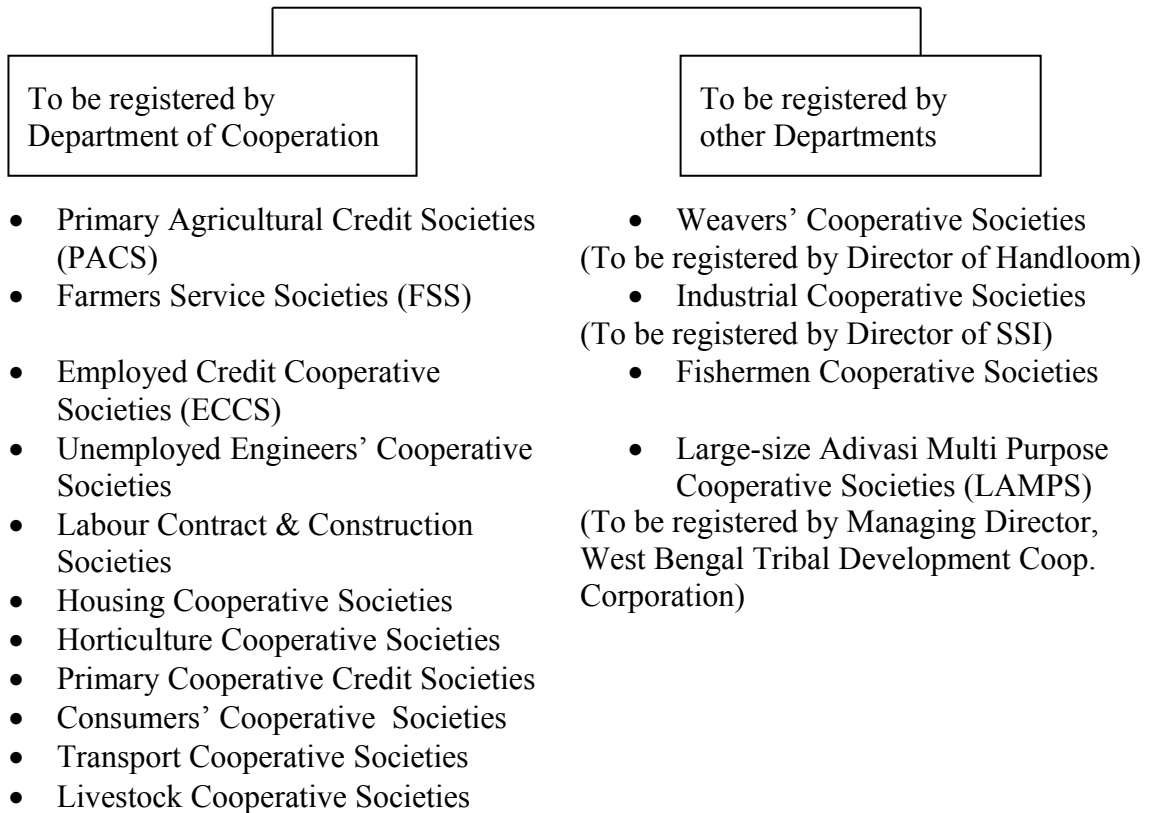


REGISTRATION OF COOPERATIVE SOCIETY AND AMENDMENT OF BYE-LAW

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1.1

PRIMARY COOPERATIVE SOCIETIES

Registration of a cooperative society mainly the bye-laws framed by proposed cooperative society being formally accepted and sanctioned by the Register on behalf of the State Government. Please note that the word 'Register' shall mean 'Assistant Register of Cooperative Societies' of respective district or "Deputy Register of Cooperative Societies" of respective zone.

