GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1922
TO BE ANSWERED ON 17th DECEMBER 2025

MULTI-STATE COOPERATIVE SOCIETIES (MSCS) COMPLIANCE MONITORING

1922: SMT. GEETA ALIAS CHANDRAPRABHA:

Will the Minister of COOPERATION be pleased to state:

(a) whether the Ministry has reviewed compliance and governance performance under the amended Multi-State Cooperative Societies (MSCS) framework at the national level and if so, the findings regarding societies requiring enhanced oversight;
(b) whether the Ministry has examined the functioning of MSCS operating in the State of Uttar Pradesh, especially in sectors such as dairy, credit and housing, in relation to the new audit and transparency norms;
(c) whether district-level cooperative institutions have been considered for support in streamlining compliance workflows through dedicated facilitation desks and if so, the details thereof; and
(d) if not, the reasons therefor;

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) The Multi-State Cooperative Societies (MSCS) (Amendment) Act & Rules, 2023 have been notified on 03.08.2023 and 04.08.2023, respectively to strengthen governance, enhance transparency, increase accountability and reform electoral process, etc. in the Multi State Cooperative Societies by supplementing existing legislation and incorporating the provisions of Ninety-seventh Constitutional Amendment.

Reviewing compliance and governance performance of Multi-State Cooperative Societies is a continuous exercise. Whenever instances of irregularities in any Multi-State co-operative society (MSCS) come to notice, action is taken under the relevant provisions of Multi State Cooperative Societies Act, 2002 and rules made there under. To enhance the compliance and governance framework, the following steps have been undertaken:

i. To ensure democratic governance, Cooperative Election Authority set up under the provisions of MSCS Act, 2002 has already conducted 197 elections of Board of Directors and Office Bearers of Multi State Cooperative Societies till October 2025.

ii. To provide a mechanism to address grievances of members, Cooperative Ombudsman has passed 36 orders till 02.12.2025.

iii. All the Multi State Cooperative Societies have been instructed to appoint Cooperative Information Officer under section 106 of the Multi State Cooperative Societies Act, 2002 to improve transparency.

iv. Concurrent Audit has been introduced for Multi-State Cooperative Societies with turnover/deposits of more than 500 crore rupees from a panel of auditors approved by Central Registrar. Concurrent audit will ensure early detection of fraud or irregularities, if any, and accordingly prompt course corrections can be made. Following two panels of auditors for Multi-State Cooperative Societies have been notified:

1) Panel of auditors for multi-State cooperative societies having an annual turnover/ deposit (as the case may be) of up to five hundred crore rupees for carrying out Statutory Audit.
2) Panel of auditors for multi-State cooperative societies having an annual turnover/ deposit (as the case may be) of more than five hundred crore rupees for carrying out Statutory and Concurrent Audit.

v. A provision has also been introduced for determination of accounting and auditing standards for multi-State cooperative societies by Central Government.

vi. For Strengthening Annual Reporting Requirements, every multi-State cooperative society shall file its annual returns with the Central Registrar through the online CRCS portal under section 120A of the Act, within six months from the close of the accounting year, containing the following information prescribed under section 120 of the Act:

i. annual report of the activities including details of board decisions which were not unanimous;
ii. audited statements of accounts;
iii. plan for surplus disposal as approved by the general body;
iv. list of amendments to the bye-laws of the multi-State co-operative society;
v. declaration regarding date of holding of general body meeting and conduct of elections where due;
vi. disclosure regarding employees who are relatives of Members of board;
vii. declaration of any related party transactions by the board of directors; and
viii. any other information required by the Central Registrar in pursuance of any of the provisions of this Act or the rules made there under.

Non-submission of such returns may constitute a ground for disqualification under the provisions of section 43 of the Act

vii. So far, 113 Multi State Cooperative Societies (including banks) have been put under liquidation due to non-compliance, mismanagement, irregularities, or as per statutory provisions.

(b) Yes Sir. Out of 200 registered Multi-State Cooperative Societies in the State of Uttar Pradesh, 13 societies are under liquidation and Registrar of Cooperative Societies, Government of Uttar Pradesh has been asked to give report in respect of 1 Multi-State Cooperative Society.

Further, as per the National Cooperative Database (NCD) as of 15.11.2025 there are 40,493 number of primary cooperative societies in Uttar Pradesh, out of which 22,650 societies are functional. The sector-wise details of cooperative societies of Uttar Pradesh are annexed.

(c) No Sir.

(d) Does not arise.

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Annexure-I

Sector-wise total and functional cooperative societies in Uttar Pradesh

S.No	Sector	Total No. of societies	Total functional societies
1.	Agriculture & Allied Cooperative	1,240	718
2.	Agro Processing / Industrial Cooperative	1,829	115
3.	Consumer Cooperative	1,006	475
4.	Credit & Thrift Society	2,255	1,187
5.	Dairy Cooperative	16,022	7,559
6.	Educational & Training Cooperatives	6	6
7.	Fishery Cooperative	1,589	1,266
8.	Handicraft Cooperative	26	0
9.	Handloom Textile & Weavers Cooperative	1,814	886
10.	Housing Cooperative Society	3,247	1,234
11.	Khadi Gramodyog	148	148
12.	Labour Cooperative	551	138
13.	Livestock & Poultry Cooperative	19	0
14.	Marketing Cooperative Society	1,809	895
15.	Miscellaneous Credit Cooperative Society	6	6
16.	Miscellaneous Non Credit	70	7
17.	Multipurpose Cooperative	129	69
18.	Primary Agricultural Credit Society (PACS)	8,440	7,756
19.	Sericulture Cooperative	88	87
20.	Social Welfare & Cultural Cooperative	2	1
21.	Sugar Mills Cooperative	27	27
22.	Tourism Cooperative	1	1
23.	Transport Cooperative	85	6
24.	Urban Cooperative Bank (UCB)	56	51
25.	Women Welfare Cooperative Society	28	12
	Total	40,493	22,650

Source: NCD portal as of 15.11.2025.