest rate to SHG/beneficiaries from time to time.
- RMK shall charge interest at the rate of 6% from all NGOs/IMOs/VOs (w.e.f. 17/11/2015).
- The maximum interest shall be charged by NGO/IMO from SHGs/beneficiaries shall be at 10%. (w.e.f. 17/11/2015).

Service Charges: No service charges shall be collected.

CREDIT PROCESS OF RMK

1. Submission/ Receipt of Application

- a. The organization must ensure that it fulfils the eligibility norms as mentioned in each scheme.
- b. In case, provision for borrowing/raising loan, is not there in its bye-laws, then the organization shall first convene a meeting of their General Body to pass a resolution to incorporate a borrowing provision in the Memorandum of Association (MOA) or Bye-Laws on the following suggested lines;
 - i. "The organization can raise funds by way of loans/borrowings/ donations/grants from Government/ Non-Government/ Foreign Donors/ Banks/ Financial Institutions and other Funding Agencies in pursuance of its aims and objectives".
 - ii. The amendment should then be duly get incorporated in the MOA/Bye laws and a certified copy of the amended MOA/Bye laws should be submitted along with application to the RMK.
- c. Organization must pass a resolution in the managing committee for applying for loan from RMK mentioning the specific purpose and amount of loan.
- d. Organization shall fill up all the columns as per the Application Form. If any appendix / additional sheets are required to be attached, these should be in the same format as shown in the Application form.
- e. Organization must ensure that all the documents as mentioned in the Application Form are enclosed and page numbers indicated.
- f. The Application Form and other documents must be typed neatly/ hand written supported by legible photocopies of the original (MOA, Bye-Laws, Audited Accounts etc.)
- g. The Application Form along with required documents may be forwarded by registered post to RMK office, New Delhi or submitted in person accordingly. The details of all end beneficiaries (name, address and Aadhar No.) by NGOs/IMOs while applying for loan from RMK may preferably be fed online through e-loan software.

2. Scrutiny of Application

Desk scrutiny

On receipt of loan application from any entity, a preliminary desk scrutiny will be done based on the existing eligibility norms.

After scrutiny, one of the following three options may emerge:

- a. Application is found eligible and considered for Pre-sanction study. In such cases a pre-sanction study is undertaken by the RMK's own officers/authorized agencies/teams.
- b. Application is found incomplete due to lack of complete information. In such cases, a letter is issued by RMK to the applicant organizations for additional information and the matter will be considered afresh on receipt of complete information.

- c. Application is not found eligible as per existing norms. In such cases, the organization is accordingly advised by RMK.

3. Credit appraisal

- a) Credit Risk Assessment Under :
 - Management
 - Finance
 - Portfolio and Risk Management,
 - Organizational Structure
 - System and Processes
 - HRD
- b) Credit Risk Rating Score
- c) Ratio Analysis
- d) Credit Rating From External Agencies

4. Pre Sanction Study (PSS)

- a. PSS shall be conducted by RMK Officials with prior approval of the competent authority.
- b. PSS will be done as per program schedule and within stipulated time as per norms
- c. PSS will consist of :
 - Field monitoring – Visit to the NGO /SHGs and verification of books and records, verification of activities
 - Visit report

5. Delegation of Sanctioning Authority

A. Loan committee – constitution (as per Office Order dated 20/09/2016)

- a. Secretary MWCD – Chairperson
- b. JS & FA WCD
- c. GM (RMK)
- d. Director (micro Finance), Ministry of Rural development
- e. GM NABARD
- f. Non-Official GB Member
- g. Non-Official GB Member

B. Loan committee Frame work/Functions

- Scrutiny of individual loan proposals
- Approval/sanction/rejection of loan proposals
- To meet periodically every quarter

C. Sanctioning of Loan

- i. Minutes of loan committee meeting – sanction of Loans to be recorded individually with the specific comments of members
- ii. Issue of sanction letters – individually to loan beneficiaries with all relevant terms and conditions
- iii. Validity of sanction – Upto 3 months from date of sanction.

D. Documentation

- i. As per norms of RBI and legal requirements Viz. Loan Agreement cum Guarantee Deed, Pronote, Acceptance, Undertaking letter, Link Letters, all duly signed by borrower/s along with Bank account details etc.
 - a. With the first drawal Application
 - Arrangement Letter-cum-Guarantee Deed
 - Demand Pro-note
 - Resolution of Managing Committee - Stamped receipt
 - b. With the second drawal Application
 - Disbursement Certificate
 - List of borrowers along with passport photo
 - Utilization Certificate
 - Quarterly Progress Report
 - Balance confirmation Certificate
- Documentation to be signed on stamp paper in the presence of Officials of RMK at RMK office and photograph to be taken and to be placed on record.
- ii. To be periodically renewed/revived in order to maintain the limitation of the loan. Acknowledgement of Debt (AOD) to be obtained after 24 months from date of loan papers but before completion of 36 months. Subsequently periodicity to be maintained from date of AOD.
 - iii. Generally Post-dated Cheques are not to be taken as per RBI norms. But in case if it is taken, the Cheque must be filled in all respects with the amount of instalment and a future date and duly signed. A covering letter with the purpose for which it is given to be duly signed by the borrower.
 - iv. Submission of Drawal Application and other documents (A copy of initial drawal application and other formats are enclosed as per Annexure)
 - a. IMOs/NGOs/VOs shall carefully read and follow the instruction contained in the sanction letter enclosed as in Appendix-II. The second drawal application must be submitted after proper utilization of 1st drawal amount. A copy of application for second drawal is enclosed as in –Appendix-IV.
 - b. IMOs/NGOs/VOs shall pass a resolution in the Managing Committee indicating that the terms and conditions are acceptable. It should pass the resolution on any date after receiving the RMK sanction letter. The resolution must be as per the format supplied by RMK (Appendix-V).
 - c. Drawal application and other documents must be filled in properly and completed in all respects and as per the instructions contained in the prescribed forms.
 - d. IMOs /NGOs/VOs shall indicate para wise compliance to the special terms and conditions if any, as mentioned in the sanction letter
 - e. Complete Drawal application and other documents may be submitted together. The same can be forwarded by registered post or submitted in person.
 - f. The Agreement letter-cum-Guarantee Deed refer Appendix-I.

v. Self-declaration from NGO/promoters for attachment of personal assets in case of default of loan repayment.

6. Disbursement

- i. Loan to NGOs/IMOs/VOs for amounts up to Rs.1 Crore to be disbursed in two instalments (50:50) and loan amounts above Rs.1 Crore to be disbursed in 3 instalments (40:40:20) after unit visit and based on the reports submitted by RMK's representatives. Disbursement will be made after due approval by competent authority.
- ii. Disbursement to be done by way of credit to Bank account only in all cases.
- iii. The NGOs/IMOs/VOs will take expeditious steps to disburse funds received from RMK to end beneficiary within 30 days from the date of release of funds by RMK. If disbursements to end beneficiary are not made within the above stipulated period, penal interest will be levied @ 2% per annum from 31 days to 60 days and @ 6% per annum thereafter.
- iv. RMK also reserves its right to recall the undisbursed amount by IMOs to end beneficiaries with penal interest in the event of delay in disbursements stipulated as above.
- v. It is advised to obtain loan utilization format within 30 days after the disbursement of RMK loan from each of the borrowers with their signatures/thumb impression). In the event of the IMOs not utilising finance as per the time schedule indicated in the sanction letter, the organizations shall refund unutilised amount within 3 days after the last date indicated in the sanction letter/disbursement advice for completing disbursement. Any delay in making refund of such amount will carry penal interest @ 8% per annum.
- vi. IMOs are required to send to RMK the following information and documents.
 1. Stamp Receipt
 2. Disbursement Certificate
 3. list of borrowers along with passport photo

7. Post Sanction Visit

- a. Post sanction visit shall be conducted within 45 days of disbursement with due permission from the competent authority.
- b. PSV to be conducted by RMK officials other than those who have conducted the Pre Sanction Scrutiny.
- c. PSV consists of :
 - Field monitoring – to ensure disbursement is made as per the records produced.
 - Verification of end use by visiting the beneficiaries.
 - Visit report.
- d. The end beneficiaries' unit visit by RMK officials be carried on random sample basis.

