

F. No. L- 11015/146/2015-L&M
Government of India
Ministry of Agriculture & Farmers Welfare
Department of Agriculture, Cooperation & Farmers Welfare
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OFFICE OF THE CENTRAL REGISTRAR OF CO-OPERATIVE SOCIETIES

Krishi Bhawan, New Delhi,
Dated the: 14th December, 2016

Notice

Chief Promoter of **Travancore Multi State Cooperative Credit Society Ltd., P.R. Smaraka Buildings, Adoor, Pathanamthitta District, Kerala State, Pin Code-691523** has submitted a proposal for registration under the provisions of MSCS Act, 2002.

On scrutiny, following deficiencies have been found in the proposal:-

- a) In Form No. 1, reasons given by the society for its registration under MSCS Act, 2002 do not seem to be on merit and it can be registered and function under the State Act to achieve the objectives of the society.
- b) Project report is not satisfactory. In the first year itself, the society has proposed to receive share capital of Rs. 80 lakhs and whereas, the bank certificate shows the credit balance of Rs. 1,27,011/- which includes admission fees also. Further, all the activities proposed in the project report are not included in the projected income & expenditure account. It is not clear from the proposal how the society at the first year itself received such a huge share capital of Rs. 80 lakhs.
- c) In the project report, further, the projected income shows Rs. 3.75 lakh income at the first year, Rs. 46.35 lakh in the second year and Rs. 73.50 lakh in the third year and whereas expenditure shows Rs.2.10 lakh in the first year, Rs. 9.00 lakh in the second year and Rs. 10.50 lakh in the third year leaving surplus of Rs. 1.65 lakh in the first year, Rs. 37.35 lakh in the second year and Rs. 63.00 lakh in the third year which is exaggerated and therefore, the income & expenditure statement is not prepared on real time basis supported by facts and figures which proves the viability of the society. Further, in the project report the profit appropriation as required u/s 63 of the Act has not been provided in the projected financial statements.
- d) In the project report, it has been stated that they admit member in Adoor in Pathanamthitta District of Kerala and whereas, membership has been drawn from more than one district in Kerala.
- e) In the membership list of Kerala and Tamil Nadu, full addresses of members have not been provided as required under Form No. I of the Act.
- f) In the membership list of Kerala, S.No. 37 has been left blank.
- g) As per the membership list, membership has been drawn only in two districts and whereas, in bye-law No. 1(iv), area of operation of the society is extended to the whole State of Kerala and Tamil Nadu. A
- h) As per membership list, total amount collected towards share capital & admission fee is around Rs.1,15,500/-, whereas, the certificate of bank shows credit balance in favour of the society as Rs. 1,27,011/-.
- i) The objectives and functions are vast in bye-law No. 3 and the same have to be restricted only to members at the time of registration and confine to only credit activities with members only.

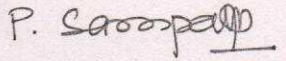
- j) The proposed society is a credit society and whereas, many objectives and functions which are not related to credit activities have been proposed in bye-law No. 3 and proposed to undertake multifarious activities for which NOC is required from the concerned RCS where the society proposed as area of operation as per the existing guidelines.
- k) The proposed society is a credit society and whereas, provision has been made in bye-law No. 5 that multi-State cooperative society, cooperative societies, Central/State Government, NCDC and other institutions have been proposed as members.
- l) In bye-law No. 7, the minimum qualifying share to become a member of the society has not been provided.
- m) In bye-law No. 8, the proviso as required u/s 25(4) of the MSCS Act, 2002 has not been provided.
- n) Bye-law No. 15 is not in consonance with the provision of section 30 of the Act.
- o) Bye-law No. 17(B) is not consistent with the provision of section 37(1) of the Act.
- p) In bye-law No. 18, the authorized share capital is very high at the time of registration of the society.
- q) Bye-law No. 19(ii) is not consistent with the provision of section 33 of the Act.
- r) Bye-law No. 30 is not framed properly and mention of section 11 of the Act has only been made.
- s) Bye-law No. 32(C) is not framed properly and not consistent with Election Rule 1(f) of Election Schedule annexed with the MSCS Rule, 2002.
- t) Overall, bye-law No. 34 is not framed properly and the provision made for functional director and nominated directors are not in consonance with the provisions of the Act.
- u) Bye-law No. 35(ii) is in contravention to the provision of the Act. Meetings of the Board shall be held within the area of operation of the society and not as proposed by any other places as decided by the board.
- v) The provision made in bye-law No. 36(ii) is in contravention to the provision of section 48 of the Act.
- w) The provision made for functional directors in bye-law No. 42 is in contravention to the provision of section 41 of the Act.
- x) In bye-law No. 45, the details of deposits to be collected and its terms and conditions and other details have not been provided.
- y) In bye-law No. 46, various loans and advances to be given to members and its terms & conditions and other details have not been provided.
- z) The provision made in bye-law No. 59 is not made properly in consonance with the provision of acts & rules.
- aa) In the bye-laws, no provision has been made for the following :-
- Filing of returns
 - Association of employees in management decision making process
 - Educational course for members

- bb) Since the Society is a credit Society, the functions of the Society are of credit/multi-purpose and Bye law Nos. 26(iii) & 45 relates to credit, the **following documents have been made mandatory for the proposed credit/multi-purpose society to submit along with their proposal of registration, which are not enclosed by the Society:-**
- i. No Objection Certificate from the RCS of the States or the UTs concerned where the proposed area of operation of the society extends;
 - ii. Verification Certificate of the background and other credentials of the Chief Promoter and other Promoters duly certified by the RCS of the State where the Registered Office of the society is proposed to be located.
- cc) The Society has submitted a photocopy of the resolutions.
- dd) In Bye-law no.2, the definition of the Society is not mentioned.
- ee) The word "At Least" is required to be deleted from the bye law no. 5(v).
- ff) Bye-law no. 22(i) is vague as shares can be transferred to members only.
- gg) In bye-law No.48B(ii), the privileges to be given to the members has not been specified.

In view of the above deficiencies, you are hereby called upon to show cause as to why the registration of the proposed society in the name **Travancore Multi State Cooperative Credit Society Ltd., P.R. Smaraka Buildings, Adoor, Pathanamthitta District, Kerala State, Pin Code-691523** under the Multi-State Cooperative Society Act, 2002 and the rules made thereunder shall not be refused. The Chief Promoter of the society or in his absence any promoter member authorised by him is called upon to appear before the Central Registrar of Cooperative Societies on **28/12/16 at 10-00 A.M. in Room No. 224, Krishi Bhawan, New Delhi.**

If none appears for hearing, it would be presumed that you have nothing to say in the matter and accordingly appropriate order shall be passed, ex-parte.

This issues with the approval of Central Registrar of Cooperative Societies.


(P.Sampath)
Director (Co-operation)

To

Chief Promoter (Smt. R. Zeena),
Travancore Multi State Cooperative Credit Society Ltd.,
P.R. Smaraka Buildings, Adoor, Pathanamthitta District,
Kerala State, Pin Code-691523