



NCDC

Assisting Cooperatives. Always!

National Cooperative Development Corporation

Work Manual

Textile Division

(Updated May 2020)

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1. FUNCTIONS OF THE DIVISION

To plan, promote and provide financial assistance for development of cooperatives with particular reference to Ginning & Pressing, Spinning, Powerloom, Knitting, Garment Manufacturing, Handloom, Coir, Jute and Sericulture programmes either directly or through State Govt. within the framework of NCDC Act. The scope of work is to identify and support the textile cooperatives right from the formulation of proposals till the completion of project by providing financial support as per requirements (financial as well as managerial) of Cooperative Societies / Cooperative Federations across the country. The works dealt by the Division are as under:

- 1.1 Preparation of Yearly Programme of Activities (POA);
- 1.2 Generation of proposals;
- 1.3 Examination of proposals;
- 1.4 Appraisal of project & sanctioning of financial assistance;
- 1.5 Release of sanctioned assistance;
- 1.6 Revalidation of sanctioned Projects (wherever applicable);
- 1.7 Monitoring of sanctioned Projects;
- 1.8 De-sanctioning of financial assistance (wherever applicable);
- 1.9 Return of original legal documents; and
- 1.10 Preparation of Division related reports

2. PROCESSES

2.1 Preparation of Yearly Programme of Activities (POA)

Input: Previous year spill over, projects in pipeline and details of expected generation of proposals.

Source: SRDB, RO & Cooperative Societies / Cooperative Federations / State Government

2.1.1 Yearly targets are laid down in the form of Programme of Activities prepared by the Division along with State-wise / Activity-wise break up of financial outlay.

2.2 Generation of proposals

Input: Finalised Programme Outlay along with physical & financial targets.

Source: P&C Division.

2.2.1 The schemes of the Textile Division for financial assistance are circulated among all the State Governments / Union Territories / Cooperative Federations to advise the societies to formulate suitable proposals and avail financial assistance including benefits available under various schemes.

2.2.2 On receipt of the proposal from State Government / Cooperative Society, it is diarized in the Division.

2.3 Examination of Proposals

Input: Receipt of proposal.

Source: Cooperative Societies / Cooperative Federations / State Government.

2.3.1 The proposal is scrutinized in respect of following points:

2.3.1.1 Proposal is from Registered Cooperative Society.

2.3.1.2 The proposal is in the prescribed format (Common Loan application Form).

2.3.1.3 All the rows & columns of application form are filled with the requisite information.

2.3.1.4 Last 3 year's financial statements (duly certified by CA) are enclosed with the proposal.

2.3.1.5 All the relevant documents are enclosed as prescribed in Common Loan application Form.

2.3.1.6 The accounts are audited as per statutory requirement of State Government or Cooperative Act.

2.3.1.7 In case the proposal is not received in prescribed format or there is any deficiency of necessary information, clarification is obtained through letters/over telephone/e-mail/fax etc. to facilitate early receipt of information and examination of the proposal.

2.3.1.8 Proposals, only after receipt of all the relevant information, are entered in the SRDB Module (Sanction Release Data Base System) existing in the Corporation.

