

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO.803
TO BE ANSWERED ON 14/12/2022

Weak Grievance Redressal Mechanism of Credit Societies

803 # SMT. PHULO DEVI NETAM:

Will the Minister of **Cooperation** be pleased to state:

- (a) whether it is a fact that the Central Registrar of Cooperative Societies does not have any office or officer at the State level;
- (b) whether it is also a fact that there is no mechanism in place for redressal of State level Complaints;
- (c) whether it is also a fact that due to a weak grievance redressal mechanism, Credit Societies have run many ponzi schemes which have resulted in loss to the public; and
- (d) the action plan being formulated by the Centre in this regard and the details of the directives being given to the States?

ANSWER

MINISTER OF COOPERATION
सहकारिता मंत्री (SHRI AMIT SHAH)

- (a) The powers of Central Registrar to conduct inspections of Multi-State Co-operative Societies under Section 108 and to appoint arbitrator under Section 84 of the Multi State Cooperative Societies Act, 2002 have been delegated to Registrar of Cooperative Societies of all States/ UTs, who act on behalf of the Central Registrar. On receipt of inspection report from the State Registrar of cooperative societies, action is taken by the Central Registrar as per the provisions of the Multi State Cooperative Societies Act, 2002 and Rules made there under.
- (b) In case of complaints against societies registered at the State level under the respective State Cooperative Societies Act, action is to be taken by the State Registrar concerned as per the respective Act/ Rules.
- (c) Multi-State Co-operative Societies registered under the provisions of the Multi State Cooperative Societies Act, 2002 function as autonomous cooperative organizations accountable to their members. Whenever, complaints are received against any of the Multi-State Cooperative Societies for violation of MSCS Act or Rules or non-repayment of deposits on maturity, action is taken as per the provisions of MSCS Act, 2002 and Rules made there under. The Central Registrar has already initiated process of liquidation of 45 multi-State Credit Cooperative Societies.
- (d) Additional 64 posts have been created to strengthen office of the Central Registrar. The office of Central Registrar is also being computerized to strengthen the monitoring of multi-State cooperative societies. A bill to amend the Multi-State Cooperative Societies Act 2002 has also been introduced in the Parliament, which will strengthen the monitoring of the multi-State cooperative societies. Regarding directives to the States, the State Registrar of Cooperative societies function as per their respective Act and Rules.