A society will be registered only after proposal for registration is forwarded by the Inspector of Cooperative Societies with his recommendation to the Register. Entry point norms for different categories of cooperative are different. But it should be noted that the norms may vary time to time as per order of the Register of Cooperative Societies. While forwarding a proposal, the Inspector should see that the following conditions are fulfilled-

- the area of membership of the society should be contiguous, the unit being Ward (Municipality/Corporation Area) and Gram Panchayat;
- no member of the society should be involved in the same category of business which the society intends to do ;
- members of a society should belong to the same class and occupation;
- category of membership should be strictly adhered to (i.e. men cannot members of women' cooperative and so on);
- no apex or central society will be registered unless it has among its applicants at least six primary societies;
- every society should use the word 'Limited' at the end of the name of the society; and,

- ‘area of membership’ as per convention, of two similar types of societies should not overlap.

1.2 LIST OF ORGANIZATION PAPERS: GENERAL

Some of the organization papers are common as far as registration of societies is concerned. A list of such papers are given below-

- 1) Application in Form – 1;
- 2) Bye-laws;
- 3) Resolution of list organization meeting (refer 1. 3.1)
- 4) Consent letter from the financing bank, if any;
- 5) List of share holders (See PROFORMA);
- 6) Challan of suspense deposit of share money and admission fee to the nearest branch of District Central Cooperative Bank Ltd;
- 7) Consent letter for office accommodation and business premises;
- 8) Tentative cash account showing all income and expenditure updated till the date of submission of organization paper;
- 9) Tentative budget for three years (surplus should be generated at the end of each year);
- 10) Scheme (of work/business) vetted by the appropriate authority;
- 11) A certificate (if necessary) from the neighboring cooperative society stating that the promoter members have no dues;
- 12) Residential proof of all the members;
- 13) A forwarding letter from the Chief Organizer, submitted to Register through Inspector of Cooperative Societies concerned;
- 14) One set of the organization papers should be submitted to the respective District Cooperative Union, proper receipt of which is to be included in the set of organization papers would be submitted to the Register;
- 15) Finally the organization papers would be submitted with comments of Inspector of Cooperative Societies, specifying-
 - a) viability aspect of the proposed society;
 - b) how many societies of similar type already exist there; and
 - c) performance of the existing societies.

Name	No of share purchased	Value of each share	Admission fees	Total Value

List of Share-Holders

1.2.1 Resolution of first organization meeting

In the first organization meeting, the following points should be discussed and adopted unanimously-

- name;
- registered address;
- area of operation;
- area of membership;
- admission fee, value of each share (both of 'A' class and 'B' class), and total value of authorized share capital;
- first Board of Directors (number of directors to be elected in a Board shall not be less than six or more than fifteen; but where a society has less than twelve members, the number of directors shall not be less than three or more than six);
- authorizing three persons for operation of bank account and for putting signature in the registration proposal;
- selection of Chief Organizer/Chief Promoter;
- adoption and approval of draft bye-laws;
- miscellaneous;

The proceeding of this meeting should be attested by the Inspector of Cooperative Societies concerned.

NOTE

Application forms and bye-laws may be purchased from West Bengal State Cooperative Union, 23A, N.S.Road, Kolkata-700001 or from respective District Cooperative Union.

1.3 LIST OF ORGANIZATION PAPERS : CATEGORYWISE

Employees Credit Cooperative Societies

In every establishment where there are 50 or more employees, Employees Credit Cooperative Society may be organized. The authority may register societies even with 15 members, but in that case he should be satisfied about its attaining viability in near future and in this regards the following point may be examined-

- present age of the establishment;
- strength of staff on date (permanent/casual), as only permanent employees are eligible to be member of an employees credit cooperatives society;
- scope of expansion of the establishment;
- source of fund, owned and borrowed (loan from cooperative banks, members' deposit, any other source – to be specified);
- facilities or concession of any kind, as may be found available from the employer in the form of office accommodation/managerial assistance/subsidy/interest free loan/interest bearing loan/any other item; and,
- whether collateral securities may be available from the borrowing members, if occasion so demands.