2.3.1.9 Proposal No. is generated in SRDB system.

2.4 Appraisal of project & Sanctioning of financial assistance

Input: Examined proposal having proposal number

Source: SRDB (Sanction Release Data Base) System

- 2.4.1 Proposal is examined. If it is fit for financing through State Government / Direct Funding [in case of proposal received under direct funding, proposal is placed before Pre- screening Committee which determines whether the project should be taken up for further appraisal etc. depending on the financial strength of society & security offered as per Finance Division's Guidelines for execution of loan agreement or mortgage of Assets of societies], it is recommended for formation of Field Appraisal Team or Desk Appraisal as per requirement.
- 2.4.2 In case of field appraisal, the appraisal team constituted with the approval of Managing Director visits the site and examines all the aspects like availability of raw-material, facilities like electricity, roads connectivity, capability of management, market and techno-economic viability etc. by following the appraisal guidelines. The appraisal report invariably includes scheduling of the project activities based on realistic assessment of ground conditions. Sensitivity analysis is also included in the report. Appraisal team submits its report to the Divisional Head.
- 2.4.3 In case of desk appraisal, the Division examines all the above said aspects at para 2.4.2 in HO itself and the project authorities may be called for desk appraisal if need be. Appraisal report will be submitted to the Divisional Head.
- 2.4.4 After preparation of the Appraisal Report, an agenda note along with summary, checklist and other requisite documents prescribed from time to time, is prepared by the concerned officer for approval of the Divisional Head / other Competent Authority for placing before the Internal Screening Committee (ISC) OR Central Screening Committee (CSC) and subsequently to Board of Management (BOM) on approval of Competent Authority depending upon the quantum of assistance involved for sanction.
- 2.4.5 After approval of the agenda note by the concerned Screening Committee (or) BOM, draft sanction letter is prepared and put up for approval of the Competent Authority and for allotment of Control Number by the Finance Division.
- 2.4.6 After allotment of Finance Control No. sanction letters containing details of financial assistance including pattern of assistance, schedule for release of assistance, period of loan,

rate of interest, applicable service tax, validity of sanction, repayment due date etc., and other terms and conditions are issued. Feedback form will be enclosed along with sanction letter.

- 2.4.7 In case of direct funding, formats for legal documents viz. resolution to be passed by the society for availing sanctioned assistance, loan agreement and other concerned documents are sent along with the sanction letter to the concerned beneficiary.
- 2.4.8 The Regional Directors are delegated powers to sanction projects having project cost as per latest HO circular issued by the Finance Division. The projects are required to be approved by Regional Screening Committee before issue of sanction letter by RDs.
- 2.4.9 If proposal does not qualify for financial assistance from NCDC, it is rejected after due approval of the competent authority and the decision is communicated to the concerned.

2.5 Release of sanctioned assistance

Input: Request for release (Legal Documentation should be completed before release in case of direct funding).

Source: Cooperative Societies / Cooperative Federations / State Governments

- 2.5.1 In case of direct funding, legal documentation work is done by empanelled Advocates at the concerned Regional Office (RO) or at Head Office (HO) as per convenience of the society. After proper execution, original legal documents are kept in safe custody at RO / HO. Division submits all copies of legal documents to legal cell in HO for proper vetting. Once it is agreed, the society submits the proposal for release of financial assistance.
- 2.5.2 Proposal for reimbursement of sanctioned assistance are received from the concerned State Government / directly from society in case of direct funding and the same are examined in the Division for fulfilment of all terms & conditions of sanction.
- 2.5.3 Draft letter for reimbursement / release of eligible assistance to the State Govt. in case the assistance is sanctioned through State Govt. and to the beneficiary society, in case of direct funding, is prepared and put up to the Finance Division for approval and allotment of Finance Control number by Budget Cell. After approval of the letter for reimbursement of

assistance and allotment of Finance Control number, the fair letter is prepared and ink-signed copy of the same is submitted to the Finance Division along with other copies for release of assistance.

- 2.5.4 In case the proposal is for assistance above the prescribed ceiling limit of Regional Office, the Regional Directors send copies of the Deeds / documents executed by the beneficiary to the Division in HO along with request from the beneficiary for release of eligible assistance after fulfilling the requirements mentioned in the sanction letter. The Division examines the documents including security cover (Value of assets to be mortgaged to NCDC as security against the loan should have adequate security margin as prescribed in latest guidelines for direct funding) and the request of the society for release of assistance before submission of draft release letter for approval and allotment of Finance Control number.
- 2.5.5 Fair release letter is issued along with feedback form.
- 2.5.6. The guard file is maintained containing copies of the sanction / release letters issued by Head Office as well as by Regional Directors during the financial year. Registers containing details of sanction/ release of assistance are also maintained in the Division.

