16

(2) SHG Share.

5

GOVERNMENT OF KERALA

Abstract:

Co-operation - Rules for the payment of Share Capital Contribution to Primary Agricultural Credit Societies implementing Self Help Group Scheme - Approved - Orders issued.

CO-OPERATION (3) DEPARTMENT

G.O.MS.No.127/98/Co-op: Dated: Thiruvananthapuram, 11.8.1998.

Read: 1. GO. MS. 113/97/Co-op: dated : 4.9.1997.
2. GO.MS. 15/98/Co-op: dated 20.1.1998.
3. Letter No. CB(1)45845/98 dated 12.2.1998 and 15.5.1998 from the Registrar of Co-operative Societies.

ORDER

In the Government Order read as first paper above Government have approved a scheme for the introdution of Self Help Groups in Kannur District as a pilot scheme based on the guidelines issued by NABARD. In the Government Order read as second paper above sanction was accorded for providing short term funds to the Self Help Groups. The assistance is to be extended through the Primary Agricultural Credit Societies for which the required funds are to be provided by the Kerala State Co-operative Bank through the District Co-operative Bank.

2. In the letters read as third paper above, the Registrar of Co-operative Societies has informed that in order to avail the assistance from District Co-operative Banks, the Primary Agricultural Credit Societies have to increase their borrowing power for which the Share Capital base of these societies have to be strengthened. The Registrar of Co-operative Societies has forwarded draft rules for the payment of Share Capital Contribution to the Primary Agricultural Credit Societies for implementing the Self Help Groups Scheme.

3. Government have examined the matter in detail and are pleased to approve the Rules, Form of agreement and application form for the payment of Government's Share

... 2 ...

Capital Contribution to the Primary Agricultural Credit Societies/Farmers Service Co-operative Banks for the Self Help Groups, which are appended to this order.

By order of the Governor,

KURUVILLA JOHN
SECRETARY TO GOVERNMENT

To

1. The Registrar of Co-operative Societies, Thiruvananthapuram.
2. All the District Joint Registrars.
3. The Accountant General (A&E), Thiruvananthapuram.
4. The Accountant General (Audit).
5. The Finance Department. (vide UO .No.43155/AWCI/98/Fin. dated 21.7.1998)
6. Stock File
7. Office Copy.

Forwarded/By order

Section Officer

RULES GOVERNING GOVERNMENT'S SAHRE CAPITAL CONTRIBUTION TO THE PRIMARY AGRICULTURAL CREDIT COOPERATIVE SOCIETIES/ FARMERS SERVICE COOPERATIVE BANKS FOR THE SELF HELP GROUPS.

These Rules may be called the rules for the payment of Share Capital contribution to Primary Agricultural Credit Societies/Farmers Service Co-operative Banks with whom Self Help Groups are registered. Government may contribute to the Share Capital of Primary Agricultural Credit Societies/ Farmers Service Cooperative Banks to which the self help groups are registered. The financial support under the scheme is to raise funds by the Primary Agricultural Credit Cooperative Societies for providing assistance to the Self Help Groups, the members of which consist of landless labourers, Artisans, small and marginal farmers, persons engaged in activities allied to agriculture and tribals etc. as per the scheme approved by government.

2. In order to avail of the assistance under this scheme a primary Agricultural Credit Cooperative Society/ Farmers Service Cooperative Bank should satisfy the following conditions.

(1) Self help groups organised under the cooperative sector should be registered with the Primary Agricultural Credit Cooperative Societies/Farmers Service Co-operative Bank concerned.

(ii) The Society should have a minimum paid up share capital of Rs.1 lakh from individual members.

(iii) There should be adequate provision in the bye-laws of the society.

(iv) The society should have a full time qualified paid Secretary/Managing Director.

(v) Overdues should not be more than 65% of the demand for the previous year.

(vi) The society should have an annual loan disbursement of not less than Rs.10/- lakhs during the preceeding year.

3. The Registrar of Co-operative Societies shall be competent to relax any of the conditions stipulated in Rule 2 above.

4. The maximum amount eligible under this scheme at a time will be Rs.one lakh whereas the maximum amount of contribution to one society under this scheme shall not exceed Rs.two lakhs.

5. The amount sanctioned under this scheme should be utilised for availing assistance for giving financial assistance to the groups registered with the society.

6. The Co-operative Society seeking assistance should prepare a scheme on the proposed group activity to be implemented.

7. The application for Share Capital contribution shall be furnished to the Joint Registrars concerned through Assistant Registrars concerned, in the form appended to these rules.

8. The application should be accompanied with the following resolutions and certificates.

(i) Resolution requesting for Government Share Capital contribution.

