

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 2961
TO BE ANSWERED ON 26th MARCH, 2025

Benefits to the members of National Cooperative Exports Limited (NCEL)

2961 # Shri Rambhai Harjibhai Mokariya:

Will the Minister of COOPERATION be pleased to state:

- (a) whether there is a provision of distributing dividends among the members of the National Cooperative Exports Limited (NCEL); and
(b) if so, the details thereof?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) to (b) Yes sir, Ministry of Cooperation has set up a new national level multi-state cooperative export society under the MSCS Act, 2002, namely National Cooperative Exports Limited (NCEL) as an umbrella organization to give thrust to exports from cooperative sector. The byelaws of the society provide for determination of benefits to members as under:

- (i) Chapter 5, clause 55 (2) (a) of byelaws states the following:
“After making appropriation of net profit under preceding sub-clause, the General Body on the recommendations of the Board may appropriate the balance of the net profit for all of any of the following purposes, -
Shall aim to pay dividend to members of their paid up share capital at the rate of up to 20 per cent provided that if owing to shortfall in the undistributed net profit in a year, the dividend could not be paid at the specified rate, the General Body may decide a lesser rate on which the dividend shall be paid to members.”
- (ii) Clause 58 of the byelaws provides the details of dividend distribution, which are as follows:
(1) The dividend declared shall be paid to the member whose name stands as registered shareholder in the books of the Society on the last day of the co-operative year to which the dividend relates.
(2) Any dividend remaining unclaimed for three years after having been declared may be forfeited by the Board and shall be carried to the Reserve Fund of the Society.
(3) Unpaid dividend shall be payable on application provided the same has not been forfeited.
(4) Dividend shall be proportionate to the amount paid on shares and the period in whole months for which the amount stood to the credit of the shareholder.”

In Financial Year 2023-24, NCEL distributed dividends to members against their paid-up share capital at the rate of 20 percent.
