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GOVERNMENT OF KERALA
ABSTRACT

National Co-operative Development Corporation (NCDC) Scheme -
Rules for the payment of Financial assistance to the Marketing
Co-operative Societies/Primary Agricultural Co-operative
Societies and other Co-operative Societies for running Farmers
Service Centre - approved - orders issued.

AGRICULTURE (IFA) DEPARTMENT

G.O.(MS)192/2000/AD Dated, Thiruvananthapuram, 6.6.2000

Read:- Letter No.MP(2)16663/99 Dated, 21.7.99 from the Registrar
of Co-operative Societies, Thiruvananthapuram.

O R D E R

The National Co-operative Development Corporation(NCDC)
has introduced a new scheme of Financial Assistance to PACS and
PAMS to start and run Farmers Service Centres for undertaking the
Supply of fertilizer and other Agricultural inputs to farmers
from the year 1998-99. Consequent to this the Registrar of Co-op:
Societies has furnished the draft of rules for the payment of
financial assistance under this scheme to the societies.

After examining the issue in detail, Government are
pleased to approve the rules appended to this order for the payment
of Financial assistance to the Marketing Co-operative Societies/
Primary Agricultural Co-operative Societies and other Co-operative
Societies for running Farmers Service Centres.

(By order of the Governor)

KURUVILA JOHN
SECRETARY TO GOVERNMENT

To

The Registrar of Co-operative Societies, Thiruvananthapuram.
The Managing Director, National Co-operative Development
Corporation, 4-Siri Institutional Area, Hauz khas
New Delhi.110016.

The Deputy Regional Director, NCDC, Thiruvananthapuram.
The District Treasury Officer, Thiruvananthapuram.
The Accountant General (A&E) Thiruvananthapuram (this issue
with the concurrence of Finance Department.
The Accountant General (Audit), Thiruvananthapuram.
The Finance Department vide UO No.87515/AWC-1/99/Fin.
Dated, 4.2.2000.

Forwarded/By Order
Sd//
Section Officer.

NCDC SPONSORED SCHEME - RULES FOR THE PAYMENT OF FINANCIAL ASSISTANCE TO THE MARKETING COOPERATIVE SOCIETIES/PRIMARY AGRICULTURAL COOPERATIVE SOCIETIES AND OTHER COOPERATIVE SOCIETIES FOR RUNNING FARMERS SERVICE CENTRE.

- (1) NCDC has sponsored scheme for providing financial assistance by way of margin money to Co-operative Societies for running farmers service centre so as to enable them to raise working capital finance from Banks for undertaking distribution of agricultural inputs i.e. fertilizers, pesticides etc.
- (2) All Primary Agricultural Service Co-operative Societies, Marketing Co-operative Societies and other types of Co-operative Institutions under the administrative control of the Registrar of Co-operative Societies having positive networth will be eligible for the financial assistance by way of margin money as share capital contribution from Government for starting or running Farmers Service Centre for catering to the needs of farmers by marketing fertilizers pesticides, seeds and other agricultural inputs.
- (3) The Co-operative Society seeking assistance under this scheme shall not apply for margin money for a different component under a different scheme of the NCDC during a financial year.
- (4) The application for NCDC assistance under these rules shall be made in Form A and forwarded to the Registrar of Co-operative Societies, through the Joint Registrar of Co-operative Societies of the District concerned.
- (5) The application shall be supported by a resolution of the Managing Committee of the society specifying the nature and the amount of assistance required and agreeing to abide by these rules and the instructions issued by the Registrar of Co-operative Societies or Government from time to time.
- (6) The Co-operative Society seeking assistance should prepare viable project report on the proposed project for starting Farmers Service Centres.