2.6 Revalidation of sanctioned Projects (wherever applicable)

Input: Request for revalidation of sanction.

Source: Cooperative Societies / Cooperative Federations / State Governments

- 2.6.1 Proposal for revalidation i.e., validity extension is received from the concerned State Government / directly from society in case of direct funding and the same are examined in the Division against terms & conditions of sanction.
- 2.6.2 If validity of sanction expires due to unavoidable reasons, then draft letter is prepared and put up for approval of the Competent Authority.
- 2.6.3 After approval of Competent Authority, revalidation letter containing details of extension in validity period is issued.

2.8 Monitoring of sanctioned Projects

Input: Terms & conditions of sanction / release.

Source: Sanction letter / Release letter

- 2.7.1 Progress report in the prescribed proforma is called for from the beneficiary societies during implementation of the sanctioned projects.
- 2.7.2 These progress reports are examined in detail with particular reference to utilization of funds and physical progress of implementation of the project.
- 2.7.3 The beneficiary societies are advised to speed up implementation of project in case the project is not being implemented as per schedule.
- 2.7.4 Monitoring is also undertaken by field visits to the societies implementing the sanctioned projects, as and when required.

2.8 De-sanctioning of financial assistance (wherever applicable)

Input: Proposal for de-sanction / Non compliance of terms & conditions of sanction

Source: Cooperative Societies / Cooperative Federations / State Government and Sanction letter.

2.8.1 Proposal for de-sanction is received from the concerned State Government / directly from society in case of direct funding and the same are examined in the Division against terms & conditions of sanction.

2.8.2 If non compliance of terms & conditions of sanction is witnessed, Division may initiate the de-sanction process after obtaining due approval of competent authority. If there is any unutilized amount for longer period or if any project do not take off due to any reason, the same is also de-sanctioned after obtaining due approval of competent authority. Draft de-sanction letter is prepared and put up for approval of the Competent Authority and for allotment of Control Number by the Finance Division.

2.8.3 After allotment of Finance Control No., de-sanction letters containing details of financial assistance are issued.

2.9 Return of original legal documents (only for Direct Funding)

Input: Receipt of request for return of original legal documents after repayment of entire loan.

Source: Cooperative Societies / Cooperative Federations / State Governments

- 2.9.1 After repayment of entire loan assistance and interest thereon, the beneficiary societies request for return of original document viz. FDR / Original title deed of property pledged / mortgaged to the Corporation.
- 2.9.2 After confirmation of repayment of loan and upto date interest thereon by Finance Division, the original document is returned to the beneficiary society.

2.10 Preparation of Division related reports

Input: Requisition seeking information.

Source: P&C Division/ Finance Division/ Other Divisions of NCDC, DAC & FW in Ministry of Agriculture & Farmers Welfare, Other departments/Ministries of GOI & State Governments, VIPs and RTI applicants and Internal & External Auditors

- 2.10.1 Reports in the prescribed proforma are furnished to the Govt. of India / DMI / other concerned agencies.
- 2.10.2 Information as and when required by Service Divisions such as Planning and Coordination Division, Finance Division, MIS Division, GA Division, P&A Division etc and other Programme Divisions of the Corporation is furnished.
- 2.10.3 After close of the financial year, Annual Report of the Division is prepared and sent to P&C Division.
- 2.10.4 Providing inputs to DAC & FW, Ministry of Agriculture & Farmers Welfare for inclusion/modification of inputs relating to policy level changes pertaining to programmes regarding this division.
- 2.10.5 Preparation of replies to Parliament questions, VIP references, RTI and Audit queries as and when received.
- 2.10.6 Submission of quarterly Hindi Report in prescribed format; and
- 2.10.7 Compliance to provision of the Official Language Act to promote progressive use of Hindi.