8. Recovery & Follow Up

- a. Monitoring of instalments of repayment
 - IMOs will send one-time-information within 3 months from the date of

disbursement of loan to RMK via e-loan monitoring system of RMK and email/ registered post.

- Quarterly reporting of Group-wise Loan Utilization Certificate & status of loan repayment.
- b. Loan Committee to monitor cases every quarter.
- c. NGOs / IMOs defaulting in their three consecutive instalments/ repayments shall be blacklisted and legal proceedings initiated for recovery against them.

9. Monitoring and reporting:

RMK to obtain following statements from NGOs/IMOs/VOs through post / email / online loan monitoring system.

- i. Quarterly statement on details of loans from financial institutions as per prescribed format.
- ii. Income and expenditure statement as at 30th September and 31st March.
- iii. Audited Balance Sheet.
- iv. The above statements are to be reviewed to ascertain that NGO/IMO/VO is implementing the project as per projections and also to ascertain the reasons for non-achievement of projections if any and steps taken / proposed to achieve better progress.
- v. RMK to ensure the amount recovered from SHG's, by NGO/IMO are promptly credited to the loan account.
- vi. The statement indicating the details of amount on-lent, total demand, collection, overdue and recovery percentage on quarterly basis, certified by Chartered Accountant, as per the approved format.
- vii. The details of the loan outstanding as per the approved format, disclosing the arrears if any.
- viii. NGO/IMO shall maintain a Ledger for individual beneficiaries of SHGs as a record for having transferred amount to their respective accounts apart from the ledgers maintained for disbursements made to groups.

10. Personal Guarantee

A self-declaration from NGO/ promoters may be taken at the time of documentation to the effect that his personal assets may be attached in case of default in repayment of loan by NGO.

11. Financial Statements of NGOs/IMOs/VOs

Financial statements NGOs/IMOs are summary of quantitative data depicting overall financial health of an NGO/IMO. Therefore, they not only enable an assessment of how well an NGO/IMO is doing but also provide clues of the specific areas that require management attention. There are four basic categories of financial statements for an NGO/ IMO, which are given below.

Categories of Financial Statements

Financial Statement	What does it convey?
1. Income/Expenditure Statement	Income generated by the NGO/IMO and its different sources (e.g. operation, investment etc.). Expenditure of NGO/IMO to earn this income - whether operating income is greater than operating expenses?
2. Balance Sheet	Overall financial position of the NGO/IMO. What is owned by the NGO/IMO - Amount of assets; What % of assets is performing/generating income and what is not? How does the NGO/IMO finance its assets — through liabilities (obligations to others) or through equity?
3. Portfolio Report	Quality of Portfolio - what portion of portfolio is good or bad?
4. Cash Flow Statement	Sources of cash of the NGO/IMO, Liquidity position of the NGO/ NGO/IMOS. How the NGO/IMO is spending or using the cash?

When coupled with existing evaluation of operational and field-level performance, financial statements provide crucial insights, to take informed and timely decisions concerning NGO/ IMO's operations. To take timely decisions, it is imperative that these statements are produced on time. If they are not produced accurately and punctually, the analysis may be misleading or unreliable.

12. Portfolio Report (PR):

The Portfolio Report provides an overview of the performance of an NGO/IMO's largest income generating asset, the loan fund. Therefore, a separate report is required to track the most important portfolio. The report becomes very crucial in a sense that safeguarding the quality of loan portfolio is the primary responsibility of an NGO/IMO's management.

Like Income Statement, Portfolio Report is also prepared for a particular period. The report also includes an aging analysis of loans. It provides details on age of arrears. The rationale of doing this exercise is to determine the risk attached with loans based on the age of arrears as there is likelihood that NGO/IMO may not be able to recover the entire remaining outstanding balance of such loans.

Portfolio report of an NGO/IMO

PARTICULARS	YR1	YR2	YR3	DESCRIPTION
Total value of loan disbursed during the period				Amount of total loans disbursed in a specific time period
Total no. of loan disbursed				total no. of loan disbursed during a

during the period				specific time period
No of Loans Outstanding (end of Period)				No of loans which still have amounts due (both past and future dues) on them. Loans repaid in full not considered.
Value of Loans Outstanding (end of Period)				Principal balance (Not Total Disbursed amount) - Total amount of loan which is still due (interest outstanding is not included).
Average Outstanding Balance of Loans				Opening balance of loan outstanding on the first date + closing balance at the last date divided by month/quarter+1.
Value of payments in arrears (end of Period)				Refers to principal only due and not received.
Value of Outstanding Balance of Loans in arrears (end of Period)				Total principal balance(less interest) of such loans with one or more payment in arrears.
Value of Rescheduled Loans Outstanding (end of Period)				All outstanding loans whose terms have been changed.
Value of Loans Outstanding for which repayment is yet to begin (end of Period)				All outstanding loans for which repayments have not started.
Value of loans written off during the period				Loans determined non-recoverable and written off.
Average Loan size				Average size of loans at the time of disbursement.
Average Loan term (in Months)				Average number of months in which the whole loan is to be repaid.
Total amount of Principal collected during the period				Total principal repaid including cost due.
Total amount of Principal due during the period				Total amount of principal to be repaid including cost due.

Aging analysis of all outstanding loans

	Number of loans (I)	Outstanding Balance of Loans (II)	Portfolio at Risk (PAR) [(II) as% of (IV)] (III)	Loan loss Provision Rate (As Applicable To NBFC NGO/IMOs) [IV]	Loan Loss Reserve Amount (V)
Current loan (with no past-due)				1 %	
1-30 days past due				1 %	
31-60 days past due				1 %	
61-90 days past due				1 %	
91-180 days past due				50 %	
> 180 days past due				100%	
Total				-	

The aggregate loan provision to be maintained by NGO/IMO at any point of time shall not be less than the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

13. Financial Ratios*:

Financial Ratios are the tools that help managers primarily to reflect on financial statements on five aspects.

Financial Ratios for NGOs/IMOs/VOs

Ratio	Formula	What does it tell?	Remarks & Benchmark
(1) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	Indicates adequacy of current assets to meet current obligations (short-term debt repaying ability)	An increasing trend is positive Higher the ratio, greater the liquidity cushion. (> 1.33)
(2) Capital Adequacy Efficiency Ratios	$\frac{\text{NW} \times 100}{\text{RWA}}$ NW- Net Worth RWA-Risk Weighted Assets	Indicates the capital position of NGO/ IMO to support both growth of loan portfolio and potential deterioration in assets. An increasing trend is positive. Higher the ratio, greater the leverage (> 20%).	
(3) Cost per unit of money lent	$\frac{\text{Operating cost}}{\text{Value of Loans disbursed}}$	Indicates efficiency in disbursing loans (in monetary terms)	A decreasing trend is positive. Lower the ratio, greater the efficiency of money utilised.
(4) Portfolio at risk	$\frac{\text{Balance of Loans in arrears}}{\text{Value of loan outstanding}}$	Measuring amount of default risk in portfolio	A decreasing trend is positive. Lower value means lesser risk exposure of portfolio.
(5) Current repayment rate	$\frac{\text{Principal recovered}}{\text{Principal due for the period}}$	Indicates collection efficiency w.r.t. amount due	An increasing trend is positive. Higher the rating, lesser the default risk.

