

Lesson 17: Multi-State Co-operative Societies, 2002

1. Multi State Co-Operative Society

Definition of 3(h) of Multi-State Cooperative Societies Act, 2002	“Co-operative society” means a society registered or deemed to be registered under any law relating to cooperative societies for the time being in force in any State
Pre-requisites for Multi-state Cooperative Societies Registration	<p>No multi-state cooperative society shall be registered under this Act, unless:</p> <p>(a) its main objects are to serve the interests of members in more than one state; and</p> <p>(b) its bye-laws provide for social and economic betterment of its members through self-help and mutual aid in accordance with the cooperative principles.</p> <p>Note: The word “limited” or its equivalent in any Indian language shall be suffixed to the name of every multi-state cooperative society registered under this Act with limited liability.</p>

2. Benefits of Multi State Co-Operative Society

1. Multi State Co-Operative Society (MSCS) provides loans at reasonable rates of interest to the poor.
2. MSCS can function Pan India as they can start branches in different districts and states.
3. MSCS have low compliance costs.
4. Multi State Co-operative Credit Society belongs to its members who are at the same time the owners and the customers of their society.

3. Registration of Multi State Co-Operative Society

Application for Registration (Section 6)	<ul style="list-style-type: none"> • An application shall be made to the Central Registrar in such form and with such particulars as may be prescribed. • The application shall be signed: <ul style="list-style-type: none"> a) in the case of a multi-state cooperative society of which all the members are individuals by at least fifty persons from each of the state concerned; b) in the case of a multi-state cooperative society of which the members are cooperative societies by duly authorised representatives on behalf of at least five such societies as are not registered in the same state; and c) in the case of a multi-state cooperative society of which another multi-state cooperative society and other cooperative societies are members, by duly authorised representatives of each of such societies. However, not less than two of the cooperative societies referred to in this clause shall be such as are not registered in the same state. d) In the case of a multi-state cooperative society of which the members are cooperative societies or multi-state cooperative societies and individuals by at least: <ul style="list-style-type: none"> ▪ Fifty persons being individuals from each of the two states or more; and ▪ One co-operative society each from two states or more or one multi-state cooperative society. • The application shall be accompanied by four copies of the proposed bye-laws of the multi-state cooperative society and the persons by whom or on whose behalf such application is made shall furnish such information in regard to the society as the Central Registrar may require.
Registration (Section 7)	<p>If the Central Registrar is satisfied:</p> <p>(a) that the application complies with the provisions of this Act and the rules;</p> <p>(b) that the proposed multi-state cooperative society satisfies the basic criterion that its objects are to serve the interests of members in more than one state;</p> <p>(c) that its bye-laws provide for social and economic betterment of its members through self-help and mutual aid in accordance with the co-operative principles;</p> <p>(d) that the proposed bye-laws are not contrary to the provision of this Act and the rules, he may register the multi-state cooperative society and its bye-laws.</p> <p><i>Note: The application for registration shall be disposed of by the Central Registrar within a period of four months from the date of receipt thereof by him.</i></p>
Registration Certificate (Section 8)	<p>Where a multi-state cooperative society is registered under this Act, the Central Registrar shall issue a certificate of registration signed by him which shall be conclusive evidence that the society therein mentioned is duly registered under this Act unless it is proved that the registration of the society has been cancelled.</p>

4. Checklist regarding documents to be submitted with the proposal for the Registration of a Multi State Co-operative Society

1. An application in Form -1 should be filed with the Central Registrar of Cooperative Societies, New Delhi along with the following enclosures:
 - A certificate from the bank stating credit balance there in favour of the proposed multi-state co-operative society.
 - A scheme explaining how the proposed multi state co-operative society has reasonable prospects of becoming a viable unit.
 - Four copies of bye-laws in original.
 - Proposed area of operation for registration shall initially be permitted for two contiguous states only.
 - Contact number and e-mail address of the Chief Promoter or Society on cover page.
 - Certified copies of the resolutions passed by the proposed society along with the certified copy of the resolution of the promoters which shall specify the name and address of one of the applicant(s) to whom the Central Registrar may address correspondence under the rules before registration and dispatch or hand over registration documents.
 - List of at least 50 members from each state. The list has to be submitted in the format annexed with the Multi State Cooperative Societies Act, 2002 along with the copies of ID proofs of the members duly attested by Chief promoter.
2. For societies having objects related to thrift and credit and for multi-purpose societies following additional documents are required to be submitted along with documents mentioned at point [1] above:
 - No Objection Certificate from the Registrar of Cooperative Societies of the States/U.T. where the area of operation of the society is proposed to be confined.
 - A certificate to the effect that the credentials of the Chief Promoter/Promoters have been verified by the Registrar of Co-operative Societies of the state where the head office is proposed to be located.

Note: All documents to be submitted in original with the signatures of the Chief Promoter/Promoters on each page.

3. **Signing of such application by:**
 - In the case of a Multi-state Cooperative Society of which all the members are individuals by at least fifty persons from each of the states concerned.
 - In case the members are Cooperative Societies by duly authorised representatives on behalf of at least five such societies as are not registered in the same state.
 - In case the members are other Multi-State Cooperative Societies and other Cooperative Societies by duly authorised representatives of each of such societies. However, not less than two of the co-operative societies shall be such as are not registered in the same State.
 - If the members are cooperative societies or multi-state Cooperative societies and individuals by at least:
 - (i) fifty persons being individuals from each of the two states or more and;
 - (ii) one co-operative society each from two states or more or one Multi-state Co-operative society.