3. PROCESS MEASUREMENTS

S.No.	Measurable Process Indicator	Standard Working Days
1.	Scrutiny of proposal from date of receipt and seeking additional information / clarification.	7
2.	Preparation of Agenda on receipt of complete information for projects being desk appraised: i. Direct funding – DSC / PSC agenda ii. Through State Government DSC / ISC agenda	5
3.	Constitution of appraisal team – No. of days for submitting file in DDFS.	2
4.	Field appraisal of the projects to be completed after constitution of team.	10
5.	Preparation of appraisal report on completion of field visit and receipt of complete information.	5
6.	Preparation of Agenda Note for CSC / ISC meeting after receipt of Appraisal Note or minutes of PSC.	3
7.	Preparation of Agenda Note for BOM meeting on receipt of minutes of ISC / CSC.	2
8.	Preparation and submission of draft sanction letter on receipt of minutes of ISC/CSC/BOM.	2
9.	Issuance of sanction letter on receipt of control number from Finance Division.	1
10.	Submission of draft release letter to Finance Division from date of receipt of complete information.	2
11.	Issuance of release letter after receipt of control number from Finance Division.	1
12.	Action on request for validity extension on receipt of complete information.	2
13.	Submission of executed legal documents for vetting by Legal Cell after receipt of complete information from RO	2
14.	Parliament Questions, VIP references / other DAC&FW queries.	As per requested timeline
15.	Information called for from other Programme Divisions & Service Divisions.	As per requested timeline
16.	Reporting to P&C / Finance Division	As per requested timeline
17.	Maintaining Guard File & updation of data in Division	Immediately

**In case of delay in compliance with the process measurements, the delay shall be approved by HOD*

4. PROCESS CONTROLS

S. No.	Process	Process step	Controls Established
4.1	Generation of proposal	Receipt of proposal for : a) Rehabilitation of sick cooperative societies	Only through State Government
		Receipt of proposal for : b) All other than above at (a)	As per the Schemes of NCDC
4.2	Examination of proposal	Operational obligation of the society	Bye-laws establishment under state Cooperative Society's Act
		Receipt of relevant information for analysis of operational/financial performance	As prescribed in common loan application form
4.3	Sanction	Appraisal of the proposal	As prescribed in common loan application form
		Constitution of field appraisal team	Field appraisal only in case of necessity as decided by PSC/ Competent Authority
		Approval of sanction in case of working capital loan	Latest circular on delegation of powers for sanction of Working Capital (WC) loans.
		Approval of sanction in case of term loans/margin money loans	Latest circular on delegation of powers for sanction of term loans except WC loans.
4.4	Release	Fulfilment of terms & conditions of sanction	Sanction Letter
		Security cover against sanctioned assistance (Direct funding)	Latest guidelines for direct funding issued by Finance Division from time to time.
		Legal documentation work (Direct funding)	Empanelled Advocates
4.5	Reporting	Compliance to statutory/regulatory queries	<ul style="list-style-type: none"> • Official Language Act • RTI Act • Immediate response to queries

5. DETAILS OF DOCUMENTED INFORMATION RETAINED

S.No	Title	Identifi-cation	Location	Maintained By	Retention Period in Years	Disposition
5.1	Files					
	I. Financial Assistance files	By Title	Division	Programme Officer, Sr. Assistant & Jr. Assistant	For 8 years (or) till loan is repaid whichever is later. For TUFs related files, till subsidy reimbursement exists.	Digitization and weeding out by tearing / shredding
	II. Policy Matters and Non Financial Files	By Title			Permanent	
5.2	Sanction / Release / De-sanction Registers	By Title	Division	Programme Officer, Sr. Assistant & Jr. Assistant	15 years	Digitization and weeding out by tearing / shredding
5.3	Diary and Despatch Register	By Title	Division	Sr. Assistant & Jr. Assistant	1 year	Weeding out by tearing / shredding
5.4	Peon Book	By Title	Division	Sr. Assistant & Jr. Assistant	1 year	
5.5.	Attendance Register	By Title	Division	Deputy Director	1 year	
5.6	File Register	By Title	Division	Programme Officer, Sr. Assistant & Jr. Assistant	Retained	
5.7	File Movement Register	By Title	Division	Programme Officer, Sr. Assistant & Jr. Assistant	2 years	Weeding out by tearing / shredding