* Mandatory for loans above Rs.50 lakhs

14. Assessment of Self Help Groups (To be submitted by NGO/IMO/VO)

Name of SHG :

Name of NGO/IMO/VO :

(Facilitator)

SL NO	CRITERIA	ASSESSMENT BASIS	MARKS	VERIFIABLE SOURCE	MARKS SCORED
1	Number of members	a) From 16 & upto 20 b) Between 10-15 c) Less than 10	10 07 05	Attendance register	
2	Composition	a) Target Group only	10	Based on Judgement of assessing officials	
3	Age of the SHG	a) More than 2 years b) 1-2 years c) 6 months to 1 year	10 07 05	By law / register	
4	Attendance of members in the group meetings	a) More than 90% b) 70% to 90% c) Less than 70%	10 05 02	See explanation at the end of this table(*)	
5	Awareness among members knowledge of SHG rules, functions, procedures of meeting etc.	a) Known to all members b) Known to 50% c) 50% Known to less than	10 07 03	By attending Group meetings one to one discussions with members	
6	Feeling of Homogeneity/Solidarity	a) Very strong b) Moderate c) Not very much	07 04 00	By personal observations and interactions with members	
7	Participation in group discussions	a) Participation by majority b) Participation by only few	10 05	By personal observations during Group meetings.	
8	Rotation of Group Leaders	a) Every year b) Between 1-2 years c) Once in two years	05 02 01	By verifying minutes book	
9	Imposition of sanctions and enforcement of bye laws	a) Strongly enforced	10	By verifying loan ledger savings register minutes book etc.	
10	Group meetings	a) 4 meetings per month b) 2-3 meetings per month c) 1 meeting per month	10 07 05	By verifying minutes book and cross verification with group members	
11	Maintenance of books and records	Attendance register Minute Book Loan register Savings Ledger Internal Pass Book	10	By personal verification of relevant books/ledger	
12	Minutes book	a) Written in detail b) Maintained but does not contain full information	05 03	Peruse minutes book pertaining to meetings held during last 3 months	

15. Rating Model for NGO/IMO/VO

APPLICABLE FOR CREDIT SANCTIONS

SL NO	PARAMETER	BASIS FOR ASSESMENT	VALUE	MAX MARKS SCORED
I. MANAGEMENT		30 MARKS		
1	Experience in micro finance	More than 5 years 4 to 5 years 3 to 4 years 2 to 3 years Less than 2 years	5 4 3 2 0	
2	Representative nature of the NGO/IMO to the local area community	NGO/IMO based and functioning in the area NGO/IMO based elsewhere but it is working in the area NGO/IMO based elsewhere but new to the area Newly established NGO/IMO	4 3 2 1	
3	Number of villages covered under various programmes	Above 50 26 to 50 11 to 25 1 to 10	4 3 2 1	
4	Interest evinced by governing body/management committee	Meets frequently - 4 or more times in a year Meetings are well attended with attendance more than 70% Meetings are not conducted Frequently - less than 2 times in a year.	2 1 0	
5	Management inspections on Money handling	Periodical checking of cash and record maintenance Occasional checking when suspicion arises No checking in place	3 2 1	
6	Commitment for socio economic development	Strong focus on development of poor women	2	
7	Transparency in operations, submission of audited Balance Sheet and P & L Accounts – Financial data in required format	Submitted within 5 months from closure of accounts Submitted within a period of >5 months but < 8 months Delay of more than 8 months	6 4 1	

SL NO	PARAMETER	BASIS FOR ASSESMENT	VALUE	MAX MARKS SCORED
8	Management information System (MIS).	Fully computerized Partly manual and partly computerized Only manual	4 2 0	
II. CAPACITY			10 MARKS	
1	Organizational capacity and managerial competence	Availability of experienced and professional staff Adequacy of Infrastructure	1.5 (0 – 1.5) 1.5 (0 – 1.5)	
2	Trained Manpower	Adequacy of manpower trained in financial intermediation In house training arrangements if any Arrangements in obtaining training of staff Whether Agency is undertaking training of other NGOs/IMOs/VOs/SHGs etc	1(0-1) 1(0- 1) 1(0- 1) 1(0- 1)	
3	Proficiency / expertise of CEO/Key managerial staff in micro finance		3(0- 3)	
III. CORE COMPETENCY			5 MARKS	
1	Experience/Proficiency in group related savings and credit activities	Whether the agency has adequate experience under savings and credit programmes Experience in promotion and nurturing of SHGs and in linking with Banks Experience in other innovative credit delivery mechanisms. Various types of promotional support provided by the Agency. One time repayment performance by members to the groups/NGO.	1(0- 1) 1(0- 1) 1(0- 1) 1(0- 1) 1(0-1)	

IV. CREDIT THRIFT MANAGEMENT			15 MARKS	
1	Financial management	a)Whether agency is able to mobilize adequate resources b)Extent of involvement of internal resources other than institutional borrowings c)Repayment obligations to Banks/FIs d)Lower level overdues to total loans outstanding e)Satisfactory book keeping	1(0-1) 1(0-1) 1(0-1) 1(0-1) 1(0-1)	
2	Sustainability of operations	a)Already sustainable in its operations b)Sustainability expected in less than 3 years c)Sustainability expected in more than 3 years d)No possibility of achieving sustainability	5 4 2 0	
3	Grant support (dependence on donor's assistance for Managerial / Operational Expenses)	Extent of dependence on donors: High – 1 Medium – 2 Average – 3 Low – 4 None -5	5(0-5)	
V. ASSET QUALITY			15 MARKS	
1	Gross NPA to gross Advance	Less than 2.50% 2.5 to 5 % More than 5% More than 10%	5 3 2 0	
2	Management of overdue loans (Age of overdue loans for more than 30 days but less than 60 days overdue % to total loans)	Less than 5% 5 to 7.50% 7.60 to 10% More than 10%	5 3 2 0	
3	Repayment rate (based on % recovery)	Having more than 95% recovery Having 90% to 94 % Having 85 to 93% Having 80 to 84 % Less than 80% recovery	5 4 3 2 0	

VI. OPERATIONAL EFFICENCY		MARKS 20
1 Based on coverage of end beneficiaries	Having more than 10000 beneficiaries	20
	Having more than 5000 but < 10000 beneficiaries	15
	Having more than 1000 but < 5000 beneficiaries	10
	Having more than 500 but < 1000 beneficiaries	5
	Having more than 500 beneficiaries	0
VII. RESOURCES & ASSET LIABILITY MANAGEMENT		MARKS 5
1 Portfolio in arrears	Payment in arrears Value of loans O/S The figure indicates amount of loan payments past due	(0-5) Decreasing trend is positive Lower value means lesser risk

REMARKS :

- Total appraisal would be done on a scale of 100.
- The appraisal is supposed to be made as desk appraisal on the basis of information to be furnished by an NGO and after sufficient local enquiry.
- Values in the case of parameters II(1), (2), (3), ; III (1); IV (1), would be imputed based on the assessment of strengths of NGO in relation to those parameters by the appraising officer, whereas in the case of other parameters, absolute values as indicated against each one of these would be given if the NGO is satisfying them.
- No NGO would be expected to achieve 100 out of 100. A good NGO would be able to secure up to 75% of the total marks i.e. 75 and hence 75 marks would be presumed as full marks for the purpose of assessment. In order to be eligible for assistance with RMK, an NGO has to secure at least 40 out of total 100 would qualify for the assistance.

Scoring	Status for selection
NGO/IMO with more than 60 – 74 marks	Collaboration assistance with reservation
NGO/IMO with 40 - 59 marks	Collaboration assistance with Caution
NGO/IMO with less than 40 marks	Collaboration assistance not recommended

The above norms/guidelines are illustrative in nature and would have to be viewed in totality while considering the suitability of an agency for providing promotional/loan assistance for financial intermediation. These norms/guidelines are intended to be more in the nature of aid/guidance in the appraisal of the proposals received from NGOs for any micro credit programme requiring financial assistance. It is envisaged that a development and pragmatic approach would be followed while dealing with such institutions.

