

4. After due date do calculate days from due date to recovery date and calculate penal interest on instalment amount (instalment = interest + principle)
5. Recover in order of notice fee, recovery charger, penal interest, interest and principle.
6. If penal interest is incomplete then calculate days from due date to recover date and give credit received penal interest of that particular instalment (minus received penal)
7. If any amount has been received in interest column then days will be calculate from last recovery date.
8. Penal interest rate = ROI+2.5%
9. In the case of overdue recovery if legal action has been taken like Cooperative act 139 procedure, bank will charge a surcharge to loan account it is in a different % slab.
10. For overdue recovery bank makes extra efforts like new paper notice, seizing vehicles, cheque return case file. These extra expenses will recover at the time of recovery as other charges.
11. **Advance Recovery** In some cases branch recovered money in cash but not credit in direct loan account of loanee and put it in account as advance recovery. In the case of oxen of vehicle or land, in the case of settlements scheme, subsidy amount branch need permission from higher authority to credit that amount with such waiver amount when advance recovery transfer to loan account bank will give interest on that amount at the rate of loan.
12. Bank is issuing receipt at the time of recovery or collection (Recovery can be in cash and cheque, RTGS)

Loan Account /Share Account close

1. At the time of loan disbursement it is mandatory to have a one primary share of rupees one hundred (100) and 5 % share of loan sanction amount.
2. At the time of loan close we transfer a share amount to loan account at last payment.
3. There is choice for loanee to close his share account by transfer or cash back, he can withdraw primary and additional both the share at his loan account close.
4. There is no term for maintain percentage of share amount at the time of loan account close.

Fix Deposit procedure

1. Application for Fd with KYC document in prescribe form
2. Deposit money in cash or by cheque.
3. In the case of Cheque payment effective date will be a realization date.
4. ROI are depending on bank policy (change time to time).

5. In F D double scheme period is fixed for double without consider ROI.
6. Issue a deposit receipt
7. Minimum period of deposit one year.
8. 90% overdraft on F D facilities available.
9. Overdraft ROI Is 1% higher than F D ROI.
10. Premature withdrawal penalty is 0.
11. Premature withdrawal ROI is as per our bank policy.
12. Maturity payment will be made by cash and cheque.

Share dividend procedure

1. In annual general meeting of bank, it decides to share a profit by giving dividend, with permission of AGM bank declare share dividend to shareholders. Calculation of dividend chart is mentioned below.
 - a. Share dividend calculate on share amount of particular member as per given chart/slab.
 1. Share Dividend Calculation (Example For year 2016-2017)
 2. Share Dividend Calculation base on 31-03-2016 (100%)
 3. From 1-04-2016 to 30-06-2016 credit share capital amount 75% dividend
 4. From 1-07-2016 to 30-09-2016 credit share capital amount 50% dividend
 5. From 1-10-2016 to 31-12-2016 credit share capital amount 25% dividend
 6. From 1-01-2017 to 31-03-2017 credit share capital amount 0% dividend

Note: H.O Account Debit

Share Dividend Credit

2. Branch will maintain share dividend ledger(Shareholders wise)
3. Shareholders who have current loan account with branch, his dividend amount will be transfer credit to his loan account.
4. Shareholders who have not their loan account and only have shares, their dividend will be paid by cash and cheque(MO).

NPA Management

Bank is doing NPA classification of Advances (loan) as per prudential norms on financial year end (31 March).

1. For Farm Sectors Loan ,If loan Account is unpaid after due date up to one year(12 months) it become NPA .
2. For NON Farm Sector Loan, If Loan Account is unpaid after due date up to 90 days it becomes NPA.

3. If installment is paid partially and partially unpaid it becomes NPA.
4. If loanee has more than one loan account and his anyone loan account is become NPA than all the account become NPA.

NPA Classification as on 31-03-2017						
Sr.	Loanee Detail	No. a/c	Interest	Principle	Total	Loan outstanding
1.	Overdue < 1 year(31-05-2016,30-11-2016,31-03-2017) FARM SECTOR STANDARD					
2.	Overdue from 3 months and <1 year (31-05-2016,30-11-2016)NON FARM SECTOR SUBSTANDARD					
3.	Overdue of 1 year (31-03-2016) FARM SECTOR STANDARD					
4.	Overdue of 1 year (31-03-2016) NON FARM SECTOR SUBSTANDARD					
5.	Overdue of 2 year (31-03-2015,31-05-2015,30-11-2015) SUBSTANDARD					
6.	Overdue of 3 year (31-03-2014,31-05-2014,30-11-2014) SUBSTANDARD					
7.	Overdue of 4 year (31-03-2013,31-05-2013,30-11-2013) Doubtful 1					
8.	Overdue of 5 year (31-03-2012,31-05-2012,30-11-2012) Doubtful 2					
9.	Overdue of 6 year (31-03-2011,31-05-2011,30-11-2011) Doubtful 2					
10.	Overdue of more than 6 year (31-03-2010,31-05-2010,30-11-2010) Doubtful 3					
11.	Loss Asserts					
12.	Regular Accounts					

NPA report prepare as purpose wise/year wise

Dead Stock

1. When Bank purchase any furniture, fixture, computer, electronic items, more than one thousand rupees value it is noted in accounts as dead stock debit side and branch maintain separate register for stock.
2. When Bank purchase any item <1000 rs and any item of dead stock comes to <1000 rs it is noted in a minor dead stock.
3. At year end (31-March) branch will calculate depreciation on dead stock as per define rate and note depreciation in expense debit side.

Staff Salary

1. Every month end date branch pay salary to each employee by cheque and maintain employee wise data for salary and deduction.

H.O Interest

1. Branch calculate an interest on HO account balance at 9.5 % of monthly product we calculate each month closing balance for product and start from last year march month to current year February month(12 months).
2. Interest Calculation on H.O A/C balance @9.5% by branches is being done for the purpose of branch viability only (it has not been included in the Balance Sheet of the Bank).It is a contra entry.
3. At year ending process on 31 March we are making account entry as HO Account credit and HO Interest Expense debit.

Fd interest payable

1. At the time of year end process branch calculate interest payable on Fix deposit for provision of interest, it is only statement not effected in account books. Bank is making provision for interest at state level at HO.

Statement/ Register

1. Various account statement and registers of accounts recovery, advances, fix deposit, bank reconciliation, etc. Maintained at branch level.

OTS Scheme

1. Some time and for limited period bank introduce ONE TIME SETTLEMENT SCHEME for chronic defaulter /overdue.

Note: Bank is working in unitary structure with 17 District Office, 1 Head office and 176 Branches. For District office and Head Office software customization work yet to be done.