6. DETAILS OF DOCUMENTED INFORMATION MAINTAINED

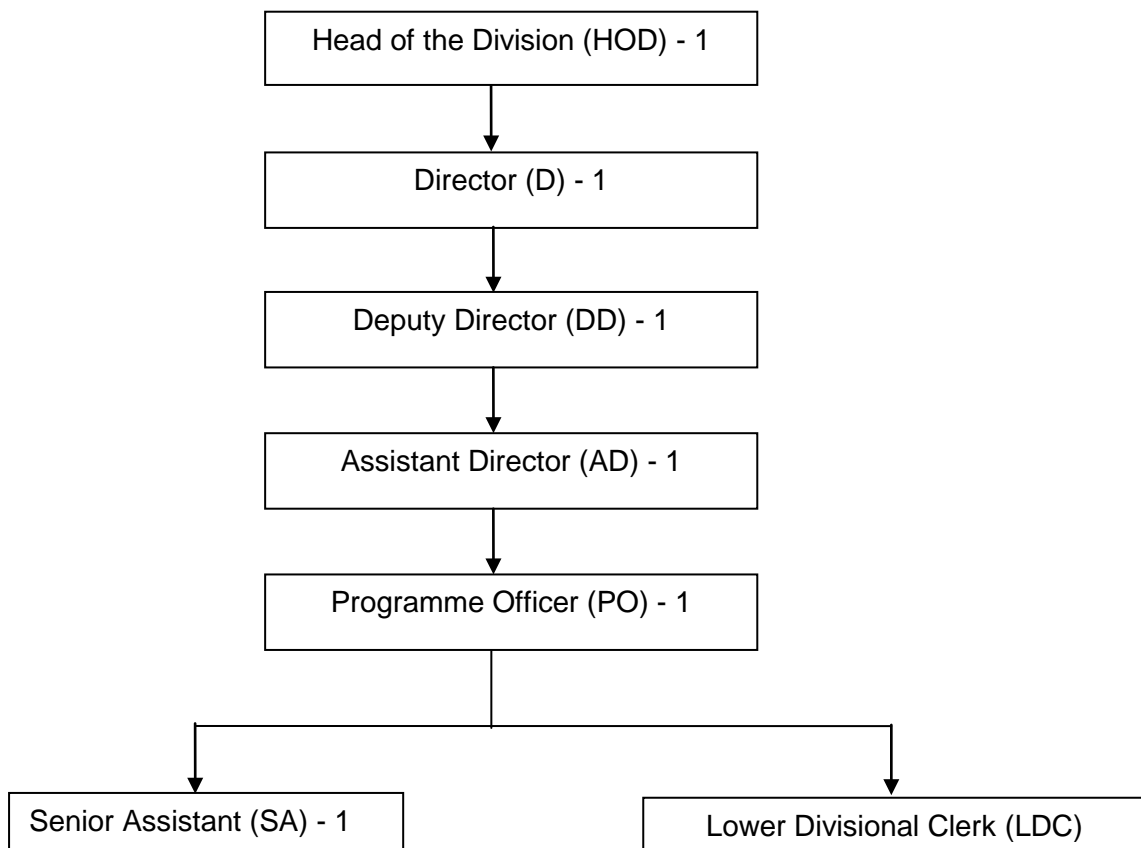
S. No.	Title	Identificat-ion	Location	Prepared by	Approved by	Revision No.
6.1	Common Loan Application Form	By Title	Division & NCDC's web site at www.ncdc.in	Finance Division	BOM	01
6.2	Form for Periodical Progress Report	By Title	Division	Division	HOD	01
6.3	Guidelines for Direct Funding	Guidelines	Division	Finance Division	MD	01
6.4	Policy Circulars	By Title	Division	Division	BOM	01
6.5	Checklist of Guidelines for assistance	Check List	Division	Finance Division	MD	01