RASHTRIYA MAHILA KOSH
B-12, 4th Floor, Qutab Institutional Area, New Delhi- 110016

APPLICATION FORM FOR RMK LOAN SCHEME

Loan Scheme : _____
 Total Project Cost (Amt in Rs.) : _____
 Loan Amount Required (Amt in Rs.) : _____

1. ORGANISATION DIRECTORY

(a) Name of the Organisation : _____
 (b) Address : _____
 (c) State : _____
 (d) District : _____
 (e) Block : _____
 (f) Phone No. (with STD Code) : _____
 (g) Fax No. (if any) : _____
 (h) Nearest Railway Station : _____
 (i) Registration no. of the Organisation : _____
 (j) Date of Registration : _____
 (k) Date of Renewal, if any : _____
 (l) Unique ID generated at NGO Darpan portal : _____
 (m) Unique code generated at PFMS portal : _____
 (n) Area of Operation : _____
 (o) Name of the Bank of Organisation : _____
 (p) Account No. : _____
 (q) Name and Designation of Chief Functionary : _____

2. Detail of Executive Committee members

S.No.	Name	W/o or D/o or S/o	Designation	Address with Door no. / Street / Village / Town / District	Land line no./ Mobile no.
(1)	(2)	(3)	(4)	(5)	(6)

3. Details of Socio-economic Developmental Programmes conducted by the organisation during the last 3 years (year wise)

Year	Name of the Programme	Funded by	Amount received	Achievements
(1)	(2)	(3)	(4)	(5)

Note: Please enclose a copy of your annual reports of last three years.

**4. Experience of the organisation in CREDIT Activity during last three years
(year wise). (Amount in Rs.)**

Years	Amt. of loan outstanding from previous year (31.3. --	Amt. of loan disbursed during the year	Total =2+3	Demand amount, which due for was recovery as on ----	Amount actually recovered as on --	Over due as on ---- (5-6)	Percentage of recovery (%)	Outstanding at the end of the year 31.3.-- (4-6)
1	2	3	4	5	6	7	8	9

This statement is the consolidated figures of statement (5)

5. FORMAT OF DEMAND COLLECTION AND BLANCE REGISTER (DCB)

- Loaning made to SHG members out of their own savings (Inter loaning)
- Loaning made to SHGs out of the funds received from funding agencies.
- Loaning made to SHGs from Bank where NGO acts as a facilitator.
- Loaning made to SHGs out of own funds of NGO.

YEAR WISE (Last three years)

SL. No.	NAME OF SHG	Amt. of loan outstanding from previous year (31.3. --	Amt. of loan disbursed during the year	Total =3+4	Demand amount , which was due for recovery as on ----	Amount actually recovered as on --	Over due as on ---- (6-7)	Percentage of recovery (%)	Outstanding at the end of the year 31.3.-- (5-7)
1	2	3	4	5	6	7	8	9	10
1									
2									
3									

Separate DCB statement for A, B, C, D category has to be submitted by the NGO (year wise and SHG wise for last 3 years).

It should be tallied with other related statements/information furnished by the NGO, any.

"Nil" statement may be submitted regarding A or B or C or D if the NGO does not have any experience under any such category.

Note:- The details in S.No. (5) should tally with the books of SHGs and with the data maintained by NGO.

6. Experience of the organisation in thrift/savings and formation of SHGs. Please give details as below (Position as on _____). Detailed list SHG-wise

(Amount in Rs.)

Sl. No.	Name and Address of SHG	Date of Formation	No. of Members	Savings Mobilised	Loan given out of savings	Amount Received	Amount of loan outstanding
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total							

Note:- The details S.No. (6) should tally with the books of SHGs and with the data maintained by NGO.

7. Proposed lending programme in the current year

(Amount in Rs.)

Sl. No.	Category of Loan	Name of Activities	No. of SHGs	No. of Borrowers	Average amount of loan per beneficiary	Total Amount Required
(1)	(2)	(3)	(4)	(5)	(6)	(7)

8. Sources available with the organisation

(Amount in Rs.)

Sl. No.	Source	Balance at the beginning of year	Amount expected during the current	Total amount year
(1)	(2)	(3)	(4)	(5)
1.	Own Sources			
2.	Savings of SHGs/members			
3.	Recovery of loans from SHGs/members			
4.	Other sources such as grants/donations, etc.			
5.	Borrowings (other than this application of RMK)			
6.	Total			

9. Financial Assistance required from RMK

(Amount in Rs.)

Sl. No.	Category of Loan	Name of Activities	No. of SHGs	No. of Borrowers	Average amount of loan per beneficiary	Total Amount Required
(1)	(2)	(3)	(4)	(5)	(6)	(7)

10. Financial position of the organisation as per Balance Sheet (As on)

(Amount in Rs.)

Liabilities

Corpus fund
 Loan from Financial Institutions
 Other Current Liabilities
 Total

Assets

Fixed Assets
 Loan to SHGs
 Other Current Assets
 Total

(Details of borrowing if any, may be in the proforma below)

Name of the Lending Institution	Date Borrowed	Amount Repaid	Amount Outstanding	Balance of borrowings	Overdue, if any
(1)	(2)	(3)	(4)	(5)	(6)

(Copies of Sanction letters to be enclosed)

11. Organisational Set-up and Training

(i) Details of staff

No. of staff with the organisation	Trained	Untrained	Total
(1)	(2)	(3)	(4)
(a) Office/Supervisory Staff			
(b) Field/Extension Staff			
Total			

(ii) Details of arrangements available with the organisation for training of Staff/SHGs.

12. Check List

S No	Details of Enclosures	Yes/No	Page No.
1.	Attested Copy of the Registration Certificate/Renewal		
2.	Attested copy of MOA & Bye-laws		
3.	Indicate the provision to borrow from outside agency		
4.	Detailed Objectives of the Organization		
5.	Details of Bio-data of the Chief Functionary experience in social sector		
6.	List of current Managing Committee members duly attested		
7.	Resolution for seeking credit assistance from RMK		
8.	Consolidated audited accounts for the last 3 years		
9.	Annual Reports for the last 3 years		
10.	Copies of sanctions received from funding agencies/Govt. Departments etc		
11.	Utilisation certificate received for funding agencies		
12.	Undertaking to charge rate of interest not more than 10% NGO to SHG to ultimate beneficiary on reducing balance		
13.	Undertaking to keep the registration of the organization alive during the currency of RMK loan		
14.	Undertaking that office bearers should not be elected members of any political party		
15.	Undertaking to inform RMK in case of changing address.		
16.	If borrowed from other organizations, No Dues / Overdues certificate from funding agencies		
17.	Details of Socio-Economic development activities implemented during the last 2/3 years		
18.	Passport size photographs of the President, Secretary & Treasurer of the organization duly attested by a Gazetted Officer each photo to be attested individually.		
19.	Certificate regarding proof of residence of the President, Secretary and Treasurer with their present and permanent address duly attested by a Gazetted Officer		
20.	Details of arrangements available for organizing training for its Staff/SHGs		
21.	Copy of resolution in case of dissolution of the organisation / Undertaking Rs. 50/- for dissolution clause		
22.	Clause of 2/3rd quorum in MOA byelaws.		
23.	DCB for the last three years		
24.	Registration Details with NGO-Darpan		
25.	Registration Details with Public Financial Management System (PFMS)		
26.	Aadhaar linked Bank account details of end beneficiaries along with their mobile number		
27.	Copy of documents of Immovable Property of IMOs/ Promoters, if applicable.		

DECLARATION

I _____ (FULL NAME WITH DESIGNATION) certify that the facts and figures furnished in the application form and the annexures are correct and tally with the records of our organisation and any concealment of facts/misrepresentation/indulgence in illegitimate practices which are violative of the terms of sanction and as a consequence thereof, the Rashtriya Mahila Kosh is put to monetary loss, will render me liable to be proceeded against under the relevant provisions of the law of the land.

Place:

Date:

Encl:

(Signature with official stamp)

Name & Designation of Chief Executive

By Regd./ Speed post

RASHTRIYA MAHILA KOSH

B-12, 4th Floor, Qutab Institutional Area, New Delhi- 110016

SANCTION LETTER

Dated.....

