

GOVERNMENT OF KERALA

Co-operation - Scheme for the payment of Share Capital Contribution to the Co-operative Consumer Stores - Amendment to the rules - Sanctioned - orders issued.

CO-OPERATION (3) DEPARTMENT

G.O. (MS)No.150/99 Coop; Dated, Thiruvananthapuram, 25-10-1999.

- Read:-1.G.O. (MS)No.38/79/AD Dated, 25.1.1979.
2. G.O. (MS)No.321/81/AD dated 19.9.1981.
3.G.O. (MS)No.103/86/Coop. dated 1.12.1986.
4. Letters No.CS(4/47934/98 dated 27.12.1998 and 16.2.1999 from the Registrar of Co-operative Societies.

O R D E R

In the Government Order read as first paper above, as amended as per Government Orders read as second and third papers above, Government have approved the rules for payment of share capital Contribution to Co-operative Consumer Stores.) As per these rules the maximum Share Capital Contribution that can be granted to the store for the General business is not more than three times the paid up share capital collected from the individual members, subject to a maximum of Rs.50,000/- and subject to the norms fixed in Rules 3(i) C and 3 (ii) b of the rules.

2. In the letter read as fourth papers above, the Registrar of Cooperative Societies has submitted proposals for enhancement of the limit for the repayment of share capital contribution to the Consumer Co-operatives Stores.

3. Government have examined the proposal of the Registrar of Co-operative Societies in detail and are pleased to enhance the limit of assistance to each category of Stores as detailed below keeping the classification norms as such:

<u>Category of Stores.</u>	<u>Existing maximum Eligibility (Rs.)</u>	<u>Enhanced maximum eligibility.</u>
1. Primary Consumer Stores with Sales turnover of Rs.1 lakhs to Rs.2 lakhs.	15,000/-	25,000/-
2. Primary Consumer Co-operative Stores with sales turnover of Rs. 2 lakhs to 4 lakhs.	25,000/-	50,000/-

3. Primary Consumer Stores with sales turnover of Rs. 4 lakhs to 7 lakhs. 50,000/- 1,00,000/-
4. Primary Consumer Stores with sales turnover of Rs. 7 lakhs and above. --- 2,00,000/-

By Order of the Governor,

V.G. INDIRA SAI AMMA
JOINT SECRETARY TO GOVERNMENT

To

The Registrar of Cooperative Societies, Thiruvananthapuram.
The Accountant General (A.E), Kerala etc.....

Forwarded/By Order

(Sd/-) Section Officer.

Encl. CS 1147934/98.


Office of the Registrar of Coop:
Societies, Thiruvananthapuram,
Dated, 3.11. '99.

Copy communicated to all Joint Registrars (Gl.) for necessary
action.

stock file

Stores-3 copies

(Additional Registrars, Deputy Registrars &
Asst. Registrars.)


For Registrar of Coop: Societies.

Lk. 6.11.

GOVERNMENT OF KERALA

Co-operation - Scheme for the grant of share capital contribution to the Co-operative consumer stores - Amendment to the rules-issued

CO-OPERATION(B) DEPARTMENT

G.O.MS. NO.103/86/Co-op.

Dated, Trivandrum, 1st December 1986

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- Read: 1. G.O.MS.38/79/AD dated, 25.1.79
2. G.O.MS.328/81/AD, dated, 19.9.81
3. Letter No. CS (4) 28663/86 dated, 28-5-86 from the Registrar of Co-operative Societies.

O R D E R

In the Government order read as first paper above as amended by the Government order read as second paper, Government has approved a scheme for the grant of share capital contribution to Co-operative consumer stores. According to the scheme the maximum share capital contribution that can be granted to the society should not be more than three times the paid up share capital collected from the individual members subject to a maximum of Rs.30,000/-. The Registrar of Co-operative Societies has reported that the maximum assistance of Rs.30,000 was fixed during 1979-80 and that since then the requirement of working capital has increased considerably and the business activities of the primaries have been diversified. He has therefore proposed that the maximum amount of share capital contribution pay be raised to Rs.50,000/- with a view to safeguarding the interest of the Government by restricting the release business performance he has also proposed the norms to assistance under the scheme.

2. Government have examined the proposals in details and they are pleased to order as follows:-

1) Rules 3 (1) (a) of the rules of the scheme issue in the G.O. read as second paper above shall be amended as follows:- share capital contribution for the general business of these store at not more than three times the paid up share capital collected from the individual members.