- (7) The Project report will be approved by the Joint Registrar of Co-operative Societies of the District concerned.
- (8) There should be adequate provision in the bye-laws of the society for State participation in the Share Capital of the Society and the proposed activity to be undertaken by the Society.
- (9) The Co-operative Society shall have scope and infrastructure to satisfy, the needs of farmers within its area of operation by distributing fertilizers, pesticides, seeds or other **Agricultural inputs.**
- (10) The society shall have a fully qualified and competent Secretary/Managing Director.
- (11) The maximum amount of assistance will be fixed by the Registrar of Co-operative Societies as recommended by the District officers of the Co-operative Department.
- (12) The Share capital assistance shall be in the ratio 1:5 between the member share and the Government share.
- (13) The assistance provided under the scheme should invariably be utilised for the purpose for which it is sanctioned.
- (14) The amount sanctioned shall be drawn by the Registrar/Joint Registrar of Co-operative Societies of the District concerned and released to the Societies concerned through separate release orders.
- (15) The Government share capital contribution towards the Share Capital of the Co-operative Society under these rules will be of a period of 10 years, repayable by the society in equal instalments. payment of the first instalment shall commence from the first year of the contribution and the subsequent instalments on the corresponding date during the succeeding years. In the event of default in repayment of annual instalment the society is liable to pay penal interest. The **Society shall forward to the Joint Registrar of Co-operative Societies a printed share certificate in 5**

Governor of Kerala within one month of the release of the amount of Capital Contribution.

- (16) The dividend accruing on the share capital contribution by the Government shall be remitted in the Treasury within one month after the declaration of dividend by the General Body of the Society.
- (17) If the society makes default in the repayment of any instalment or instalments the entire amount as on the date of the payment shall become recoverable in lump.
- (18) The Registrar of Co-operative Societies is competent to order the recovery of assistance paid under these rules. All the amount ordered to be recovered shall be recoverable as though they are arrears of land revenue under the provisions of the Revenue Recovery Act for the time being in force.
- (19) The President/Secretary/Managing Director and all the members of the Managing Committee of the society shall be jointly and severally responsible for the proper utilisation of the assistance received under these rules.
- (20) The Society receiving the assistance under these Rules shall execute an agreement in Form 'B' which shall be signed on behalf of the society by the President, the Chief Executive and two or three members of the Managing Committee. The agreement shall be kept under the safe custody of the Joint Registrar of Co-operative Societies of the District concerned.
- (21) The Joint Registrar of Co-operative Societies of the District concerned shall be responsible for maintaining the accounts with regard to the financial assistance sanctioned to the society under the scheme and for watching the fulfilment of the terms and conditions of the assistance and timely retirement of share capital contribution to Government.
- (22) The assistance sanctioned under this scheme shall be utilised within a period of six months from the date of sanction of release of the amount to the society.

However the Registrar of Co-operative Societies is competent to extend the period of utilisation from time to time.

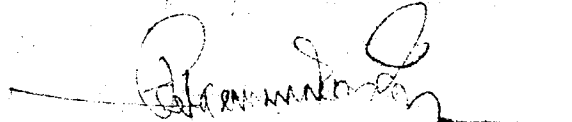
23. The Joint Registrar of Co-operative Societies of the District concerned shall watch the utilisation of the Share Contribution and furnish the utilisation certificate to the Accountant General, Kerala with copy of the Registrar of Co-op: Societies.

Endt.No.MP(2)16663/99

Office of the Registrar of Co-operative Societies, Thiruvananthapuram,

Dated,22.6.2000.

Copy with copy of enclosures communicated to all Joint Registrars(General) for information and necessary action. They are requested to take immediate steps to reference the assistance already sanctioned to the Societies to start Earners Service Centre.



FOR REGISTRAR OF COOPERATIVE SOCIETIES.

Os/23.6.2000

FORM.A.

NCDC SPONSORED SCHEME FOR PROVIDING FINANCIAL ASSISTANCE TO
FARMERS SERVICE COOPERATIVES (FSC) - APPLICATION OF THE
SOCIETY FOR ASSISTANCE.

- (1) Name and complete address of the society (in block letters) :
- (2) Type of society :
- (3) Management of the society :
 - a) Board of Directors : Elected/Nominated
 - b) Whether the society has full time Manager/Secretary: Yes/No
- (4) Godown Capacity available with the society : No. Capacity (in tons)
 - a) Owned
 - b) Hired
- (5) Whether Society has availed assistance earlier from NCDC if so please indicate.

Activities under which Assistance Availed	Year	Amount of assistance

- (6) Financial Status of the society please specify year :
 - a) Profit (+)/Loss(-) for last 3 years. : Year Profit/Loss
 - b) Accumulated Profit/Loss : Year Profit/Loss
 - c) Total own funds (comprising paid up Share Capital, reserve funds and undistributed profit)
- (7) Inputs distribution and other business performance for last 2 years and targets of the society for next 2 years.

