To safeguard the rights of depositor/members of multi-State Cooperative Societies, various measures have been introduced through Multi-State Cooperative Societies (MSCS) (Amendment) Act & Rules, 2023

प्रविष्टि तिथि: 31 JUL 2026 1:28PM by PIB Delhi

Cooperative Societies registered under the provisions of the Multi-State Cooperative Societies (MSCS) Act, 2002, function as autonomous cooperative organisations and are accountable to their members.

The MSCS Act, 2002 provides for provisions related to inquiry, inspection, winding up of societies, appointment of liquidators, offences, penalties and cognizance of offences. Whenever a complaint discloses the commission of cognizable offences such as fraud, cheating or criminal breach of trust under the applicable laws, the matter is referred to the concerned State Police, Economic Offences Wing (EOW), Central Bureau of Investigation (CBI) or other competent investigating agencies, as the case may be, for investigation and prosecution in accordance with law.

Recovery of the assets and realization of dues of societies under liquidation are undertaken by the Liquidator in accordance with the provisions of MSCS Act, 2002 and the applicable rules. Investigation and prosecution in criminal matters are undertaken by the competent investigating agencies and courts under the applicable criminal laws. The Office of the Central Registrar extends necessary cooperation by furnishing records, documents and other information whenever sought by the investigating agencies or courts.

To safeguard the rights of depositor/members of multi-State Cooperative Societies, various measures have been introduced through Multi-State Cooperative Societies (MSCS) (Amendment) Act & Rules, 2023, including:

i. Co-operative Ombudsman has been appointed by Central Government to provide a mechanism to address grievances of members and Information Officer has been appointment by multi-State cooperative societies to improve transparency.

ii. Audit and accounting framework has been strengthened through introduction of concurrent audit, determination of uniform accounting and auditing standards and laying of audit reports of Apex multi-State cooperative societies in the Parliament.

iii. Measures to improve governance and transparency, including disclosure of non-unanimous Board decisions in annual reports, additional grounds for disqualification of directors and restrictions on directors from participating in matters where they or their relatives have a conflict of interest have been introduced.

iv. Prudential norms (liquidity, exposure, etc.) for multi-State Cooperative Societies engaged in the business of thrift and credit have been determined and provisions relating to investment of funds to ensure safer investments have been redefined.

v. Regulatory oversight has been strengthened by empowering the Central Registrar to conduct inquiry into fraudulent or unlawful functioning.
vi. Provision has been introduced for winding up of societies where registration was obtained through fraud or misrepresentation, after following due process.
vii. Measures have been introduced to protect the collective interests of societies, including increasing the minimum period of expulsion of expelled members from one year to three years.

This information was given by MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF LAW AND JUSTICE; AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS Shri Arjun Ram Meghwal in a written reply to a question in Lok Sabha today.

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Samrat/Pranab/Sagar

(रिलीज़ आईडी: 2292281) आगंतुक पटल : 409
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