All the primary school within a circle (i.e. administrative units of Department of Education) may form a society. Two Junior High Schools of adjacent area may also form a society jointly. In case of an employees credit cooperative society amongst the primary teachers, some more points are to be examined-

- the actual drawing and disbursing authority should be so ascertained that necessary deduction of loan installment and thrift fund deposits from salary bill is ensured;
- unyielding area of operation should be avoided; and,
- the promoter members of societies formed by primary teachers shall be required to state if he/she is associated with any local service cooperative, and his/her performance towards repayment of loan may be examined.

While forming an employees credit cooperative society, contribution from each member on account of share capital should be at least Rs.50/- (Value of each share being Rs.10/-)

In addition to the common organization papers, following documents should be submitted for registration-

1. Employer's consent to arrange deduction from salary bills;
2. Approval order from respective Board (in case of High/Junior High School);
3. Declaration from the promoter members in respect of their membership/past membership with any other employees credit cooperative society must not be brought under membership unless he withdraws from the other society of which he is a member;
4. Certificate of the strength of staff to be given by the Secretary/Head of the Institution/Drawing & Disbursing Officer of the institution;
5. Certificate of the status of the promoter members given by above said authority;
6. Individual consent letter for deduction from the pay, if required;
7. No-due certificate in respect of the promoter members from neighboring cooperative society; and,
8. Pay statement of the promoter members.

UNEMPLOYED ENGINEERS COOPERATIVE SOCIETIES

Apart from the common ones, the following organization papers are necessary for formation of Unemployed Engineers Cooperative Society –

1. Three certificates from different work-awarding departments (Govt. /Semi-Govt.);
2. Photocopy of mark sheet / certificate (duly attested) of all members as proof of educational qualification;
3. Photocopy of employment exchange card (duly attested) of all members; and,
4. Affidavits in the Court/Notary Public in respect of individual a) name, b) qualification, c) domicile, d) age, and e) status of employment.

Minimum number of members required is 10, of each 60% must be engineers (degree/diploma holder) of any stream and remaining 40% may be graduates of any stream. They should belong to different families. It should also be noted that the minimum share capital to be collected is Rs. 10,000/-, while value of each share being Rs. 100/-.

LABOUR CONTRACT & CONSTRUCTION SOCIETIES

Minimum number of members required is 50, of which 70% must belong to SC/ST community. The minimum share capital to be collected is Rs. 20,000/- while value of each share being 10/-

The following papers are required in excess of the common ones –

1. Necessary certificate /evidence issued by appropriate authority that all members are genuine labours;
2. Duly attested photocopy of SC/ST certificate in respect of SC/ST members;
3. Consent letter for storeroom accommodation;

4. Three certificates from different work-awarding departments (Govt. / Semi-Govt.); and;
5. A business projection report mentioning the following points – a) it is financially capable to execute work worth Rs. 50,000/- p.m.; b) it is capable of providing work to all its members for at least 200 days a year; c) it is capable of appointing a full time manager at a minimum cost of Rs. 500/- p.m.; d) the society is capable of declaring dividend @ 6% p.a.

The proposed society should be capable of achieving the above mentioned objects/norms within a period of 3 to 5 years from the date of its organization.

HOUSING COOPERATIVE SOCIETIES

A Housing cooperative society may be formed with minimum eight promoter members. In a cooperative housing society, the number of members shall not exceed the total number of plots, houses or apartments develops by the society to be allotted to members under any scheme or project of such society., As such a plot of land is to be selected in such a size so that at least eight plots/flats may be arranged therein for allotment of one plot/flat to each member. An agreement is to be made with the owner of the land selected, where by he will convey his intention and promise to transfer such property in favour of the proposed society when registered. Such agreement should be made in the name of the proposed society. Permission from Urban Land Ceiling Authority should be obtained, in case the land is situated within the area under jurisdiction of Urban Land Ceiling Act or its agglomerated area. In case the government or government- sponsored institution be the owner (e.g. HIDCO), a consent letter is to be obtained from it.