**SUBJECT: SANCTION OF CREDIT LIMIT UNDER MAIN LOAN /
LOAN PROMOTION SCHEME**

Dear Sir / Madam,

Please refer to your letter no Dated..... forwarding application for financial assistance by way of loan for our consideration. We are pleased to advise that we are agreeable to sanction loan of Rs.....lakhs (RupeesOnly) to your organization, to be implemented within a period of one year from the date of sanction as per details given here under:

- i) Financial assistance sanctioned by RMK: Rs.....Lakhs
- ii) Rate of interest on RMK finance from NGO/Organization to RMK : 6% per annum
- iii) Rate of interest on loans to be given by the NGO/ Organization on reducing balance NGO/Organization to
 - a) Self Help Groups : Not Exceeding 10 % per annum
 - b) Ultimate beneficiaries directly by the NGO/Organization
- iv) **Repayment period:**
 1. Loans drawn by the NGO/Organization are to be repaid in 30 monthly installments within a maximum period of 3 years inclusive of moratorium period of 6 months (one year incase of Gold Credit Scheme).
 2. This sanction is subject to the General and Special Terms and Conditions contained in Chapter 5 & 6 and execution of required Agreement and Documents by your authorized officer in favour of RMK.
 3. The provision of the Agreement referred to in Para 2 above has to be observed and followed by your organization and these conditions shall be deemed to form part of this sanction letter.
 4. Finance/Refinance will not be admissible to the NGO/Organization against loans recovered or fallen due at the time of release of finance/refinance by RMK.

5. Furnish
 - (i) Master list of total SHG's members under your organization
 - (ii) List of SHG members already covered under external borrowing including earlier RMK loans and
 - (iii) List of SHG members to be financed under the present RMK loan with their aadhaar linked bank accounts and phone numbers.
6. All documents are to be executed at RMK office, New Delhi in the presence of RMK officer by the Authorised Officer, Guarantor and one Witness of your above three functionaries to be produced at the time of execution of documents at RMK Office, New Delhi. Also bring the office copies of all the documents submitted by you for seeking any clarification that may be required after taking prior appointment with the undersigned over telephone.
7. Furnish 30 post-dated Cheques favoring Rashtriya Mahila Kosh, New Delhi duly signed by the authorized signatories.
8. This sanction will become effective only after receipt of the following:
 - i. NGO/Organization's application in the prescribed proforma for the first drawal together with the loan Agreement-Cum-Guarantee Deed duly executed by your authorized officer(s), Demand Pronote and Resolution of the Managing Committee (as per proforma enclosed).
 - ii. Your confirmation in writing that the terms and conditions of this sanction are acceptable to your organization.
 - iii. Certificate signed by the competent authority indicating page No. & Para No. of bye laws / MOA that the NGO / Organization has necessary borrowing power.
9. Please acknowledge receipt of this sanction letter on duplicate copy thereof.

Yours faithfully,

APPLICATION FOR DRAWAL

The Executive Director,
Rashtriya Mahila Kosh,
B-12, 4th Floor,
Qutab Institutional Area,
New Delhi- 110016

Dear Sir/Madam,

SUBJECT: APPLICATION FOR DRAWAL OF FUNDS

- 1 Please refer to your Sanction Letter No. _____ dated _____ sanctioning finance/refinance to us of Rs _____. We confirm having sanctioned loans of Rs. _____ to our constituent(s)/SHG (hereinafter referred to as 'the borrowers') under the above mentioned scheme of development approved by the RMK for which we intend to avail of the finance / refinance sanctioned by the RMK under your above mentioned letter.
- 2 Out of the aforesaid loans sanctioned by us, we have advanced / will advance a sum of Rs. _____ to the borrower(s) upto _____. Details of the number of borrowers, purposes and the loan amount proposed to be disbursed is given in APPENDIX.
- 3 Interest on the above amount disbursed / to be disbursed (i) to the SHGs or (ii) directly to the ultimate borrower(s) by the NGO/IMO/Organization will be charged @ not exceeding 10% per annum, on reducing balance.
- 4 We now request you to disburse to us a sum of Rs. _____ and remit the funds by a Demand Draft payable at _____ Branch against our advances already made /to be made to the borrowers under the scheme as mentioned under paragraph 1 above. The finance to be drawn by us as above will be repaid to the RMK on or before the dates indicated below or on dates as RMK will advise in its disbursement advice.

REPAYMENT SCHEDULE

No of Instalments	Amount to be repaid on or before	No of Instalments	Amount to be repaid on or before
1.		16.	
2.		17.	
3.		18.	
4.		19.	
5.		20.	
6.		21.	
7.		22.	
8.		23.	
9.		24.	
10.		25.	
11.		26.	
12.		27.	
13.		28.	
14.		29.	
15.		30.	
	Total		

5. To enable you to release the finance requested for as above, we are now furnishing the following further information and documents required by you

- (i) Furnish
 - (i) Master list of total SHG's members under your organization
 - (ii) List of SHG members already covered under external borrowing including earlier RMK loan and
 - (iii) List of SHG members to be financed under the present RMK loan with their aadhaar linked bank accounts and phone numbers..
- (ii) Our Arrangement Letter-Cum-Guarantee Deed dated _____ duly executed by our authorized officer along with a Demand Pronote of Rs. _____ and a true copy of Resolution passed by our Managing Committee in this regard are enclosed.
- (iii) We hereby accept the terms and condition detailed in your Sanction Letter No. _____ dated _____ and undertake that whatever security we have obtained or may obtain from time to time from the borrower(s) to secure the loan in question will be held for and on behalf of the RMK and any realization or recoveries from the borrower(s) under the said loans will applied to repay the loans of RMK, if outstanding, as per the agreed repayment schedule indicated in Para 5 above.

Yours faithfully,

Authorized Officer of SO/Organization
with official stamp.

Encls. As above.

APPENDIX TO APPLICATION FOR DRAWAL

Details of proposed loan disbursement

Name & Address of

NGO/Organization.....

(Amount in Rs.)

Name of Area				Name of Activity	Proposed Number		Average proposed loan per beneficiary	Total Amount proposed to be disbursed i.e. (7x8)=9	Remarks
SHG	Village	Block	Distt.		SHGs	Beneficiaries			
1	2	3	4	5	6	7			

Note: NGO/SO/Organization is requested to give the proposed programme on actual requirements basis and adhere to the proposed programme without any deviation.

Signatures of the Chief functionaries

**APPLICATION FOR SECOND DRAWAL /
SUBSEQUENT DRAWALS**

The Executive Director,
Rashtriya Mahila Kosh,
B-12, 4th Floor,
Qutab Institutional Area,
New Delhi- 110016
Dear Sir/Madam,

SUBJECT: APPLICATION FOR SECOND DRAWAL OF FUNDS

- 1 Please refer to your Sanction Letter No. _____ dated _____ sanctioning finance/refinance to us of Rs _____. We confirm having sanctioned loans of Rs. _____ (Rs. _____) to our constituent(s)/SHG (hereinafter referred to as 'the borrowers') under the above mentioned scheme of development approved by the RMK for which we intend to avail of the finance / refinance sanctioned by the RMK under your above mentioned letter.
- 2 We advise that out of the aforesaid loans sanctioned by us, we have advanced / will advance a sum of Rs. _____ to the borrower(s) upto _____. Details of the number of borrowers, purposes and the loan amount proposed to be disbursed is given in APPENDIX to this application.
- 3 Interest on the above amount disbursed / to be disbursed (i) to the SHGs or (ii) directly to the ultimate borrower(s) by the NGO/SO/Organization will be charged @ not exceeding 10% per annum, on reducing balance.
- 4 We now request you to disburse to us a sum of Rs. _____ and remit the funds by a Demand Draft payable at _____ Branch against our advances already made /to be made to the borrowers under the scheme as mentioned under paragraph 1 above. The finance to be drawn by us as above will be repaid to the RMK on or before the dates indicated below or on dates as RMK will advise in its disbursement advice.

