

GOVERNMENT OF KERALA

Abstract

Co-operation Department - The Share Capital to the Motor Transport Co-operative Societies - Enhanced - Orders issued.

CO-OPERATION (C) DEPARTMENT

G.O. (Ms.) 133/08/Co-op.

dated, Thiruvananthapuram, 10.06.2008

Read: (1) G.O. (Ms.) No. 306/81/84/AD dated 29.8.1981.  
(2) Letters No. MT(3) 46370/2007 dated 24.1.2007, 07.08.2007, 3.11.2007 and 23.11.2007 of the Registrar of Co-operative Societies, Thiruvananthapuram.

ORDER

As per the order read as first paper above, the existing share capital of a Motor Transport Co-operative Society is three times the paid up share capital raised from the members of the society subject to a maximum of three lakhs. But since the expenditure connected with all the spheres of motor transport have increased, to sustain all these societies which provide more labour opportunities and render better services to people, this amount is insufficient.

Therefore, Government, having examined the matter in details, are pleased to enhance the share capital contribution of Government to the motor transport Co-operative Societies from Rs. three lakhs to Rs. ten lakhs. The expenditure for this shall be met from the Head of Account "4425-108-68 Plan". The payment will be subject to the availability of provision in the budget.

By Order of the Governor,

JJI THOMSON,  
PRINCIPAL SECRETARY TO GOVERNMENT

To

✓ The Registrar of Co-operative Societies, Thiruvananthapuram  
The Finance Department.  
The Accountant General (A&E)/(Audit), Kerala, Thiruvananthapuram.  
(Through the Finance Department)  
(This issues with the concurrence of the Finance Department)  
The General Adm. (SC) Department (vide item 2353 dated 9.6.2008)  
S.F /Office copy

Forwarded/by Order,

Rajendran  
Section Officer

GOVERNMENT OF KERALA

Abstract

Co-operation - Motor Transport Co-operative Societies - Rules for the payment of share capital contribution - Amendment - Issued.

AGRICULTURE (CO-OP. ESTT.) DEPARTMENT

G.O.MS.506/81/AD.

Dated, Thiruvananthapuram, 29.8.1981.

- Read:- 1) G.O.(MS)531/76/AD dated 30.9.1976.  
2) Letter No.EM(3)40525/80 dated 26.6.81 from the Registrar of Co-operative Societies.

O R D E R

Rule 4 of the rules governing the payment of Government contribution towards share capital of Motor Transport Co-operative Societies approved in the G.O. read as first paper above will be deleted and the following substituted.

A Motor Transport Society shall be eligible for Government share capital contribution to the extent of three times the paid up share capital raised from the members of the society subject to a maximum of Rs. three lakhs. The payment will be subject to availability of provision in the Budget".

(By Order of the Governor),

S. Perumal Pillai,

Additional Secretary to Government

To

The Registrar of Co-operative Societies, Thiruvananthapuram

Encl. on No.EM(3)40525/80

Office of the Registrar of  
Co-operative Societies,  
Thiruvananthapuram, Dated: 25.9.81

Copy communicated to All Joint Registrars for information and necessary action.

Copy to Stock file.

(Sd/-)

For Registrar of Co-operative Societies

13. Notwithstanding anything contained in these rules or in the byelaw of the society, it shall be open to the Government to withdraw at any time without stating and reason the whole or any portion of the Government contribution and the society shall be liable to refund the amount so withdrawn.
14. The dividend, if any on the share capital contribution by the government shall be remitted in to the Treasury and the Chalan receipts shall be forwarded to the Registrar within one month after the declaration of the dividend by the General body of the society.
15. The Government may by an order and for reasons be recorded in writing exempt any society any of the provisions of these rules.



## RULES GOVERNING GOVERNMENT CONTRIBUTION TOWARDS THE SHARE CAPITAL OF MOTOR TRANSPORT CO-OPERATIVE SOCIETIES

1. These Rules may be called the Rules governing grant of Government Contribution towards the share capital of Motor Transport Co-operative Societies.
2. Only Motor Transport Co-operative Societies selected by the Registrar of Co-operative Societies for inclusion under the plan schemes shall be eligible for the assistance under these Rules.
3. A Motor Transport Co-operative Society applying for assistance under these Rules shall satisfy the following:
  - (a) The society should be the one organised to provide employment to jobless workers who have experience in the automobile industry and transport service.
  - (b) The Society shall have at least fifty members.
  - (c) The society shall collect a minimum paid-up share capital of Rs.30,000/- from among its members.
  - (d) The bye-law of the society shall contain provision for state participation in the share capital of the society.
4. Motor Transport Society shall be eligible for Government share capital contribution to the extent of three times the paid up share capital raised from the members of the society subject to a maximum of Rupees One Lakh.. The payment will be subject to availability of provision in the budget.
5. The application for government contribution under these Rules shall be forwarded to the Registrar of Co-operative Societies in Form 'A' appended to these rules through the Deputy Registrar of Co-operative Societies concerned. The application shall be supported by a resolution of the committee of management of the Society authorising to apply for the share contribution and agreeing to maintain the ratio of 1:3 between the share amount collected from members and the government and also agreeing to abide by the Rules prescribed by Government for the purpose, as amended from time to time.