Subject to a maximum Rs.50,000/- and subject to clause 3(1) (c)

ii) The following shall be added after rule after rule 3(ii) (b) of the rules:-

Secretary

Bhuvan Chandren Nair

Committee members

1. Biju. C.S. board.

2. Dongy

President *Pran*

C. K. Radhakrishnan

3(i)c Societies should be a minimum sales turnover of Rs. One Lakh in the previous year of applying for the assistance. On sales turnover, Primary consumer stores shall be classied under three categories as follows:- The maximum amount of share capital contribution eligible subject to clause 3(i) a will be as follows:-

i) Primary Co-operative Consumer stores	With sales turn over	Maximum eligibi- lity for Govern- ment share.	Rs. 15,000/-
ii) Primary Co-operative Consumer stores	With sales turnover Rs. 2/- lakhs to 4/- lakhs	Maximum eligibi- lity for Govern- ment share.	Rs. 25,000/-
iii) Primary Co-operative Consumer stores	With sales turn over Rs. 4/- lakhs and above	Maximum eligibi- lity for Govern- ment share.	Rs. 50,000/-

BY ORDER OF THE GOVERNOR

K. UPPILIAPPAN
SECRETARY

To

The Registrar of Co-operative Societies.

(True Copy)

Secretary

Bhuvana Chandren Nair
Committee Members

Biju

Mang

President

C.K. Radha Krishnam

DRAFT RULES GOVERNMENT / GOVERNMENT CONTRIBUTION TOWARDS SHARE CAPITAL OF CONSUMER CO-OPERATIVE SOCIETIES

1. These rules may be called the Rules governing Government contribution towards the share capital of Consumer Co-operative Societies.
2. In these rules unless the context otherwise required,
 - (a) 'Registrar' means the Registrar of Co-operative Societies appointed under sub-section(1) of section (s) and includes any person on whom all or any of the powers of ~~Registrar~~ registrar under the (Cerala Co-operative Societies Act 1969 are conferred.
 - (b) 'Society' means the Consumer Co-operative Society organised for the benefit of members of the society.
3. Only societies selected by the Registrar for inclusion under the plan schemes shall be eligible for the assistance under these Rules.
4. A society applying for assistance under these rules shall satisfy the following conditions..
 - (a) A Society shall have at least persons interested to scheme of the society as members on rools.
 - (b) A Society shall collect a minimum paid up share capital of Rs.6000, .
 - (c) The by-laws of the society shall contain provisions for state participation in the share capital of the society.
5. A 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 Rs.15000/- (Rs. Fifteen thousand).
6. An application for Government contribution under these rules shall be forwarded to the Deputy Registrar in Form 'A' appended to these rules. The application shall be supported by a resolution of the committee of Management of the society authorising to prefer such as application and agree in to maintain a ratio of 1:3 between the share amount collected from members and the Government and also agreeing to abide by the Rules as amended from time to time.
7. If a society found eligible for the contribution the Deputy Registrar of Co-operative Societies concerned shall forward the same to the Registrar with his recommendation.
8. The share capital contribution shall be sanctioned by the Registrar of Co-operative societies.
9. The Share capital contribution sanctioned shall be drawn by the Society in bills duly countersigned by the Deputy Registrar of Co-operative Societies (General) of the District concerned. The Deputy Registrar of Co-operative Societies (General shall satisfy himself before countersigning the bill that the society has executed an agreement specified in Rules 15.
10. The amount so drawn shall be deposited in the approved Bank in the name of the society and will be drawn on the specific order and shall be utilised for any of the purposes mentioned in the by-laws, The amount shall be withdrawn in instalments as or when required with the specific permission of the Deputy Registrar of Co-operative Societies (General) of the District only.

Secretary

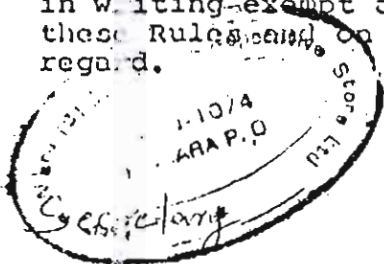
Shivanachandran Nair

Committee Members.

President. *[Signature]*

C.K. Radhakrishnan

11. The deputy Registrar of Co-operative Societies (General) concerned shall obtain a printed share certificate from the beneficiary societies concerned in favour of the Governor of Kerala within one month from the date of encashment of the Bill and keep them under his safe custody.
12. The society shall repay the amount contributed by Government under these rules in ten annual equal instalments the payment of first instalment 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 succeeding years. A penal interest at 2 1/2% per annum shall be charged on the amounts defaulted for the entire period of default.
13. Notwithstanding anything contained in these rules or in the bye-laws of the society, it shall be open to the Government to withdraw stating any 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 into the treasury and the chalan receipt shall be forwarded to the Deputy Registrar of Co-operative societies within one month after the declaration of the 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 'B' appended to these Rules before drawing the amount so sanctioned. The Deputy Registrar of Co-operative Societies (General) concerned shall obtain and keep the agreement under safe custody.
16. The Government may by an order and for reasons to be recorded in writing exempt any society for many of the provision of these Rules on behalf of the Governor of Kerala in this regard.