REPAYMENT SCHEDULE

No of Instalments	Amount to be repaid on or before	No of Instalments	Amount to be repaid on or before
1.		16.	
2.		17.	
3.		18.	
4.		19.	
5.		20.	
6.		21.	
7.		22.	
8.		23.	
9.		24.	
10.		25.	
11.		26.	
12.		27.	
13.		28.	
14.		29.	
15.		30.	
	Total		

5. We certify that the proceeds of earlier drawal made from RMK of Rs. _____ were fully disbursed as per the approved terms and details of disbursements, borrowers list, utilization certificate have been sent to Rashtriya Mahila Kosh on _____ (date).
6. We hereby undertake that whatever security we have obtained or may obtain from time to time from the borrower(s) to secure the loan in question will be held for and on behalf of the RMK and any realization or recoveries from the borrower(s) under the said loans will applied to repay the loans of RMK, if outstanding, as per the agreed repayment schedule indicated in Para 5 above.
7. To enable you to release the finance requested for as above, we are furnishing the following information/documents:
- (i) Pronote of Rs. _____
 - (ii)

Yours faithfully

Signature of Authorized Officer of NGO/
SO/Organization with official stamp.

Encls. As above.

APPENDIX TO APPLICATION FOR SECOND DRAWAL

Details of proposed loan disbursement

Name & Address of

NGO/Organization.....

(Amount in Rs.)

Name of Area				Name of Activity	Proposed Number		Average proposed loan per beneficiary	Total Amount proposed to be disbursed i.e. (7x8)=9	Remarks
SHG	Village	Block	Distt.		SHGs	Beneficiaries			
1	2	3	4	5	6	7	8	9	10

Note: NGO/SO/Organization is requested to give the proposed programme on actual requirements basis and adhere to the proposed programme without any deviation.

Signatures of the Chief functionaries

**Resolution to be Passed by the Managing Committee of the NGO/IMO/
Organization Authorising Borrowing from RMK and also Delegating the Power to
Borrow from RMK**

Resolved

1. That the NGO/IMO may borrow with or without security from the RMK by way of finance/refinance from time to time for the purpose of the schemes, on the terms and conditions set out in the Arrangement Letter-Cum-Guarantee Deed forwarded by the RMK with its letter No. _____ dated _____ which has been circulated to the members of the Managing Committee.
2. That the aforesaid borrowings by the way of finance/refinance from the RMK, together with interest, commitment charges, costs and other charges if so required by RMK shall be get secured by suitable equitable mortgage/sub-mortgage/sub-hypothecation in favour of RMK of the properties of the SO/or assets charged for the loans given to beneficiaries.
3. That the draft Arrangement Letter-Cum-Guarantee Deed and Terms and Conditions forwarded by the RMK with its letter No _____ dated _____ be and are hereby approved and Sh./Smt./Kum. _____ Designation _____ (Please indicate the name and designation of Authorized Officer) of the NGO/IMO be and is hereby authorized to accept on behalf of the NGO/IMO such charges in the draft of Arrangement Letter-Cum-Guarantee Deed as may be agreed to by the RMK; and
4. That Sh./Smt./Kum. _____ Designation _____ (please indicate the name and designation of Authorized Officer) be and is hereby authorized to execute the Arrangement Letter-Cum-Guarantee Deed and other documents under his/her signature duly witnessed.

Certified that above is the True copy of the Resolution No _____ at page No _____ of Minutes Book passed by the Managing Committee at its meeting held on _____.

(Signature of authorized Officer of the
NGO/SO with Official Seal)

Specimen Signature _____
of Authorized Officer.

Signature & Name of _____
The Attesting Officer

1. Specimen signature of authorized officer should be attested by any member of the Managing Committee of the NGO/IMO and he/she should give his/her Name & Address
2. Please ensure that Resolution should be signed by the all Managing Committee Members of the Organization.

AGREEMENT-CUM-GUARANTEE DEED

Know all men by these presents that this Agreement-Cum-Guarantee Deed is made on this
Day of200.... at New Delhi betweenName of
Borrowing Organization), registered underAct (Please indicate name of
Act under which it is registered), having its Registered Office at

(Hereinafter referred to as "Borrowing Organization" which expression shall mean and include its successors, on merging in any organization either by operation of law or by passing a resolution in a meeting having attendance of more than 66% members and Sh./Smt./Kum.

(Hereinafter called the "Guarantor") which expression shall where the context so admits shall mean and include his/ her legal heirs, legal representatives, administrators, executors; and Rashtriya Mahila Kosh, B-12, 4th Floor, Qutub Institutional Area, New Delhi-110016 (hereinafter referred to as RMK), which expression shall mean and include its successors, assigns, nominees or representatives.

AND WHEREAS the Borrowing Organization being desirous of receiving finance for the purpose of promoting economic development directly or through its affiliated Self Help Groups (SHGs), having applied to RMK for finance / refinance of such loans, hereby agree to the terms and conditions stated in Sanction Letter No..... Dated for the loan of Rs....., issued by RMK in favour of the aforesaid Borrowing Organization.

AND WHEREAS the Guarantor also agrees / undertakes to repay the entire loan/ advances given to the Borrowing Organization(s) by RMK in case the Borrowing Organisation(s) fail (s) to repay the same along with interest @ 6 % and cost of demand /notice issued to it by the Rashtriya Mahila Kosh by demand draft payable at New Delhi.

AND WHEREAS the Rashtriya Mahila Kosh has agreed to grant finance/ refinance to the Borrowing Organization in respect of such loans and upon the terms and conditions (including the Guarantee given by the Guarantor) hereinafter appearing and those given in Rashtriya Mahila Kosh's sanction letter(s) issued in favour of the Borrowing Organization from time to time.

AND WHEREAS this Agreement-Cum-Guarantee Deed is duly signed by the Borrowing Organization and Guarantor on receipt of Bank Draft/ Cheque for the amount of whole of the loan or part thereof issued by the Rashtriya Mahila Kosh to Borrowing Organization on the terms and conditions mentioned below:

NOW THIS DEED WITNESSETH AS UNDER:

1. That the Borrowing Organization shall submit from time to time to the Rashtriya Mahila Kosh, for its approval, schemes/proposals for grant of financial assistance by the Borrowing Organization to its constituents (which term will also include its affiliated SHGs) for all purposes of the Guarantee for promoting income generation activities and other activities for the welfare of women at large.

2. The Rashtriya Mahila Kosh may, in its absolute discretion, but without any binding obligation on its part sanction loans through finance / refinance to the Borrowing Organization and its constituents under any of the said schemes / proposals, and to such an extent and on such terms and conditions as the Rashtriya Mahila Kosh may decide from time to time.
- 3 (a) The loans in respect of any scheme approved by the Rashtriya Mahila Kosh shall be disbursed in accordance with a schedule of disbursement as may have been stipulated by the Rashtriya Mahila Kosh in its Letter(s) of sanction or any other communication relating to such approved scheme (hereinafter referred to as "the said Letter(s) of Sanction").
- (b) The loan amount shall be repaid by the Borrowing Organization with interest @ 6% in accordance with the schedule of repayment given by the Rashtriya Mahila Kosh in the said Letter(s) of Sanction. The said schedule(s) of disbursement and of repayment may be varied/ charged by mutual agreement in writing.
- (c) The loan(s) drawn from Rashtriya Mahila Kosh by the Borrowing Organization shall be disbursed among the members / SHGs, for whom it was sanctioned by the Rashtriya Mahila Kosh, promptly within the frame as stipulated in the Letter(s) of sanctions. Any amount which is not disbursed within the stipulated period shall be refunded to the Rashtriya Mahila Kosh forth with, failing which a penal interest will be charged @ 6% per annum or at such rates as may be decided by Rashtriya Mahila Kosh on the amount undisbursed within the stipulated period over and above the normal rate of interest determined by Rashtriya Mahila Kosh from time to time and no further loan shall be sanctioned or given to the defaulter Borrowing Organization and the Borrowing Organization shall be black listed for further loans.
- 4 That the security for the loan(s) shall be such as may be specified by the Rashtriya Mahila Kosh in its Letter of sanction.
- 5 That the Borrowing organization further agrees that it shall, whenever so required by the Rashtriya Mahila Kosh, assign to the Rashtriya Mahila Kosh at Borrowing Organization's own expenses all other security documents or Guarantee or collateral in any other form obtained by the Borrowing Organization or its constituents, which the Borrowing Organization/ its constituents may hold in respect of the loans and the indebtedness of its constituents under the scheme.
- 6 That the Borrowing Organization shall, from time to time, until repayment of the loan(s) is fully effected, furnish to the Rashtriya Mahila Kosh true and correct reports in such form as the Rashtriya Mahila Kosh may prescribe regarding the solvency / financial status of its constituents, whenever required by the Rashtriya Mahila Kosh to do so.
- 7 That the Borrowing Organization further agrees to furnish information to Rashtriya Mahila Kosh, promptly of any change in the status / position of any such party which can reasonably be considered to affect the security furnished to the Borrowing Organization and / or the Rashtriya Mahila Kosh.
- 8 That the Borrowing Organization further agrees to maintain separate accounts in respect of each loan received from the Rashtriya Mahila Kosh in respect of each scheme/ proposal.
- 9 That it is mutually agreed and clearly understood between the parties to this Agreement-Cum Guarantee Deed that the parties i.e. the Borrowing Organization and the Guarantor shall remain always liable as a Principal debtor to the Rashtriya Mahila Kosh for the repayment of any

