



USTM

USTM COMMUNITY FUND

*An initiative to ignite University Community
towards social commitment*

WELFARE-INDOR

- ▶ Car Loan
- ▶ Housing Loan
- ▶ Medical Loan
- ▶ Emergency Loan
- ▶ Education Loan

OUTDOR

- ▶ Outreach
- ▶ Charity



Unveiling Excellence

Artha Bhattacharya
Minister Assam



USTM Community Fund

PREAMBLE

Ocean is made of tiny drops of water. It is said that from small beginnings, great things result. Hence, with a view to contribute for the common welfare of the USTM fraternity, including the students, faculty members and the operational staff, and for helping communities in distress, during man made or natural disasters, an initiative is envisaged by the Chancellor of the university, Md M. Hoque. This is the genesis of the USTM Community Bank.

The characteristic features of the proposed bank is that all its stakeholders will also be the contributors of the corpus fund. All loans from this fund will be interest free for prescribed minimum period and without any collateral. The processing time will be less than a day. ERDF, the sponsor of the university will contribute the seed money, after that, the Bank will function and grow on the strength of its own momentum.

THE NAME

The Name of the Bank will be **USTM COMMUNITY Fund**

MISSION STATEMENT

The USTM Community Bank is a part of its extension programme. The mission being to render help to all its stakeholders, in meeting the short term and medium term credit needs in an informal manner and also for streamlining its outreach programme to communities in distress, without any time gap.

THE PURPOSE OF THE BANK

It has been observed that every human being is in need of some emergency cash, for some reason or the other. We do not have any mechanism to redress this need. We at USTM feel this problem more acutely. At times, the students do not receive money on time from their parents, and are forced to pay late fees, if they fail to discharge the obligation on time, as per the university rules.

Sometimes some medical emergencies arise. Sometimes, the salary is not disbursed on the first day of the month, but those who stay in rented accommodation are expected to pay the rents on time. There are many reasons for unexpected need of some extra cash, but no way to solve the problem. Apart from this, there are many occasions when the communities feel the distress, either due to man made or natural calamities. USTM has always endeavoured to send quick and useful relief in such situations. But a time gap creeps up to mobilise the relief material. The USTM Community Bank can fill this gap, and contribute to the welfare of the fraternity as well as the community.

At times, extra money is needed for a medium term, time period also. To pay for the advance, while booking a vehicle, or to meet the marriage expenditure, or for health treatment of oneself or a family member. There are many instances, in the campus, when lack of access to medium term loan of fifty thousand to a lack of rupees, have held up, important events and caused a lot of harm to the general well being of the fraternity members. The Bank can step forward to meet this need.

When either parent of any student passes away due to premature death, the resulting financial crisis proves to be fatal for the educational like of the student. There are cases when our own student faces some health issues and need costly health treatment. The management tries to chip in some resources for such purpose. The bank will earmark some funds for such purpose. How much fund will be devoted to such purpose will be fixed every year by the Governing Council.

Like individuals, at times community also faces crisis. The situation of flash flood, landslides and other natural or manmade disturbances call for immediate help. The Bank will provide us a buffer to help the needy at a short notice, till we mobilise the resources to help the needy.

Thus, the bank will help fulfil the immediate, medium term credit needs of the USTM fraternity and will also help us extend a helping hand to the individuals in distress outside the fraternity and give us some breathing space when we want to help communities affected by disasters.

MEMBERSHIP

There will be three types of membership.

1. Ordinary Membership

Anyone who is a part of USTM, namely, students, operational staff, faculty members and Deans, Pro VC as well as VC will become an ordinary member of the USTM, by virtue of being part of the USTM.

Each such member will contribute Rs 1 per day.

Each such member will be eligible to get an interest free short term loan of Rs 10,000/- for a maximum period of one month.

2. Special Members

From among the ordinary members, those who are, working for a period of more than a year at the USTM can choose to become a special member.

There will be two types of special membership.

Type 1: By paying a registration fees of Rs 3000/- an ordinary member can become, type 1 special member. Each such member will be eligible to take an interest free loan of up to Rs 50,000/- for a stipulated time period , fixed by the Governing council, subject to the rules of the bank.

Type 2: By paying a registration fee of Rs 5000/- an ordinary member can become type 2 special member. Each such member will be eligible, to take an interest free loan of Rs 1,00,000/- for a stipulated time period, fixed by the Governing council, subject to the rules of the bank.

3. Patron Member

All those people, who are not directly part of the ERDF fraternity, but who wish to contribute for the noble cause, can become patron members by giving a minimum contribution of Rs 10,000/-

Corpus Fund.

- The ERDF will initiate the corpus fund by making the initial contribution of Rs 5,00,000/- as the seed money.
- Each member of the USTM fraternity will make a daily contribution of Rs 1/- for the fund.
- The donations given by the patron members will go to the corpus fund.
- The USTM will divert part of the late fees collection, every year to the bank.

Community Endowment

A Fixed Deposit of Rs 1 Crore is also created as Community Endowment. The interest thus earned shall be utilised by the Community Bank.

The Loan and its disbursement.

The person who desires to borrow money is required to submit an application to the Governing council. On the receipt of the application, the processing will be done immediately and subject to the availability of the fund, the loan amount will be disbursed immediately. In case, the fund is not available, a probable time will be given to the applicant along with a serial number, on which date the loan can be disbursed.

For loans exceeding Rs 10,000/- the application will need a counter signature of one more person working for the USTM.

All loans upto Rs 10,000/- will be for a maximum period of 31 days or less, where as the governing council will stipulate the time for the repayment of loans above that amount.

If, for some reason, the loan is not returned in the stipulated period of time, the loanee has to bear the monthly administrative charge, fixed by the governing council.

Rules.

1 The Bank will be Governed by a Governing council. The constitution of the Governing council will be as follows.

Chairperson: Chancellor of USTM

Deputy Chairman: Vice Chancellor of the University.

Members: Registrar...USTM

Deanstudent welfare.

One representative from faculty members

One representative of the Sponsor

One representative from the operational staff.

A representative from the student body.

Any patron who has donated 1,00,000/- or more can nominate his/her representative.

2. A special bank account will be opened for operating the corpus fund.

The Registrar USTM and Dean, Student Welfare will be the joint secretaries of the account.

3 For loan to the students, the period of interest free loan will be one month. After that a nominal rate of interest will be charged as per the recommendation of the Governing Council.

4 The medium term loan taken by faculties will be discussed on case to case basis, by the Governing council and the rate of interest will be fixed accordingly .The option of paying back the loan in EMI will be open to the faculty.

5. The Governing Council will bring out a six monthly report on loan disbursed, beneficiary list, recovery status, and about the disbursement of money for individuals or communities in distress.

Operational Guidelines.

1. An identity card will be issued to all the members. While borrowing money, the identity card needs to be deposited by the person concerned. Which will be returned once the dues are cleared by the borrower.
2. Each borrower will need to submit an application. The Governing council will set up a small committee of three persons from among its members, they will be authorised to take decisions which will be ratified by the Governing Council in its subsequent meetings. On the recommendation of the committee thus constituted a cheque will be issues, signed by the Registrar and Dean Student welfare.

The Governing Council will meet at least once in a semester and frame rules for operating the bank so as to fulfil its mission Goals.

The audit of the USTM Community Bank will be conducted by an internal auditor for a period of two years to begin with and later by a registered Chartered Accountant.

Campus

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