ചില്ലറ സംഘങ്ങൾക്കുള്ള.
ഓഹരി മൂലധനം.

GOVERNMENT OF KERALA

Abstract

Annual Plan 1979-80 Cooperation Scheme for payment of share capital contribution to Miscellaneous co-operative societies sanctioned Rules Approved.

AGRICULTURE (COOP.ESTT)DEPARTMENT

G.O.Ms.433/79/AD
Dated, Trivandrum 26.11.79.

Read:- 1.Correspondenge resting with letter No.M3(1)25309/79 dated 17.10.79 from the Registrar of Co-operative Societies.

ORDER

Administrative sanction is accorded for the implementation of the scheme for payment of share capital contribution to Miscellaneous Cooperative Societies.

The expenditure on this account will be debited to the head of Account "498(k) 18" in the Budget and the expenditure will be limited to the current years plan allotment.

The Rules governing the payment of government share capital contribution to Miscellaenous Cooperative Societies are appended.

By Order of the Governor

S.Perumal Pillai
Additional Secretary to Govt.

To

The Registrar of Cooperative Societies
All Deputy Registrars of Cooperative Societies(CI)
The Accountant General
The Finance Department (This order issues with the concurrence of the working group on 'Cooperation')
The Planning & Economic Affairs Department
Stock file.

/True Copy/

1.91.

RULES FOR THE PAYMENT OF GOVERNMENT TO MISCELLANEOUS COOPERATIVE SOCIETIES

1. These rules may be called the rules covering the payment of Government share cpital contribution to the societies classified as miscellaneous societies under rule 15 of the Kerala Coperative Societies.

2. The societies classified as miscellaneous cooperative societies under Rule 15 of the KCS Rules and selected by the Registrar to be brought under the annual plan schemes shall be eligible for share participation under these rules.

3. A society applying for share participation under these rules shall satisfy the following conditions:-

a. The society shall have atleast 50 persons as members of whom not less then 90% should be persons who are likely to be benefitted directly by the activities undertaken by the society and engaged in the particular industries and occupations.

b. The byelaws of the society shall contain provisions for State participation in the share capital.

c. The byelaws ~~mfxxkm~~ will provide for nomination of representatives of Government on the Board of directors of the society.

d. Not less than 2/3rd the number of members or the Board of directors of the society shall be actual workers of persons engaged in industry undertaken by the society.

4. The share capital contribution by the Government shall be for the purpose of providing margin money to the societies to raise institutional finance for the business undertaken by the society. The Registrar shall estimate the margin money necessary for the business in accordance with margin prescribed by the financing bank.

5. A society shall be eligible for Government share capital contribution to the extent of three times the paid up ~~xx~~ share capital raised from the members subject to the maximum of Rs.50,000/-

6. The application for Government contribution under these rules shall be forwarded to the Registrar in form 'A' appended to these rules through the Deputy Registrar concerned . The Application shall be supported by a resolution of the committee of management of the society authorising to prefer such application ang agreeing

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maintain the ratio of 1:3 between the members share and the Government share capital, and also agreeing to abide by the Rules as amended from time to time.

The share capital contribution under these Rules may be sanctioned by the Registrar of Cooperative Societies.

The share capital contribution sanctioned shall be drawn by an officer of the society duly authorised for this purpose by the Board of Directors of the society on a bill (Form.No.TR 42) duly countersigned by the Deputy Registrar of Cooperative Societies of the District concerned. The Deputy Registrar shall satisfy himself before countersigning the bill that the society has executed an agreement specified in Rule 15.

The amount so drawn shall be deposited in any Cooperative Bank in the name of the society and shall be utilised as margin money necessary for availing a financial accomodation from the Cooperative Financing agencies for the approved project. The amount shall be withdrawn ~~rm~~ in instalments as and when required with the specific permission of the Deputy Registrar.

0. The Deputy Registrar concerned shall obtain and forward to the Registrar a printed share certificate from the society in favour of the Governor of Kerala within one month from the date of drawl of the share capital.

1. The society should agree not to refund any share of members unless the ratio of share capital contribution by the members and the Government exceeds the ratio of 1:3 as long as Government continue to be a share holder of the society.

2. The society shall repay the amount contributed by Government under these Rules in ten annual equal instalments, the payment of ~~them~~ first instalme nt commencing from the sixth year of the date on which the contribution was drawn by the society and the payment of subsequent instalments on the corresponding dates of the succeeding years. A penal interset at ~~2x2~~ 2½% per annum shall be charged on the amounts defaulted for the period of default.

