

**Subject : Guidelines for sending financial Proposals**

**Source : Circular No. 3723 dt. 1.3.1996 of Co-operation Directorate**

You are aware that the Finance Department have been raising various queries relating to the financial proposals which are sent by you to this Directorate for sanctioning the Financial assistance.

The queries of the Finance Department are generally of the following nature in respect of most of the financial proposals :

1. That the audit of the concerned society is not upto date.
2. That the concerned society has not paid audit fee as well as contribution to Cooperative Education Fund.
3. That the society has not repaid due loan instalment or the society is running in loss or has accumulated losses.
4. That there is no certificate whether the society has utilised the Government assistance sanctioned previously.

5. That the reason for recommending further financial assistance in the case of recurring losses is not adequately justified.

In view of the above nature of queries, it is directed that the following guidelines should be followed in respect of all financial proposals in future :

1. As soon as the society is selected for sending financial proposal, the Assistant Director of Audit of the District should be immediately written to complete the audit of the society. Such request should be made well in advance before the proposal is actually sent. In any case, proposals with upto date audit report be sent only.

2. (a) At the time of sending the proposal it must be ensured that the society has made upto date payment of audit fee and contribution towards cooperative Education Fund. A specific certificate in this regard should be incorporated in the forwarding letter accompanying the financial proposal.

(b) In respect of the proposals already sent the Range A.R.C.S. must ensure that at the time of disbursement of the sanctioned assistance to the beneficiary society all dues relating to audit and Coop. Education Fund are realised in full.

3. (a) The Range A.R.C.S. must ensure that the society submits a utilisation certificate regarding the financial assistance already received by it and the same should be counter-signed by him and enclosed with the proposal.

(b) In respect of the proposals sent this year the Range A.R.C.S. should obtain utilisation certificate from the recipient society and forward the same to this Directorate for submission to the Government as asked for.

4. It is really alarming that most of the societies are not repaying their due instalments and consequently this has created a serious hurdle in the matter of getting further sanction from the Finance Department. The Range A.R.C.S. are advised to ensure that the society which has already received government assistance and whose repayment has become due, makes lump sum payment towards due instalment before any further proposal is initiated.

5. Where the society is running in loss or has accumulated losses, the society must give a comprehensive programme to show that further dose of financial assistance will help the

society to achieve viability. The programmes so prepared by the society should be duly counter-signed by the range A.R.C.S. who should give his specific comments on the same.

**Sd/- A. K. Singh**

Registrar of Co-operative Societies  
West Bengal