7. REFERENCES

S.No Particulars

- 7.1 NCDC Act, Rules & Regulations;
- 7.2 NCDC's latest circular on Rate of Interest, Service Tax, Record retention etc;
- 7.3 NCDC's latest guidelines for direct funding;
- 7.4 NCDC's loan application form for submission of proposals;
- 7.5 Relevant decision of Board of Management (BOM) / General Council (GC) of NCDC;
- 7.6 Schemes/ Guidelines issued by concerned Ministries / GOI from time to time;
- 7.7 NCDC's schemes/ Schematic pattern of assistance and other guidelines issued from time to time;
- 7.8 NCDC's latest circular on delegation of financial and administrative powers.

8. DIVISION STRUCTURE AS ON DATE



Note: (i) One Multi Tasking Staff (MTS) is reporting to all the above in Division.

9. RESPONSIBILITIES & AUTHORITIES

Designation	Responsibilities	Authorities
Head of the Division (HOD)	<ul style="list-style-type: none"> • Overall management of entire functions of the Division; • Administration & Supervision; • Act as designated PIO under RTI Act for the Division; • Attending various meetings pertaining to Division. 	<ul style="list-style-type: none"> • To allocate the work among officials of the Division; • According approvals within defined delegation of powers; • Sanction/recommending leaves of Officers/Staff of the Division; and • Forwarding/reviewing of medical bills/festival advance/ LTC & tour programmes.
Director	<ul style="list-style-type: none"> • Guiding the cooperatives in formulation of proposals; • Guiding the subordinates in examination of proposals and preparation of agenda notes for PSC/ISC/CSC/BOM, sanction and release letters; • Ensuring timely replies related to Parliamentary Questions / VIP References / Audit Queries / Compliance to Official Language (Hindi) Act; • Guiding or being part of appraisal of projects; • Supervise and guide subordinates for discharge of jobs allocated in time; • Attending meetings on matters pertaining to Textile Division; and • Attend any other jobs assigned from time to time. 	<ul style="list-style-type: none"> • Sanction /recommending leaves of Officers/Staff of the Division within the delegation of powers; • To examine the issues pertaining to the work assigned and recommending course of action; and • Issue of sanction/ release/ de-sanction/ NOC letters etc.

<p>Deputy Director (DD)</p>	<ul style="list-style-type: none"> • Examination of proposals with regard to eligibility norms and seeking additional information, if any; • Preparation of agenda notes for PSC/ISC/CSC/BOM; • Preparation of sanction/release letters and annual programme of activities; • Appraisal and monitoring of projects; • Preparing reply for Parliamentary Questions, Audit queries, RTI & VIP reference/Compliance to Official Language(Hindi) Act; • Attend any other jobs assigned from time to time. 	<ul style="list-style-type: none"> • To examine the issues pertaining to the work assigned and recommending course of action
<p>Assistant Director (AD)</p>	<ul style="list-style-type: none"> • Preparing status note, requisite information for Annual Report and for internal & external meetings; • Preparing requisite information as sought by service divisions; • Examination of proposals, preparing agenda and sanction/release letters; • Monitoring of ongoing projects for implementation & completed projects for timely repayment; • Work related to Technology Upgradation Fund Scheme (TUFS) of Ministry of Textile & other subsidy schemes of State Governments; • Coordination work of Textile Division; and ▪ Attend any other jobs assigned from time to time. 	<ul style="list-style-type: none"> • To examine the issues pertaining to the work assigned and recommending course of action; and ▪ Issue of reminders from time to time.

