



# GOVERNMENT OF KERALA

## Abstract

Co-operation Department - Financial Assistance to Co-operatives for the promotion of Tourism - Rules/Guidelines - Revised - Orders issued.

### CO-OPERATION (B) DEPARTMENT

G.O (Rt) No. 560/2011/Co-op Dated, Thiruvananthapuram, 24.10.2011

Read: (1) G.O (Rt) No. 151/2010/Co-op dated 09.03.2010  
 (2) Letter No. CP (5) 32615/2011 dated 23.09.2011 from the Registrar of Co-operative Societies, Thiruvananthapuram.  
 (3) Decision of the Working Group held on 17.08.2011.

### ORDER

As per the Government Order read as 1<sup>st</sup> paper above, the rules for the Financial Assistance to Co-operatives for the promotion of Tourism have been approved.

The Registrar of Co-operative Societies, as per the letter read as 2<sup>nd</sup> paper above has proposed certain modifications to the Rules so as to incorporate the share portion for the financial assistance. The Working Group held on 17.08.2011 has resolved to approve these modifications.

Government have examined the matter in detail and are pleased to revise the rules for the Financial Assistance to Co-operatives for the promotion of Tourism. The revised Rules are appended to this order.

(By order of the Governor)

**DR. V.M. GOPALA MENON**  
**SECRETARY TO GOVT.**

To

✓ The Registrar of Co-operative Societies, Thiruvananthapuram  
 The Principal Accountant General (A&E/Audit), Thiruvananthapuram  
 The Finance Department  
 Stock File/ Office Copy.

Forwarded/By order

Section Officer.

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## RULES FOR FINANCIAL ASSISTANCE TO CO-OPERATIVES FOR PROMOTION OF TOURISM

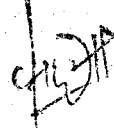
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The Rules may be called "the Rules for the payment of financial assistance for promotion of tourism (here in after called the Rules).

All types of co-operatives coming under the administrative control of Registrar of Co-operative Societies working in tourist destinations and in areas where ayurveda, handloom, coir and other traditional activity societies are functioning will be eligible for assistance under the scheme. The object of the scheme is to promote viable co-operatives to take up tourism oriented activities under State Plan.

### Assistance can be provided for the following activities:-

- 1) For establishing information system, Infrastructure facilities including accommodation facilities and Transporting Facilities, other than boarding and lodging, sales counters for Ayurveda, Handloom, Coir, Kudumbasree/SHG products, MFP Sales counters including spices, arranging linkage with traditional activity societies and for arranging transportation/one day tours for tourists to reach such societies to gain knowledge about traditional activities, establishing shopping facilities and transport facilities. Arranging marketing of tribal produces and for reaching tribal settlements and for making arrangements for tourists to stay at 'home stay' site seeing including transport facilities and for purchase of equipments for promoting eco-tourism and for eco shops especially to Tribal Co-operatives working in forest areas and for starting Restaurants.
- 2) Eligibility for assistance
  - a) The Society should have an elected board of directors and a full time paid Managing Director/Secretary.
  - b) The General Body of the society should be convened in every year
  - c) There should not be any enquiry against the society and should be free from corrupt practices.
  - d) There should not be any dues to Government viz. Audit fees/Audit Cost, share capital redemption, loan, dividend etc.
  - e) The Audit classification should not be below 'C' class



- f) There should be adequate provisions in the byelaws of the society for availing Government assistance.
- 3) The maximum assistance under the scheme is limited to Rs.20 lakhs or 50% of the project cost whichever is less in the form of share and subsidy in the ratio of 1:2, and the society shall be eligible for assistance once in every four years.
- 4) The application for assistance under the scheme shall be made in Form A (Part of the Rules) recommended by the Joint Registrar (General) of the district and shall be supported by the following documents.
  - 1) Resolution of the Board of Directors agreeing to adhere to such terms and conditions as Government/Registrar of Co-operative Societies may prescribe from time to time.
  - 2) Certificate of the Joint Registrar to the effect that the society is free from corrupt practices.
  - 3) A scheme/Project report for availing the assistance.
  - 4) Copy of the approved audited balance sheet and tentative financial statements as on date of application.
- 5) Assistance shall be sanctioned by the Registrar of Co-operative Societies and disburse the assistance after fulfilling the conditions stipulated in the Rules. The society shall execute an agreement in form B (part of the Rules) and to furnish a printed share certificate in favour of Governor of Kerala, within one month from the date of encashment of the bill for the amount.
- 6) The Co-operative Society shall not sell, transfer or otherwise dispose off or create any encumbrance on the movable assets purchased from the financial assistance availed under the scheme.

A handwritten signature or set of initials, possibly 'C. D. H.', written in dark ink. The signature is somewhat stylized and includes a vertical line extending upwards from the top of the letters.

- 7) The share capital contribution under the scheme shall be refunded in 10 annual equal installments, first installment falling due on the 1<sup>st</sup> day after the expiry of the 3<sup>rd</sup> year from the date of drawal of the amount from the treasury.
- 8) The dividend, if any accrued on the share allotted to the Government shall be paid to the Government by remittance in to the treasury within one month after the distribution profits for each year is approved by the General Body of the society.
- 9) The assistance sanctioned under the scheme shall be utilized for the purpose for which it is sanctioned and shall be utilized within a period of six months from the date of drawal of assistance, and if the society fails to utilize the amount within six months the entire assistance with interest as fixed by Government from time to time shall be refunded to Government in lump. The Society should furnish the utilization certificate to the Accountant General, Kerala, in due course.
- 10) If the society commits any defaults in repayment installments of share capital the entire amount paid to the society shall become recoverable in lump. Penal interest at 2 ½ % per annum shall be levied on the amounts defaulted.
- 11) The President, Board of Directors and Managing Director/Secretary of the society shall be jointly and severally liable for the proper utilization of the assistance.
- 12) The co-operative institution availing assistance under these Rules shall enter in the records of the institutions, all the transactions pertaining the Government assistance. A separate account shall be maintained by the Co-operative Society showing the details of receipt and utilization of the assistance and repayment.