Achievement	Target

(Value in lakh rupees)

- a) Fertilisers : (Rs. in lakhs):
- b) Seeds (Rs. in lakhs) :
- c) Pesticides (Rs. in lakhs) :
- d) Other inputs (Rs. in lakhs) :
- e) Consumer business(Rs. in lakhs)
- f)Other business (Pl.Specify) :
- Total :

8. Working Capital and margin
 Money requirements for inputs
 and other business for the
 next two years.

- a) Expected peak Level stock :

	Commodity Value	Commodity value
--	-----------------	-----------------

- a.
- b.
- c.
- d.
- e.
- f.

- b) Commodity wise margin of security to be provided to the bank for raising working Capital (indicate in percentage)
- | | | |
|--|-----------|----------------------|
| | Commodity | Margin of (Security) |
|--|-----------|----------------------|
- a.
 - b.
 - c.
 - d.

c) Amount of margin money required:

Commodity
MM

Commodity
MM

a.

b.

c.

d.

e.

f.

Total:

d) Own funds available for
business

Total

e) Net Margin money requirement
(c+d)

Signature

President

Signature.

Chief Executive of the Society

Certified that the Proforma has been scrutinised and is found
to be complete in all respects.

ASSISTANT/DISTRICT JOINT REGISTRAR OF
COOPERATIVE SOCIETIES (IN CHARGE OF DISTRICT)

NB: Please strike out whichever is not applicable in the above
proforma.

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FORM.B.

THIS AGREEMENT is executed on this day of
. (month) of (year)
Between the (Name of the society) registered
under the Act and having its registered office
at (hereinafter referred to as " the
Co-operative society") on the one part and the Governor of Kerala
(hereinafter referred to as " the Government") on the other part.

WHEREAS the Co-operative Society has applied to the Government
for Margin Money under NCDC Scheme/ Share Capital Contribution of
Rs. (Rupees)
.
for the establishment of Farmers' Service Centre under the NCDC
Sponsored Scheme Rules.

AND WHEREAS the Government have sanctioned a Share Capital
Contribution of Rs. (Rupees)
to Co-operative Society for the above
purpose subject to the terms and conditions in the rules and those
herein contained.

NOW THIS PRESENTS WITNESS and it is hereby mutually agreed
as follows:

1. The Share Capital Contribution shall be Rs.
(Rupees)
2. The Financial assistance sanctioned shall be utilised by
Co-operative Society for establishing Farmers' Service Centre
as per the Project Report prepared by society and approved by the
Joint Registrar of Co-operative Societies within the time limit
Specified in the rules.
3. The Co-operative Society agree to and shall abide by the terms
and conditions contained in the Rules governing the assistance,
a copy of which is herewith appended which shall form part of this
agreement.

(4) In the case of the Co-operative Society commits breach of any or all the terms and conditions herein contained or contained in the rules or order the entire amount granted shall become repayable in lump at once and the Co-operative Society shall pay the same on demand by the Registrar of Co-operative Societies or the Government.

(5) All sums found due to the Government under or by virtue of this agreement shall be recoverable from the Co-operative Society from its assets both movable and immovable under the Revenue Recovery Act, 1968 for the time being in force as such sums are arrears of land revenue and in such other manner as the Registrar of Co-operative Societies Government may deem fit.

IN WITNESS WHEREOF Sri. President
and Sri.
(Chief executive) for and on behalf of the Co-operative Society
Sri. and Sri.
(member) for and on behalf of the Governor of Kerala have set
for and on behalf of the Governor of Kerala have set their
hands and the seal of the Co-operative Society has hereunto been
affixed the day, month and year first above written.

Signed by 1 (President of the
name of the society)

2 (Chief Executive
Name of the society)

3 (Member - Managing Committee
Name of the Society)

4 (Member of the Managing Committee)
(name of the society)

for and on behalf of the Co-operative Society

In the presence of witnesses

- 1.
- 2.

Signed by Sri.

for and on behalf of the Governor of Kerala
In the Presence of witnesses.