The value of each share should be fixed at Rs. 100/- and every intending member should at least hold one share. The cost of any land (including its development cost) or the cost of any house or apartment on such land built by a housing society shall be appreciated in such manner as may be decided by the board.

And finally, the name of the proposed society should be approved by the Registrar.

Following papers to be collected form each promoter—

1. Two recent passport-size photographs.
2. Income tax clearance certificate, professional tax clearance certificate and salary certificate (in case of persons employed by others);
3. Affidavit to be sworn before Magistrate or Notary Public and,
4. Application from in respect of each of the members.

The agreement with the landlord and also the project to be undertaken by the proposed society should be considered and adopted in the first organization meeting. A Chief Promoter should be selected from amongst the intending members in this meeting, who will be responsible for submission of the papers to the registering authority. The first Board of directors including Chairman, Vice-Chairman and treasurer will also be elected.

In addition to the common organization papers and the papers already mentioned, there are other documents which should be submitted for registration-

1. Details of the land (title deed, search report and record rights) on which the society is going to be registered;
2. A copy of the scheme with building plan in blue print. Informations like the number of plots/flats, garages, office accommodation, and estimate of the total cost of project unit wise rate per sq.ft./sq.mt. should be given in details;

3. Bank balance certificate;
4. Declaration by the Chief Promoter that he has obtained application for membership from all intending members, and his declaration to the following effect-
 - # that he has not acted as Chief Promoter/promoter of any other housing cooperative society other than the proposed one;
 - # that the proposed society will not sponsor any other project; and;
 - # that he will furnish addition information as may be required by the registering authority.

Even after the society gets registered, inclusion of any new member to the society will be possible after getting necessary approval from the registering authority.

There is a provision of joint-membership in a housing cooperative society. Joint member means any one of pairs viz (a) husband and wife, (b) father and son or unmarried daughter and (c) mother and son or unmarried daughter, admitted jointly to the membership of a society.

AFFIDAVIT OF PROMOTOR-MEMBER

I, Sri/Sm. _____
 Son/unmarried daughter/wife of Sri _____
 by occupation _____ at present residing at _____
 _____ Post office _____ Police Station _____
 _____ in the district of _____

do hereby solemnly affirm and declare as follows :-

1. That I do not own a house/a flat/an apartment/a building/a of any member of my family in the City/Town/Village of _____ in which the _____ is going to undertake or has already undertaken construction of the project.
2. That I am citizen of India and permanent resident in the state of West Bengal.
3. That I intend to be a member of _____ (name of the proposed society) for the purpose of owning a house/a flat/a tenement/building/a building site/a land in the housing project of the society only for the residential accommodation of myself and the members of the family.
4. That I am not a member of any other cooperative Housing Society in West Bengal.

That the statement made in paragraph 1 to 4 of the foregoing affidavit are true to the best of my knowledge and belief.

(Signature of the deponent)

Read over and explained the conduct to the deponent in English and admitted to be correct. The deponent identified by me and he/ she has signed in my presence.

(Signature of the Advocate)

LIST of LAND-HOLDER

PRIMARY COOPERATIVE CREDIT SOCIETIES

On the basis of promotion criteria, the Primary Cooperative Credit Societies may be considered for registration on fulfillment of the minimum share capital and membership requirement as noted under-

Types of centers	Entry point norms	
	Share Capital (in lakhs)	Members
Metropolitan area with Population of 10lakh and above	8.00	2000
Urban area with population 1 lakh to 10 lakh	4.00	1500
Semi Urban area with Population 10 thousand to 1 lakh	2.00	1000

Each proposed cooperative society shall furnish a Development Action plan for five year as per specific proforma . The society shall not raise any share capital or submit other organization papers until the proposal submitted in the mentioned proforma is approved by the Register.

Following are eligibility criteria are prescribed for the organizer-members of the proposed society-

- there should be at least two directors with suitable social/cultural back ground as also with relevant professional background;
- the organizer-members should not be defaulters to any financial institution;
- there shall be no criminal case against the organizer-members;
- they should not associated with any cheat fund or any other cooperative bank.

