

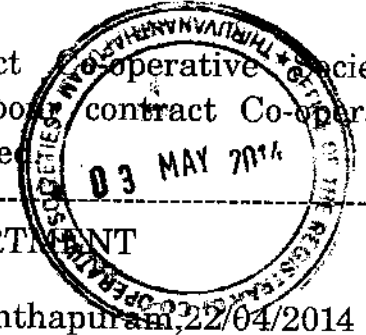


GOVERNMENT OF KERALA

MT 20045

Abstract

Co-operation Department - Labour Contract Co-operative Societies- Payment of share capital contribution to Labour Contract Co-operative Societies - Revised Rules - Approved- Orders issued



CO-OPERATION (PS) DEPARTMENT

G.O.(MS)No.48 /2014/Co-op. Dated, Thiruvananthapuram, 22/04/2014

- Read:-
- (1) GO(MS) 470/79/AD dated 21.12.1979
 - (2) GO(MS) 21/83/AD dated 4.2.1983
 - (3) Letter from the Registrar of co-operative societies No. MT(1) 37775/13 dated 26.9.13

MT ①

ORDER

In rule 4 of the rules governing the payment of Government contribution towards share capital of Labour Contract Co-operative Societies issued in the G.O read as 2nd paper above, the maximum limit for Government contribution was fixed as 20,000/-. The Registrar of Co-operative Societies, as per the letter read as 3rd paper above has requested to enhance the maximum limit from 20,000 to 10 lakhs and has also requested to amend the other rules therein.

2) Government have examined the matter in detail and are pleased to enhance the maximum limit of Government contribution towards share capital for Labour Contract Co-operative Societies from 20,000 to 5 lakhs. The rules governing for the distribution of share capital contribution is also amended as appended herewith.

By order of the Governor,
K.S.SRINIVAS
SECRETARY TO GOVERNMENT

To

- ✓ 1. The Registrar of Co-operative Societies, Thiruvananthapuram.
2. Stock File/Office Copy.

Forwarded by order

Section Officer

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Appendix
**AMENDED RULES GOVERNING THE PAYMENT OF GOVERNMENT
CONTRIBUTION TOWARDS SHARE CAPITAL OF LABOUR CONTRACT
CO-OPERATIVE SOCIETIES**

Clause	Existing	Amended
2	Labour Contract Co-operative Societies registered under the Kerala Co-operative Societies Act for the time being in force in the State which are selected for inclusion in the plan Scheme by the Deputy Registrar of the district shall be eligible for the assistance under these Rules.	Labour Contract Co-operative Societies registered under the Kerala Co-operative Societies Act for the time being in force in the State which are selected for inclusion in the plan Scheme by the Joint Registrar of the district shall be eligible for the assistance under these Rules.
3(b)	The society shall have at least 50 worker members, excluding sympathizers	The society shall have at least 200 worker members, excluding sympathizers
3(d)	The society shall collect a minimum paid up Share Capital of Rs.5,000/- from the members.	The society shall collect a minimum paid up Share Capital of Rs.3,00,000/- from the members.
3(e)	The bye-laws of the society shall contain provision for the State participation in the Share Capital of the society in accordance with the provisions contained in these rules. The bye-laws of the society will also provide for nomination of two representatives of Government of the Board of Directors of the society by the Registrar of Co-operative Societies.	The bye-laws of the society shall contain provisions for the State participation in the Share Capital of the society in accordance with the provisions contained in these rules.
3(f)		The society shall have a full time paid Secretary and managed by an elected committee
3(g)		Average value of works taken up annually for the last three years shall be 50 lakhs and average number of members employed by the society at least 200 days in one year or 150 days for the last three years.
3(h)		Audit classification for the last preceding year, for which financial assistance is applied should be A/B.
4	The Society shall be eligible for government Share Capital contribution to the extent of three	The Society shall be eligible for government Share Capital contribution to the extent of three

	<p>times the paid up Share Capital raised from among the members of the society subject to a maximum of Rs.20,000/- (Rupees Twenty thousand only). The amount already paid to the society by way of Share Capital contribution will also be taken into account in reckoning the maximum amount of assistance under these rules.</p>	<p>times the paid up Share Capital raised from among the members of the society subject to a maximum of Rs.5,00,000/- (Rupees Five Lakhs only). The amount already paid to the society by way of Share Capital contribution will also be taken into account in reckoning the maximum amount of assistance under these rules.</p>
6	<p>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 Deputy Registrar (General) of the District concerned and it shall be supported by a resolution of the committee of management of the society authorizing the prefer such an application and agreeing to maintain the ratio of 1:3 between the Share amount collected from among the members and government contribution and also agreeing to abide by these rules as amended from time to time.</p>	<p>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 Joint Registrar (General) of the District concerned and it shall be supported by a resolution of the committee of management of the society agreeing to maintain the ratio of 1:3 between the Share amount collected from among the members and government contribution and also agreeing to abide by these rules as amended from time to time. Categorical Statement of the society should be produced along with the application and a detailed project report including an estimate of the investment necessary for acquiring tools and equipments and a list of such equipment to be purchased together with invoices. The concerned Joint Registrar of the District should also certify that the society is non-corrupt and no dues to government.</p>
11	<p>The share Capital contribution shall be sanctioned by the Registrar of Co-operative Societies. The amount shall be drawn and disbursed by the Deputy Registrar of the district who shall obtain the Share Certificate from the Society and forward it to the Registrar.</p>	<p>The Share Capital contribution shall be sanctioned by the Government. The amount shall be drawn and disbursed by the Registrar of Co-operative Societies. The Joint Registrar of the district shall obtain the Share Certificate from the Society and shall keep it under safe custody.</p>