loan(s) granted by the Rashtriya Mahila Kosh, notwithstanding any information furnished to the Rashtriya Mahila Kosh in respect of solvency / financial status of the Borrowing Organization and / or its constituents and notwithstanding creating of any security by the Borrowing Organization and/or its constituents or assignment made in favour of the Rashtriya Mahila Kosh in pursuance of clauses 4 and 5 hereof.

- 10 That the Borrowing Organization further agrees that if it realises any of the securities held by it or its constituents either alone or jointly, for the said loans or whenever any repayment is received or recovery made by the Borrowing Organization from its constituents, the Borrowing Organization shall pay the same over to the Rashtriya Mahila Kosh all such realization or recoveries to the extent required to repay the Borrowing Organization's obligations hereunder.
- 11 The Borrowing Organization agrees:
 - a. To furnish to the Rashtriya Mahila Kosh all such information as the Rashtriya Mahila Kosh may require from time to time regarding constituents or about the Borrowing Organization itself.
 - b. That unless otherwise required by the Rashtriya Mahila Kosh to inspect periodically the affairs of the constituents' finance and;
 - (ii) To submit a report of such inspection to Rashtriya Mahila Kosh once in every quarter indicating the progress made in respect of the scheme and;
 - (iii) To assess whether the loan(s) have been utilized by the constituents for the purposes for which it was granted/sanctioned; and
 - c. That it will not allow any of its constituents to engage in any operation inconsistent with such loans or which is likely to jeopardise such loans or the scheme so approved by the Rashtriya Mahila Kosh.
12. The Borrowing Organization shall ensure that any agreement/arrangement between the Borrowing Organization and its constituents with reference to the RMK loans is in consonance with the provision of this Agreement-Cum-Guarantee Deed and the said Letter of Sanction.
13. (a) The ultimate Borrowers/SHG shall allow duly authorized representative(s) of the Borrowing Organization and/or of the Rashtriya Mahila Kosh to inspect at any time the borrower's premises and plant, establishment and Borrower's books of account and all other relevant records.
(b) The Rashtriya Mahila Kosh shall be entitled to depute one or more of its officers or authorized representative to inspect at any time the Borrowing organization or its premises, the assets and the books of accounts of the constituents to whom loans have been granted and also to inspect the security for such loans.
14. That the Borrowing Organization agrees that the rate of interest payable by the ultimate borrowers under each scheme shall be open to review/revision by the Rashtriya Mahila Kosh at any time to which the Borrowing Organization and Guarantor shall not object.
15. That the financing institution shall make proper arrangements for supervising the utilization of the loans granted to its constituents under the scheme approved by the Rashtriya Mahila Kosh and shall not disburse an installment of a loan(s) unless it is satisfied that the previous installments have been properly utilized.

16. That in the event of any breach or violation by the Borrowing Organization of any of the terms and conditions of this Agreement-Cum-Guarantee Deed on which loan(s) is given by the Rashtriya Mahila Kosh, the Rashtriya Mahila Kosh may recall/ask for the refund of the entire loan/s advanced under the aforesaid Sanction Letter and Agreement-Cum-Guarantee Deed and enforce the security.
17. That in the event of the Borrowing Organization making any default in repayment of any sum due to the Rashtriya Mahila Kosh on the due date, the Rashtriya Mahila Kosh shall be entitled to recall at once the entire loans given earlier and enforce the security and take such other action against the Borrowing Organization or its constituents as it may deem fit and proper to recover its dues. The Borrowing Organization and Guarantor agree to the terms of this Agreement-Cum-Guarantee Deed for regulating all earlier loan(s) and enforcement of security.
18. That it is further agreed between the parties here that the terms of this Agreement-Cum-Guarantee Deed shall continue to be in force and bind the parties thereto in respect of all loans provided to the Borrowing Organization from time to time and shall come to an end only on a written notice to that effect served by Rashtriya Mahila Kosh on the Borrowing Organization, provided, however, such notice shall not in any way affect the mutual rights and obligations of parties hereto in respect of any loan outstanding as on the date of such notice.
19. That the Guarantor agrees to pay and satisfy the Rashtriya Mahila Kosh on demand all and every sum and sums of money which are now or shall at any time be due to the Rashtriya Mahila Kosh, in any of its offices, on any account whether from the Borrowing Organization jointly with any other person or persons, whether as principal or surety or otherwise and whether such liabilities have matured or not and whether they are absolute or contingent including all liabilities in respect of advances, cheques, bank drafts and other negotiable or non-negotiable instruments drawn, accepted, endorsed or guaranteed by the Borrowing Organization and in respect of interest at the Rashtriya Mahila Kosh's current rate with quarterly rests, commission and other charges and in respect of all costs and charges and expenses which the Rashtriya Mahila Kosh may incur in paying any rent, rates, duties, calls, installments, legal and other professional charges or other outgoings whether on insurance, repair, maintenance, management, realization or otherwise in respect of any property movable or immovable or any chattels or actionable claims of scripts/securities or title deed pledged, mortgaged or assigned or deposited with the Rashtriya Mahila Kosh as security for the due payment and discharge of the Borrowing Organization's liability to the Rashtriya Mahila Kosh.
20. That the total liability ultimately enforceable against the Guarantor under this Guarantee in no circumstances shall exceed the total amounts payable by the Borrowing Organization and the Guarantor hereby agrees to pay the same on demand with interest thereon at the rates stipulated by the Rashtriya Mahila Kosh from the date of demand till payment.
21. That notwithstanding the Borrowing Organization's accounts with the Rashtriya Mahila Kosh may be brought to credit or the credit given to the Borrowing Organization is fully exhausted or exceeded or howsoever the said financial accommodation varied or changed from time to time notwithstanding any payment from time to time or any settlement of account, this Guarantee shall be a continuing Guarantee for the payment of the ultimate balance to become due to the Rashtriya Mahila Kosh by the Borrowing Organization in respect of the earlier, present and subsequent loan(s) advanced by the Rashtriya Mahila Kosh.
22. That notwithstanding the discontinuance of the Guarantee as to one or more of the Guarantors or the death of any one of them, the Guarantee is to remain a continuing Guarantee as to the other or others or the representatives and estates of the deceased as the case may be and where there is more than one Guarantor, their liability under these presents shall be construed as joint and several.
23. That in the event the present Guarantor(s) cease to be elected representatives of the Borrowing Organization, the new elected representatives of the Borrowing Organization, shall have to execute