FORM- B  
AGREEMENT

This agreement is executed on this ..... day of  
..... between.....  
..... a Co-operative Society registered under the  
Kerala Co-operative Societies Act (21 of 1969) (Here in after referred to as the Society)  
of the One part and the Governor of Kerala (Herein after referred to as the Government)  
of the other part.

Where as the Society has applied to Government for financial assistance by way  
of subsidy and share capital to Co-operatives for Promotion of Tourism and whereas  
Government have agreed to sanction the financial assistance subject to the terms and  
conditions contained in the Rules approved by Government in this behalf. Now these  
presents witness and it is hereby agreed as follows:-

1. AND WHEREAS the amount of Rs..... (Rupees.....  
.....)and Rs.....(Rupees.....  
.....is sanctioned to the Society as subsidy and  
RS.....(Rupees.....) as share capital, as  
per order no:.....(Here in after referred to as the said order a copy of  
which is attached here to) shall be utilized only for implementation of the  
Promotion for Tourism scheme approved by Government.
2. The Society agrees to and shall abide by the terms and conditions contained in the  
Rules, governing the assistance, a copy of which is herewith appended and the  
Rules shall form part of the Agreement.
3. The Society agrees to utilize the financial assistance within six months from the  
date of sanction of amount and any amount remaining unutilized after six months  
shall be refunded to Government.

4. The Society shall refund the Share Capital Contribution of an amount of Rs.....in ten equal installments of Rs.....(Rupees .....the first installment falling due on 1<sup>st</sup> day after the expiry of the 3<sup>rd</sup> year from the date of drawn of the amount by the society and the subsequent installments on the corresponding date of the succeeding years.
5. In the case of default in payment of the installment of the amount in accordance with clause above, the society shall pay penal interest @ 2 ½ per annum for the defaulted installments.
6. The Society shall furnish to the Joint Registrar of Co-operative Societies, a printed Share Certificates in favour of the Government within one month from the date of encashment of the amount, sanctioned a share capital.
7. The Society shall remit the dividend accruing on the Share Capital Contribution in the Government Treasury with in one month from the date of the dividend declare of by the General body of the Society.
8. The dividend shall be payable onthe Share Capital Contribution made by the Government with the society from time to time after deducting the payments made by the society.
9. In the case of Society commits breach of one or any one of the terms and conditions herein contained or those contained in the rules and in the said order, the entire amount of Share Capital Contribution and the subsidy sanctioned shall become payable in lump at once by the Society.
10. It is hereby declared that the execution of this agreement for and on behalf of the Society have the power and authority to do by virtue of resolution No.....dated.....(Here enter the authority).

21/11

11. All sums found/due to the Government under or by virtue of this agreement shall be recoverable from the society and its assets both movable and immovable under the provisions of the Revenue Recovery Act for the time though such sums are arrears of land revenue and in such other manner as the Government may deem fit.

In Witness where of Sri:.....(President) and Sri:.....(Secretary) for and on behalf of the Society and Sri:.....Registrar of Co-operative Societies for on behalf of the Governor of Kerala have here in to set their hands and the seal of the Society has hereunto opened affixed the day, month and year first above.

Signed by Sri:.....president

Signed by Sri:.....Secretary for and on behalf of the Society.

In the presence of witness:

- 1) Sri:.....
- 2) Sri:.....

Signed by Sri:.....

For and on behalf of the Governor of Kerala

In the presence of witnesses:

- 1) Sri:.....
- 2) Sri:.....

# FORM A

## Application for financial assistance to Co-operatives for Promotion of Tourism

1.	Name and Address of the Society	:	
	a	Register No:	:
	b	Telephone, E mail address	:
2.	a	Date of Registration	:
	b	Date of commencement of business	:
3.	Type of Society		:
4.	Board of management		:
	a	Elected/Nominated	:
	b	Date of election and term	:
	c	No. of Directors	:
	d	Date of last Annual General Body Meeting held	:
5.	Member Ship		:
	a	Male	:
	b	Female	:
	c	Authorised share capital	:
	d	Paid up share capital	:
			General : :
			Government : :
			Others : :
6.	Business of Operation		Total : :
	a	Existing ( brie not)	:
	b	Proposed business (Accompanied by a detailed project report)	:
	c	Project Cost	:
	d	Source of funds	:

*[Handwritten Signature]*



7	Financial Status		Total	:	
	a	Audit Classification	:		
	b	Year of Audit	:		
	c	Project of loss	:		
	d	Accumulated loss if any	:		
	e	Undistributed Profit	:		
	f	Business turn over as per audit	:		
	g	Major defects pointed out in the audit	:		
8		Amount applied (in words and figures)	:		

President

MD/Secretary/Chief Executive

1. Board Member
2. Board Member

Seal

Certified that I have examined the details furnished by the society and found correct and the .....Co-operative Society Ltd. No.....is eligible for assistance of Rs.....(in words).....-under the scheme

Sd/-  
Assistant Registrar (General)

Counter Signed

Joint Registrar (General)

*[Handwritten Signature]*  
Section Offices