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13. Notwithstanding anything contained in these Rules or the byelaws of the society it shall be open to Government or Registrar to withdraw at any time without stating any reason the whole or any portion of the Government shares in which case the society shall be liable to refund to Government the value of the shares so withdrawn.

14. The divident if any of the share capital contribution by Government shall be remitted into the Government Treasury and the chalan receipt forwarded to the Registrar within one month after the declaration of dividend by the general body of the society.

15. The society receiving Government share capital contribution under these Rules shall execute an agreement in Form '8' appended to these Rules before drawing the amount so sanctioned. The agreement so executed shall be kept in the safe custody of the Registrar of Cooperative Societies.

16. The Government may by an order and for reasons to be recorded in writing exempt any society from any of the provisions of these Rules.

g.8.1.91.

FORM A

pplication for the payment of Government share capital contribution to Miscellaneous Cooperative Societies

1. Number and Name of Society
2. Address of the Society
3. Date of Registration
4. Date of Starting
5. No. of members on the date of application
6. Paid up share capital as on date
7. Whether the society has been selected under the plan schemes
8. Whether there is provision in the byelaws of the society for State participation in the share capital
9. The details of Government share capital contribution received previously, if any
10. The amount of share capital contribution now applied for
11. Whether the Committee has resolved to apply for the share capital contribution and agreed to maintain a ratio 1:3 between share amount collected from members and Government and also agreed to abide by the rules as amended from time to time. If so enclose copy of committ resolutic.
12. Present financial position of the society(Enclose a tentative Balance sheet as on date).

Certified that the information furnished above are correct to the best of our knowledge and belief.

PRESIDENT

SECRETARY

COMMITTEE MEMBERS

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Specific Recommendation of the Deputy Registrar of Co-op.Societi

Place:
Date :

g.9.1.91.

FORM B

This Agreement is executed on this the .... day of .... one thousand nine hundred and seventy..............
twpen .... a society registered under the..............
t and having its reistered office at ....(hereinagter
ferred to as "the society") of the one part and the Governor
Kerala (hereinagter referred to as "the Government") of the
her part;

Whereas the society has applied to the Government for the
yment of a sum of Rs............(Rupees.............only) by way
the share capital contribution to the society under the Rules
overning Government Contribution towards the share capital of
scellaneous cooperative societies (hereinafter referred to as
the Rules") which shall form part of this agreement as if incor-
prated herein.

And whereas at the request of the societythe Government
ave sanctioned the payment of a sum of Rs...........(Rupees.......
........only) to the society as per order No,......... dt.........
hereinafter referred to as"the said order") a copy of which is
ttached hereto and shall form part of this agreement as if
ncorporated herein subject to the terms and conditions hereinafter
ontained and those in the said order and in the said rules to
hich the society has also agreed.

OW THESE PRESENTS WITNESS AND IT IS HEREBY AGREED AS FOLLOWS:-

. The society shall utilise the share capital contribution
mount of Rs.............(Rupees...............only) ~~[illegible]~~
~~[illegible]~~
~~[illegible]~~
or the purpose of ....(H E the purpose) and it shall not
e utilised for any other purpose.

. The society shall repay the share capital contribution amount
f.............(Rupees..................only) the payment of the
irst instalment commencing from the 6th year of the date on which
he share capital contribution was drawn by the society and the
ayment of the subsequent instalments on the corresponding dates of
he succeeding years.

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3. In the case of default in payment of the instalment of the share capital contribution in accordance with clause(2) above, the society shall pay interest at the rate of 2½% per annum for the defaulted instalments.

4. The society shall furnish to the Deputy Registrar of Cooperative societies a printed share certificate in favour of the Government within one month from the date of encashment of the bill.

5. Notwithsatnding anything contained in the said rules or in the byelaws of the society, it shall be open to the Government to withdraw at any time without stating any reason whatsoever the whole or any portion of the Government contribution and the society shall be liable to refund the amount so withdrawn in a lump at once.

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6.(a). The society shall remit the dividend accuring on the share capital contribution into 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 repayment made by the society.

7. The society shall strictly abide by all the terms and conditions ~~xxxxxx~~ contained in the said Rules and in the said order.

8. In case the society commits breach of all or any of the terms and conditions herein contained or those contained in the said Rules and in the said order the entire amount advanced shall become repayable in lump at once by 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 incorporated herein.

10. It is hereby declared that the executants of this agreement have the power and authority to do 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 the 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 deedm fit.

In Witness whereof 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 has hereunto been affixed the day and year first above writted.

Signed by Sri..................
In the presence of witness:
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Signed by Sri...............
In the presence of witness:
1
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g.9.1.91.