Proforma of the reports to be submitted by the promoters in connection with organization of new Primary Cooperative Credit Society.

1. (a) Name of the proposed
Pry.Coop. Credit Society

(b)Name of the District

2. Proposed area of operation (i) Name/s of

Metropolitan/
Urban/Semi-Urban
Area(s)
(ii)Population *

3. Particulars of proposed registered/head office Place Population

4. Occupation-wise classification of population at Headquarters

Town

i) Household Industry
(Manufacturing,
Processing, Servicing
and repairing.)

ii) Other workers

iii) Marginal workers

iv) Non-workers

v) Salary-earners

* As per census report.

5. Initial		At the end of					
		1 st year		3 rd year		5 th year	
No. of Members	Share Capital	No. of Members	Share Capital	No. of Members	Share Capital	No. of Members	Share capital
i)Artisans and small Industrial Units							
ii)Small traders and business							
iii)Small road and water transport operators							
iv)Daily and Poultry Units.							
v)Professionals							
vi)Salary-earners							
vii)Other (specify)							

Please note that actual enrolment of members and collection of share capital is not to be done until the proposal is approved by the Assistant Register of Cooperative Societies of respective range.

6. Give details of any proposed development in the above place such as establishment of industrial estate.
7. Nos of branches, deposits volumes of advances of existing banks, at the headquarters town as on :..... (Rs. in lakhs)

State Banks			Commercial Bank			State Cooperative Bank			Regional Rural Bank		
No. of Branches	Deposits	Advances	No. of Branches	Deposits	Advances	No. of Branches	Deposits	Advances	No. of Branches	Deposits	Advances
A	B	C	a	b	C	a	b	c	A	b	c

8. Estimate of Deposits : (Rs. in lakhs)

At the end of
1st year 3rd year 5th year

Type of Deposits

- (1) Savings
- (2) Term deposits.

TOTAL:

9. Estimate of Advances:

Category	At the end of		
	1 st year	3 rd year	5 th year

- i) Artisans and industrial units.
- ii) Small traders and businessmen
- iii) Small road and water transport operators
- iv) Professionals
- v) Salary earners
- vi) Dairy and poultry units
- vii) Other (specify)

Total

10. Considering the existing banking facilities, trade, commerce, industry and in the area.

- a) What is the justification for
for one more society in the area?

- b) Why you feel that the credit gap
Cannot be met by the exiting
Banks by opening branches.

11. Do you think that there are
reasonable chances of the
proposed society becoming
viable within three year.

12. Particulars of important promoters
(likely to be nominated/elected
to the Board of Directors).

Name	Address	Occupation	Name of the banks from whom banking facilities, if any, are availed presently.	Experience if any, in cooperation, banking etc.	Connection to if any, other coop./special organization etc.

13. Please attached a copy of the
bye-laws proposed to be
adopted.

In regards to bio-data of the organizer-members, another proforma should be submitted with the proposal. The proposal containing bio-data of the organizer-members and other 'common' organization papers will be submitted to be Registrar, if he accords necessary permission for organization primary Cooperative Credit Society.

Proforma for Bio-data of Promoters

- i) Name in full :
- ii) Date of birth and age :
- iii) Address :
- (a) Office
- (b) Residence
- iv) Educational Qualification
- v) Particulars of banking and/
or other professional
experience/connection with
any cooperative and
commercial banks/societies :
- vi) Give particulars of
socio economic activities

To be registered by Department of
Cooperation

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To be registered by other
Departments

in the cooperative and other
fields

- vii) Whether a defaulter in
repayment of dues either
as a borrower or as a surety
to another borrower
member of another
cooperative society/banks?

I hereby declare that particulars given above are true by the best of my knowledge and belief. I further declare that I do not possess any of the disqualification *specified in the West Bengal Cooperative Societies Act '83 and Rules framed there under (or in the proposed bye-laws) debarring me from becoming member of managing Committee of Cooperative Society.