FORM A

**Application form for Share Capital Contribution to Labour
Contract Co-operative Societies.**

1	Name and address of the society	:
2	District	:
3	No. with Date of Registration	:
4	Area of operation	:
5	Board of Management	:
6	Authorised Share Capital	:
7	Financial position as per last audited Balance Sheet	
	a. Paid up Share Capital	:
	b. Government assistance	:
	c. Borrowings/Loan	:
	d. Reserves	:
	e. Assets	:
	i) Fixed assets	:
	ii) Vehicles	:
	iii) Others	:
	f. Amount due to Government	:
	g. Net Profit/Loss	:
8	Membership	
	(i) Workers	:
	(ii) Sympathisers	:
	(iii) Government	:
	(iv) Others	:
9	Details of the project report enclosed	:
10	Value of work taken for the last three years	:
11	No. of days work given to members for the last three years	:
12	Audit classification as per last audit	:

President / Secretary

Board Members 1.

 2.

Recommended by Joint Registrar

FORM B

THIS AGREEMENT IS executed on this the
day of Two thousand and
..... BETWEEN (Hereafter name of the society) a society registered
under the Act and having its
registered office(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 on the application of the society under the "Rules – governing
Government's Share Capital contribution to the Labour contract Co-operative societies
in the State" (hereinafter called "the rules", which shall form part of this deed as if in
corporated herein) for assistance, the Government have in
G.O.No..... dated(hereinafter called the said
order") which shall form part of this deed as if incorporated herein sanctioned the
payment of an amount of Rs.....as share capital
contribution to the society subject to the terms and conditions contained in the Rules,
said order and these hereinafter appearing to which the society has also agreed.

NOW THESE PRESENT WITNESSES AND IT IS HEREBY AGREED AS
FOLLOWS:

1. In consideration of the payment of Rs.....(Rupees
Only) the Receipt of which the society hereby accepts and acknowledged the
society hereby agrees that the amount shall be utilized only for the purpose for
which it was sanctioned and for no other purpose. The unutilized portion, if any,
of the amount paid shall be surrendered to the Government within the time fixed
by the Registrar/Joint Registrar of Co-operative Societies.

2. The society shall repay the share capital contribution amount of Rs.
in ten equal annual instalments of Rs. (Rupees
Only) the first instalment being payable on the date of expiry of the 6th
anniversary year from the date on which the share capital contribution was
disbursed to the society on the subsequent instalment on the corresponding
dates of the succeeding years.
3. In the case of default in payment of any instalment of the amount in accordance
with clause (2) above the society shall pay penal interest at the rate of 2 1/2 % per
annum for the defaulted instalments calculated on the amount defaulted from the
last date of default till the date of repayment.
4. The society shall issue printed share certificate in the name of the Governor of
Kerala to the Registrar of Co-operative Societies within one month from the date
of receipt of the share capital contribution.
5. Notwithstanding anything herein contained or in the Rules or in the said order or
in the byelaws of the society it shall be open to the Government to with draw at
any time without stating any reason what so ever the whole or any portion of the
Government share capital contribution and the society shall there upon forthwith
refund the amount so with drawn in a lump.
6. (a) The dividend not less than 5% every year (on the shares allotted to
Government) shall be paid to the Government by remittance into the nearest
Government treasury within one month after the division of profit for each year is
approved by the General body of the society.
(b) The dividend shall be payable on the share capital contribution made by the
Government in the society from time to time after deducting the repayment made
by the society.
7. In case the society commits breach of all or any of the terms and conditions
herein contained or those contained in the rules and in the said order, the society
shall on demand pay the entire amount due to the Government in a lump at once.
8. If any dispute arises out of or under of touching this agreement the matter shall
be referred to the Government and the decision of the Government shall be final
and legally binding the society.
9. All sums found due to the Government under or by virtue of this deed shall be
recoverable from the society and its properties both movable and immovable

under the provisions of the Revenue Recovery Act for the time being force as though such are arrears of land revenue and in any other manner as the Government may deem fit.

10. The society hereby declares that the executants here of for and on behalf of the society has got full power and authority to execute this agreement for and on behalf of the society as per the resolution No.....duly passed.
11. It is hereby mutually agreed upon by both the parties that this agreement shall be deemed to have come into force on and from.....
12. IN WITNESS WHERE OF SHRI.....for and on behalf of the Society and Shri on behalf of the Governor of Kerala have hereunto (set their hands and seal of the society has hereunto) been fixed the day, month and year first above written.

Signed by Shri.....for and on behalf of the society

In the presence of Witness

1.

2.

Signed by Shri.....(hereinafter Name and Designation)
for and on behalf of the Governor of Kerala.

In the presence of Witness

1.

2.