<p>Programme Officer (PO)</p>	<ul style="list-style-type: none"> • Preparing requisite information as sought by service divisions; • Assisting in examination of proposals, preparing agenda and sanction/release letters; • Monitoring of ongoing projects for implementation & completed projects for timely repayment; • Assisting in the works related to Technology Upgradation Fund Scheme (TUFS) of Ministry of Textile & other subsidy schemes of State Governments; • Attend any other jobs assigned from time to time. 	<ul style="list-style-type: none"> • Need based support to the reporting officer; and • Authority as assigned by reporting officer
<p>Senior Assistant (SA)</p>	<ul style="list-style-type: none"> • Maintaining files & records of Textile Division including recording & weeding out; • Compilation & maintenance of the data pertaining to sanction and release; • Assist reporting officer in works related to Technology Upgradation Fund Scheme (TUFS) of Ministry of Textile and other subsidy schemes of State Governments; • To enter proposal in SRDB system and its periodic reconciliation; and • Attend any other jobs assigned from time to time. 	<ul style="list-style-type: none"> • Need based support to the reporting officer; and • Authority as assigned by reporting officer
<p>Lower Division Clerk (LDC)</p>	<ul style="list-style-type: none"> • Diarizing fresh receipts/ proposals and opening new files; • Receipt and circulation of dak; • Despatch of letters; • Numbering and docketing the files; • Attend any other jobs assigned from time to time. 	<ul style="list-style-type: none"> • Need based support to the reporting officer; and • Authority as assigned by reporting officer

Multi Tasking Staff (MTS)	<ul style="list-style-type: none"> • Moving files from one officer/division to other officer/division; • Carry out photocopies and making of sets of documents; • Circulation of documents; • Dak distribution in the Division; • Keeping files/records in proper place; and • Attend any other jobs assigned from time to time. 	<ul style="list-style-type: none"> • Need based support to the reporting officer; and • Authority as assigned by reporting officer
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10. ABBREVIATIONS

AICOTTON	All India Cooperative Cotton Federation Limited
AIFCOSPIN	All India Federation of Cooperative Spinning Mills Limited
BOM	Board of Management
CCEA	Cabinet Committee on Economics Affairs
CPIO	Central Public Information Officer
CSC	Central Screening Committee
CSISAC	Central Sector Integrated Scheme on Agricultural Cooperation
CSS	Centrally Sponsored Scheme
DOAC & FW	Department of Agriculture, Cooperation & Farmers Welfare
DMD	Deputy Managing Director
DMI	Directorate of Marketing & Inspection
DSC	Divisional Screening Committee
EFC	Expenditure Finance Committee
FR	Fresh Receipt
FDR	Fixed Deposit Receipt
GC	General Council
GOI	Government of India
G & P	Ginning & Pressing
HO	Head Office
ICA	International Cooperative Alliance
ICICI	Industrial Credit & Investment Corporation of India
IDA	International Development Association
IDBI	Industrial Development Bank of India
IFCI	Industrial Finance Corporation of India
IMSC	Inter Ministerial Steering Committee
IRDP	Integrated Rural Development Programme

ISC	Internal Screening Committee
JCI	Jute Corporation of India
JIMCI	Jute Industrial & Marketing Cooperative of India Ltd.
LD	Least Developed
MoT	Ministry of Textile
NON-SSI	Non- Small Scale Industries
NABARD	National Bank for Agriculture & Rural Development
NOC	No Objection Certificate
NTP	New Textile Policy
OM	Office Memorandum
OTC	Office of the Textile Commissioner
OTS	One Time settlement
P&C	Planning & Coordination
PSC	Pre Screening Committee
RCSS	Restructured Central Sector Scheme
RO	Regional Office
RTI	Right To Information
SGDTT	Scheme for Growth and Development of Technical Textiles
SIDBI	Small Industries Development Bank of India
SITP	Scheme of Integrated Textile Parks
SRDB	Sanction Release Data Base
SSI	Small Scale Industries
T&P CELL	Technical & Promotional Cell
TMC	Technology Mission Cotton
TMTT	Technology Mission of Technical Textile
TUFS	Technology Upgradation Fund Scheme
UD	Under developed
UT	Union Territory
WC	Working Capital