



MT-3

GOVERNMENT OF KERALA
Abstract

Co-operation Department - The Share Capital to the
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 "7425-108-60 Plan". The payment will be subject to the availability of provision in the budget.

By Order of the Governor

JILL 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

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 instalments 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.

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.

P. Abdul Samud
President

C. P.
Director

S. P.
Director

[Signature]