6. The Registrar of Co-operative Societies or the Additional Registrar of Co-operative Societies shall be competent to sanction the payment of share contribution to eligible societies.
7. The share capital contribution sanctioned the Registrar or Additional Registrar of Co-operative Societies shall be drawn by the Society in bills duly undersigned by the Deputy Registrar of Co-operative Societies of the District concerned. The Deputy Registrar of Co-operative Societies shall satisfy himself before countersigning the bill that the society has executed an agreement specified in Rule 15.
8. The amount sanctioned shall be utilised the society duly as margin money for the purpose purchasing transport vehicles. The amount sanctioned shall be deposited in the District Co-operative Bank or any other Bank approved by the Registrar of Co-operative Societies for the purpose. An amount shall be withdrawn in instalments and when required only with the written permission the Deputy Registrar of Co-operative Societies.
9. The amount drawn shall be utilised for the purpose for which it is sanctioned within a period of six months from the date of drawal. The period may be extended by Registrar or Additional Registrar for six months more on valid reason.
10. The Deputy Registrar of Co-operative Societies concerned shall obtain and forward to the Registrar printed share certificate in favour of the Governor Kerala within one month from the date of encashment the bill.
11. The Society receiving Government Share capital contribution under these Rules shall execute agreement in form B appended to these Rules before drawing the amount so sanctioned. The Deputy Registrar Co-op. Societies concerned shall obtain and forward agreement to the Registrar of Co-op. Societies for gestation and safe custody.
12. The society shall repay the amount distributed by the Government under these Rules in annual equal instalments, the payment of first instalment commencing from the sixth year of the on which the contribution was drawn by the society and the payment of subsequent installments the corresponding dates of the succeeding years. Penal interest at 2 ½ per cent per annum shall be charged on the amounts defaulted, for the period of result..

AGREEMENT  
FORM -B



THIS AGREEMENT is executed on this.....day of.....

Two thousand and ..... BETWEEN.....

..... a Society registered under ..... Act and having its registered office at .....(hereinafter referred to as " the Society" ) of the one part and the Governor of Kerala (hereinafter referred to as " the Government") of the other part.

WHEREAS the Society has applied to the Government for the payment of a sum of Rs.....(Rupees.....only) by way of the contribution to the society under the rules Government contribution towards the share capital of the Motor Co-operative Societies (hereinafter referred to as the " Rules) which shall form part of this agreement as if incorporated herein.

AND WHEREAS at the request of the Society the government have sanctioned the payment of a sum of Rs.....(Rupees.....only) to the society as per Order No.....dated.....(hereinafter referred to as " the said order" ) a copy of which is attached hereto and shall form part of this agreement as if incorporated herein subject to the terms and conditions hereinafter contained and those in the said order and in the said rules to which the society has also agreed.

NOW THESE PRESENTS WITNESS AND IT IS AGREED AS FOLLOWS:

1. The society shall utilise the share capital contribution amount of Rs.....(Rupees.....only) for the purpose of.....(H.E. the purpose and it shall not be utilised for any other purpose.
2. The Society shall repay to the share capital contribution amount of Rs.....(Rupees.....only) to the Government in ten equal annual installments at Rs.....(Rupees.....only) the payment of the first installment commencing from the 6<sup>th</sup> year of the date on which the share capital contribution was drawn by the Society and the payment subsequent installments on the corresponding dates of the succeeding years.

Cont'd.....2



3. In the case of default in payment of installment of share capital contribution in accordance with clause 2 above the society shall pay interest at the rate of 2½ % per annum for the defaulted installments.
4. The society shall furnish to the Deput Registrar of Co-operative Societies a printed share certificate in favour of the Government within one month from the date of encashment of the bill.
5. Now withstanding anything contained in these rules or in the bye-laws of the society, it shall be open to the Government to withdraw at any time without stating any reasons whatsoever the whole or any portion of the Government contribution and the Society shall thereupon forthwith refund the amount so withdrawn in a lump at once.
- 6.(a) The society shall remit the dividend occurring on the share capital contribution into the Government Treasury and the chalan receipt shall be forwarded to the Registrar within one month from the date of declaration of the dividend by the general body of the society.  
  
(b) The dividend shall be payable on the share capital contribution made by the Government and then with the society from time to time after deducting the repayments made by the society.
7. The society shall strictly abide by all the terms and conditions contained in the rules and in the said order.
8. In case the society commit breach of all or any of the terms and conditions herein contained or those contained in the Rules and in the said order the entire amount advance shall become repayable in lump at once and the society.
9. The Government shall have the power to amend the Rules at any time and as amended from time to time the said Rules shall form part of this agreement as if incorporate herein.
10. It is hereby declared that the executants of this agreement have the power and authority to do so as per.....dated .....
11. All sums found due to the Government under or by virtue of this agreement shall be recoverable from the society and its assets movable and immovable under the provisions of Revenue Recovery Act for the time being in force as though such sums are arrears of Land Revenue and in such other manner as the Government may deem fit.





12. It is mutually agreed upon by both the parties that this agreement shall deemed to have some into force on and from.....

In Witness where of Shri.....  
.....for  
and on behalf of the society and Shri.....  
.....for and on behalf of the Government have hereunto  
set their hands and the seal of the Society as hereunto been affixed the day and year first  
above written.

Signed by Shri.....

In the presence of Witness:

1)   
PRESIDENT  
Kasaragod District  
Bus Transport Co-op. Society  
Ltd. No. (S) 55.  
KASARAGOD

2)   
SECRETARY  
Kasaragod District  
Bus Transport Co-op. Society  
Ltd. No. (S) 55  
KASARAGOD

Signed by Shri.....

In the presence of Witness:

1).

2)