Bhuvanachandren Secy.

[Handwritten signature]

President *[Handwritten signature]*

C.K. Radhakrishnan

Committee Members

1. Biju. C. B. Kumar

2. Mony - Mony

THIS AGREEMENT is executed on this the
of one thousand Nine Hundred
and eighty between
..... a society registered under
the Act and having its
registered office at (herein after
referred to as "the society") of the one part and the Government of
Kerala (here in after referred to as the Government) of the other part.

WHEREAS the Society has applied to the Government for the pay-
ment of a sum of Rs. (Rupees
..... only)
by way of the share capital contribution to the Society under the
Rules governing Government contribution towards the share capital of
the Mahila Co-operative Societies (here in after referred to as
"The Rules" which shall form part of this agreement as if incor-
porated herein.

AND WHEREAS at the request of the Society the Government have
sanctioned the payment of a sum of Rs. (Rupees
..... only) to the
society as per order No. dated.....
(herein after referred to as "the said order") a copy of which is
attached hereto and shall form part of this agreement as if incorpo-
rated herein subject to the terms and conditions herein after contained
and these in the said order and in the said Rules to which the Society
has also agreed.

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

- 1. The Society shall utilise the share capital contribution amount
of Rs. (Rupees,
..... only) for the purpose of (i.e. the purpose)
.....
and it shall not be utilised for any other purpose.

Beena
Secretary

President
President

The society shall repay the share capital contribution amount of Rs. to the Government in ten equal annual instalment at Rs. (Rupees only) the payment of the first instalment commencing from 6th year on the date on which the share capital contribution was drawn by the society and the subsequent instalments on the corresponding dates of the succeeding years.

3. In the case of default in payment of instalment of the share capital contribution in accordance with clauses (2) above the society shall pay interest at the rates of 2 1/2 % per annum for the defaulted instalments.
4. The society shall furnish to the Registrar of Co-operative Societies a printed share certificates in favour of the Government within one month from the date of encashment of the bill.
5. Notwithstanding anything contained in the said rules or in the bye laws of the society, it shall be open to the Government to withdraws 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.
6. (A) The society shall remit the dividend according on the share capital contribution into Government Treasury and the Chalan receipt shall be forwarded to the Registrar within one month.

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 contained in the said Rules and in the said orders.
8. In case the society commits breach of all 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 ~~the~~ at any time and as amended from time to time the said rules shall form part of this agreement as if incorporated herein.

B. S. ...
Secretary

C. S. ...
President

Committee members.

H. R. ... *G. P. ...*

amount so drawn shall be deposited in an approved Bank in the name of the society and will be drawn on the specific order and shall be utilised for and of the purpose mentioned in the bye-laws. The amount shall be withdrawn in instalments as and when required with the specific permission of the Deputy Registrar of Co-operative Societies (General) of the District only).

11. The Deputy Registrar of Co-operative Societies (General) concerned shall obtain a printed share certificate from the beneficiary societies concerned in favour of the Governor of Kerala within one month from the date of encashment of the bill and keep them under his safe custody.
12. The Society shall repay the amount contributed by Government under these rules in ten annual equal instalments the payments of first instalment commencing from the sixth year of the date on which the contribution was drawn by the society and the ~~app~~ payment of subsequent instalments on the corresponding dates of succeeding years. A penal interest at 2 1/2% per annum shall be charged on the amounts defaulted for the entire period of default.
13. Notwithstanding anything contained in these rules or in the bye-laws 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 permitted into the Treasury and the chalan receipt shall be forwarded to the Deputy Registrar of Co-operative Societies within one month after the declaration of the 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 'B' appended to these rules before drawing the amount so sanctioned. The Deputy Registrar of co-operative societies (General) concerned shall contain and keep the agreement under safe custody.
16. The Government may be an Order and for reasons to be recorded in writing exempt any society from any of the provision of these rules.
17. The Deputy Registrar (General) will execute the agreement for and on behalf of the Government of Kerala in this regard.

B. S. S.
Secretary

U. S. S.
President

Committee Members

Bigu - C. B. Kumar.
Mony - Mony.