- fresh Agreement-Cum-Guarantee Deed in addition to earlier executed documents. However, the earlier Guarantor shall not be discharged till RMK agrees to discharge them expressly.
24. That the Rashtriya Mahila Kosh without exonerating the Guarantors may grant time or other indulgence of the Borrowing Organization or any other person liable to the Rashtriya Mahila Kosh on all or any of the obligations or liabilities guaranteed hereunder or in respect of cheques, Bank drafts, guarantees and undertakings and give up or modify or abstain from perfecting or taking advantage of any securities of contracts and discharge any party or parties and accept or make any composition or arrangement and realize any securities when and in such manner as the Rashtriya Mahila Kosh may think expedient.
 25. That in case of default of payment of interest/ installment continuing for more than six months without any sufficient and cogent reasons, Rashtriya Mahila Kosh reserves its right to initiate action including black listing the NGO and for recovery of its dues by filing necessary legal proceedings at Delhi.
 26. That a certificate in writing under the hand of the Executive Director or any other officer of the Rashtriya Mahila Kosh stating the amount at any particular time due and payable shall be a conclusive evidence as against the Guarantors, each of them and their respective representative(s) and estates.
 27. That a notice may be served on the Guarantor/s personally or sending the same by Registered A/D cover to the address registered with the Rashtriya Mahila Kosh or when such address is not registered, to the last known place of the person to be served and a notice so sent shall be deemed to have been served on the Borrowing Organization and the Guarantor on the seventh day of the date of dispatch through the Post Office or a Courier.
 28. That this Guarantee is irrevocable. However, with the express consent of the Rashtriya Mahila Kosh, the Guarantees (s) may be substituted by another person (s).
 29. That this Guarantee shall be in addition to any other security given by the Borrowing Organization and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter by the collateral or other security now or hereafter to be held by the Rashtriya Mahila Kosh.
 30. That the courts at Delhi shall have the exclusive jurisdiction to entertain and decide all disputes between the parties.
 31. That in these presents, the singular number shall be deemed to include the plural whenever the Borrowing Organization/ Guarantor is a registered Society/ Organization/ Institution/ Committees/ Association or unincorporated Body and the several expressions shall be deemed to include the members of the Society of any Committee or Association or unincorporated body.

The contents of this Deed have been read over and interpreted in _____ language known to the persons executing this Agreement and have been admitted by the parties to be true and correct.

In witness whereof the parties have set their hands on the Agreement-Cum-Guarantee Deed on the day, month and year mentioned above at New Delhi.

WITNESSES

1. Signature _____
Name _____
Address _____

BORROWING ORGANIZATION

(Signature _____)
of Authorized Officer)

Name _____
Designation _____
Address of the Organization

Official Seal _____

GUARANTOR

(Signature _____)

1. Signature _____
Name _____
Address _____

Name _____
(Signature of guarantor other than a

Official Seal _____

person signing above, but a member
of the Managing Committee.

Designation _____
Address of the Organization

Official Seal _____

RASHTRIYA MAHILA KOSH

(Signature _____
of Authorized Officer)

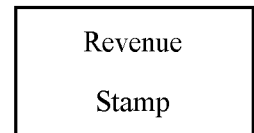
Name _____
Designation _____
Address of the Organization

RECEIPT

Received Draft No. _____ Dated _____ for
Rs. _____ (Rupees _____ only) from Rashtriya
Mahila Kosh, New Delhi, as 1/2/3 installment of loan on the terms and conditions mentioned in
Rashtriya Mahila Kosh's Sanction Letter No _____ Dated _____

Interest at the rate of _____% per annum with monthly rests for value received.

Dated _____ (day) of _____ (month) _____ (year)



Signature of Authorized Officer with
Official Seal on Revenue Stamp

1. Name of the Authorized Officer _____
2. Designation _____
3. Address of the Organization _____

4. Place _____
5. Date _____

DISBURSEMENT CERTIFICATE

1. Name & Address of NGO/Organization

2. We certify that the amount drawn by us from Rashtriya Mahila Kosh was disbursed as under:

Funds received from RMK	Detail of amount disburse									Un-utilised amount refunded to Rashtriya Mahila Kosh if any
	Date	Area				No. of SHG	No. of Borrowers	Amount Rs	Amount Rs	
		SHG	Village	Block	Distt.					
1	2	3	4	5	6	7	8	9	10	Date of Refund..... Amount refunded Rs.....
Date of receipt of Draft from Rashtriya Mahila Kosh dt..... Amount Received Rs.....										

Note: NGO/SO/Organization is requested to give the proposed programme on actual requirements basis and adhere to the proposed programme without any deviation.

Signatures of the authorized
Officer of the
NGO/SO/Organization with
official seal

RASHTRIYA MAHILA KOSH

Due Diligence Checklist for NGOs/IMOs/VOs

I. Financial Information

A. Annual and quarterly financial information for the past three years		
1. Income statements, balance sheets, cash flows, and footnotes		
2. Planned versus actual results		
3. Management financial reports		
4. Breakdown of thrift and lending activities Major customers and applications, projected growth, profitability and Market share		
5. Demand Collection and Balance report		
6. Aging schedule/analysis		
7. Internal Risk Rating analysis		
8. External Risk Rating report		
B. Financial Projections		
1. Quarterly financial projections for the next three fiscal years		
2. Full income statements, balance sheets, cash		
3. Major growth initiatives and prospects		
4. Predictability of business and Risks		
5. Pricing policies		
6. External financing arrangement assumption		
C. Capital Structure		
1. Current shares outstanding		
2. List of all promoters with shareholdings		
3. Summary of all debts / bank loans		
4. Off balance sheet liabilities		
D. Other financial information		
Details of personal assets of promoters		
Ratio Analysis		

II. Customer Information

All information viz. name, address, phone nos, and Aadhar details of the NGO/IMO and its promoters/office bearers & beneficiaries as required in the application		
List of beneficiaries for the past two fiscal years and current year-to-date by application (name, contact name, address, phone number)		
List of Bank Accounts and Bank details, Bank Facilities availed. (name, contact name, phone number,)		
Brief description of any significant relationships severed within the last two years. (name, contact name, phone number)		

III. Competition

A. Description of the competitive segment including, position, strengths and weaknesses and the basis of competition

IV. Distribution and Recovery

A. Strategy and implementation		
B. Prospects for future growth and development		
C. Ability to implement recovery plan with current status and projections.		

V. Training and Skill Development

1. Description of training organization		
2. Training Strategy		
3. Key areas and Major Activities covered		
4. Details of training programmes conducted and number trained.		

VI. Management and Personnel

A. Organization Chart		
B. Historical and projected headcount by function and location		
C. Summary biographies of senior management		
D. Compensation arrangements		
E. Significant employee relations problems, past or present		
F. Personnel Turnover with Data for the last two years		

VII. Legal and Related Matters

A. Pending lawsuits against the NGO/IMO (detail on claimant, claimed damages, brief history, status, anticipated outcome,)		
B. Pending lawsuits initiated by NGO/IMO (detail on defendant, claimed damages, brief history, status, anticipated outcome,)		

UNDERTAKING

(To be submitted on Rs.100/- non-judicial stamp paper)

I, _____ S/o.W/o.D/o. _____ R/o. _____
_____ working as _____ (designation in
NGOs/IMOs/VOs/VO) _____ duly authorised vide resolution
dated _____ passed by the executive committee, do hereby undertake:

- (i) that I shall charge interest at the rate fixed by RMK from time to time on on-lending amount to SHG and end beneficiary.
- (ii) that I shall keep the registration of the organization alive during the currency of RMK loan.
- (iii) that the office bearers are not elected members of any political party/ Management Committee of any such other organisation.
- (iv) that I shall inform RMK in case of change in address and office bearers of NGO.
- (v) that the subject NGO/IMO/VO is not blacklisted by any agency including private and Government.
- (vi) that onlending to individual beneficiaries shall be made through their aadhaar linked bank accounts only.

Deponent

VERIFICATION

Verified on _____ at _____ that the information provided above are true and correct and nothing has been concealed thereof.

Deponent