(ii) Resolution to the effect that the society shall adhere to such terms and conditions as government / Registrar of Co-operative Societies may prescribe from time to time.

(iii) Certificate from Assistant Registrar of Co-operative Societies concerned to the effect that no Government dues are pending to be remitted.

(iv) Certificate from the Assistant Registrar concerned to the effect that the society is free from corrupt practices.

9. The Joint Registrar of the District shall be the authority competent to sanction the assistance under this scheme to the societies eligible as per these rules.

10. The Share Capital contribution under this scheme shall be retired in 10 annual equal instalments, the first instalment falling due on the 6th anniversary of the date of drawal of this amount.

11. In the event of default in payment of annual instalment the society is liable to pay penal interest @2.5% on the defaulted instalment and the Registrar of Co-operative Societies shall be competent to order summary recovery of entire balance amount under government share as

FORM OF AGREEMENT

This agreement is executed ~~this the~~ ....
(Here enter the name of the Society with the Register No..) ....
Service Co-Operative Bank Ltd,No.. [illegible] .... [illegible] ....between
the Kerala Co-Operative Societies Act 1969 and having its Registered [illegible] a society registered under
(Herein after referred to as the Society) on the One part [illegible] office at
Governor of Kerala (Herein after referred to as the Government) of the other part.

Whereas the Society has applied for the payment of a sum of Rs. [illegible] (Rupees
One Lakh Only) by way of Share Capital Contribution to the Society under the rules
Governing Government contribution towards Share Capital Assistance to
PACS/FSCB under the State Plan Scheme (Herein after referred to as the Rules)

And whereas the request of the Society the Joint Registrar of Co-Operative Societies
[illegible] for and behalf of the Government of Kerala has sanctioned the payment
of a sum of Rs.1,00,000/- (Rupees One Lakh Only) to the Society as per this order
No. .... (Herein after referred to as the said order a copy of which is attached here
to) Which shall form part of this agreement as incorporated herein subject to the
terms and conditions contained in the said order and in the rules those herein whether
appearing to which the society has also agreed.

6. (b) The dividend shall be payable the Share Capital Contribution made by the Government and then with the society from time to time after reducing the payments made by the society.

7. The Society shall strictly abide by the terms and conditions containing the rules and in the said order and those here with contained

8. 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 sanctioned shall be come payable in lump at once by the Society.

9. 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).

10. 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 through such sums are arrears of land revenue and in such other manner as the Government may deed 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.

APPLICATION FOR AVAILING FINANCIAL ASSISTANCE BY WAY OF SHARE CAPITAL CONTRIBUTION UNDER STATE PLAN SCHEME

a) Name and Postal Address of the Society with Taluk and District and Pin Code

b) Registration No.Date of Registration

c) Area of operation of the Society and whether its area Overlapped by any other PACS

d) Board of Directors (Elected)/ Administrator/Administrators Administrative Committee

e) Total population within the area of operation as per Bye-law

f) Membership & Paid up Share Capital as on (31-03-2005)
   a) A Class
   b) B Class
   c) C Class (Nominal)
   d) D Class (Nominal)

Financial Position of the Society

1. Paid up Share Capital

2. Borrowings

3. Deposits

4. Loan outstanding with Members Short term Agriculture, Medium Term Agriculture, Others

5. Fixed Assests Movable/Immovable

6. Accumulated Profit/Loss

Audit Classification (As per the Latest Audit Certificate)

7. Amount of loan outstanding

(a) To District Co-operative Bank. (Borrowings)

(b) Demand under the above

(c) Percentage of Overdues

(a) Amount of loan outstanding with Members (Asset)

(b) Demand under the above

(c) Percentage of overdues

8. If percentage of overdues is above 25, action taken by the society for reducing the overdues (A brief note is to be attached)

9. (a) Amount required for meeting the credit requirements of the members during current year

(b) Credit limit sanctioned

1) By the D.C.B

2) Own funds available with the society for meeting the purpose

3) Balance amount required

10. Amount of Share Capital Contribution applied for

11.(a) Whether there is any government dues pending to be remitted (Including dividend as Government Share Capiral)

(b) Whether the society is free from Corrupt practices

(c) Whether General Body Meeting has been concerned and budget passed for the current years

If not specify the years up to which General body has been convence

(President) , Secretary of the Service Co-Operative Bank request that the Assistance by way of Share Capital Contribution applied for in the above application may please be sanctioned.

We further agree to abide by the terms and conditions of the assistance provided by the State Government and to furnish all such reports/information as may be prescribed by the Government/ Registrar of Co-Operative Societies.

Signature of President.

Board Members :

1)

2)

Secretary.

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