Place:

Signature: _____

Date: _____

CONSUMERS' COOPERATIVE SOCIETIES

Minimum number required is 100, coming from separate families and minimum share capital to be raised is to Rs. 3000/-

Other than the 'common' organization papers, a certificate from local Panchaet Pradhan / Municipal Commissioner stating that the organizer-members have not been running any ration shop-consumer business is required for organizing consumers cooperative society.

TRANSPORT COOPERATIVE SOCIETIES

Minimum number of members required is 10, coming from separate familiars. They must be driver/cleaner/helper of motor vehicles /bus/lorry etc. Minimum share capital required is Rs. 5000/-

Other than 'common' organization paper, the following papers are required to be submitted –

1. Photocopy attested of the Driving License and Certificate of helper/cleaner from competent authority;
2. Recommendation from the Regional Transport Authority; and,
3. Quotation for vehicle.

LIVESTOCK (EXCEPT DAIRY) COOPERATIVE SOCIETIES

Minimum number of members required is 50, out of which at least 10 per cent should have adequate knowledge in the trade with training under competent authority. Minimum share capital to be raised is Rs. 30,000/-.

Apart from the 'common' organization papers, following information are necessary for submission of the proposal—

1. Scheme/Project duly vetted by competent authority;
2. Survey report of the area of membership with emphasis on a) Location of the farm, b) marketing facility, and c) veterinary facility; and ,
3. Recommendations form Livestock Development Officers of block/ district level.

1.4 AMENDMENT OF BYE-LAWS

Bye-laws adopted by a cooperative society during the time of registration can be amended. It is possible to amend some clause of the existing bye-laws of the society, which is termed as partial amendment. If the society intends to change its old bye-laws and to function in entirely new frame of policy, complete amendment of the bye-laws is needed.

Decision of amending bye-laws can be taken either by the society itself, or by the Registrar (i.e. Assistant Registrar of Cooperative Societies too.) When the society intends to amend its bye-laws, a general meeting (annual/special) endorses this. Resolution regarding amendment shall be adopted by the two third of the members present in the meeting, the number being not less than one-third of the total number of members as on the register of members on the date of issue of notice of such general meeting. However the Registrar may register an amendment of bye-laws adopted by two-thirds of the members present by not comprising one-third of the total number of members, if for reason to be recorded in writing, he is satisfied that the amendment is in the interest of the society and it is impossible for the society to secure the attendance of one-third of the total number of members.

1.4.1 COMPLETE AMENDMENT OF THE BYE-LAWS

Papers required for complete of bye-laws are-

- application in form VIII to be signed by the Secretary and two director;
- resolution of such meeting in duplicate (to be attested by the Secretary of the society) which should clearly state that the proposal has been read and confirmed, and the new draft bye-laws have been read and adopted;
- two copies of draft bye-laws to be signed by the Secretary and two directors; and,
- application enclosed with the above- mentioned papers from the Secretary to the Registrar through the Inspector of Cooperative societies.
- Concerned Inspector of Cooperative Societies submits the proposal to the Registrar
- with his comments and recommendation.
- It is to be noted in this regard that where the society is a member of a central society or an apex society, a third a third set of the above-mentioned papers should be submitted.

1.4.2 PARTIAL AMENDMENT OF THE BYE-LAWS

Papers required for partial amendment of bye-laws are -

- application in form VIII to be signed by the Secretary and two director of the society;
- resolution of such meeting in duplicate (to be attested by the Secretary of the society) which should clearly state that the proposal has been read and confirmed;
- two copies of statement, neatly typed in fools cape white paper, to be signed by the Secretary and two directors; and,
- application from the secretary, enclosed with the above- mentioned papers from the Registrar through the Inspector of Cooperative societies.

Concerned Inspector of Cooperative Societies should submit the proposal to the Registrar with his comments and recommendation.

It is to be noted in this regard that where the society is a member of a central society or an apex society, a third a third set of the above-mentioned papers should be submitted.