

**REVISED GUIDELINES FOR PROMOTION, ORGANISATION AND
REGISTRATION OF COOPERATIVE SOCIETIES IN MEGHALAYA**

The provisions of the Meghalaya Cooperative Societies Act, 2015 (Act No.11 of 2015) with regard to formation and registration of Cooperative Societies are briefly mentioned as under:-

A Cooperative Society is formed basically with an objective to promote the economic interest or general welfare of its members or of the public through self-help and mutual-help in accordance with Cooperative Principles, creating the quality of credit worthiness among agriculturists/artisans and other persons with common economic needs so as to bring about a higher standard of living, better business, better method of production, equitable distribution and exchanges. Or a Cooperative Society established with an object of facilitating the operation of any cooperative society including a cooperative society formed by the division or amalgamation of existing two or more cooperative societies may be registered under the provisions of the Meghalaya Cooperative Societies Act, 2015. If it is found that the declared objectives are unlikely to be achieved or if it is economically unsound or if it may have an adverse effect on any registered cooperative society within the same village/adjointing villages or the Cooperative Movement as a whole, such cooperative society shall not be registered.

Keeping in view the above statutory requirements and with a view to ensure a healthy growth of Cooperative Movement in the State in general and the cooperative societies in particular, it has become necessary to lay down the following revised Guidelines or Procedures which will regulate future promotion of new cooperative societies and also for the registration (in on-line mode) thereof :-

- (i) Self-help and mutual-help should be the first and foremost priority for which every proposal for organisation and registration of a new cooperative society must fulfil;
- (ii) Self-help and mutual-help is possible only between persons of equal status and with common economic interest. So, when an application for registration of a new cooperative society is received, it must be ensured that the promoters have a common economic interest and as far as practicable they must belong to the same socio-economic group/class. However, if a cooperative is formed among the un-equals with divergent interests, the persons with strong social and economic footing are bound to dominate the weaker sections in the group;
- (iii) The group age or group of promoters who will apply for registration of a cooperative society must be homogeneous in character and the group members must reside in a compact area so that there is a closed-knit interaction between them.
- (iv) Feasibility and economic viability are the other important criteria/prerequisites in which any proposal for registration of a new cooperative must fulfil.

Therefore, in case of applications for registration of any production-oriented cooperative societies like those in the field of Dairy, Poultry, Piggery, Handloom & Weaving, Handicraft, Agri-Horticultural based processing cooperatives etc.. The concerned line Department may be consulted by obtaining the technical observations, its views/comments and recommendations on the feasibility of the economic activity/s proposed to be taken up by the applicant cooperative society.

Keeping in view the above mentioned requirements, other requisites for formation and registration of cooperative societies in the State are as under :-

- a) Efforts should be made to motivate the existing cohesive groups of people to form a cooperative society of their own. The traditional authorities at the village level may also be involved in the process of formation/organisation of these cooperatives.
- b) Attempt should be made to ensure that only those groups are promoted and recognised as cooperative societies which have inherent capacity to keep up mutual trust, mutual-help, self-help and a democratic functioning with a transparent management.
- c) The promoter members must be permanent residents of the village/s or area under operation of the proposed cooperative society. The persons who own land/building in the area of operation but resides outside permanently should be excluded from membership.
- d) The proposed cooperative society must not in any case overlap with the area of operation and functioning of another cooperative society already in existence.
- e) Most of the working capital required for the business of the cooperative society will have to be raised from the members themselves through sale of shares/admission fees from among the members, mobilisation of deposits/donations etc.. The persons who signed the promoters' list must at least acquire 1 (one) no. of share of which they have undertaken to subscribe prior to registration of the cooperative society.
- f) Every new cooperative society to be promoted and registered under the provisions of the Meghalaya Cooperative Societies Act, 2015 (Act No.11 of 2015) should be made to motivate maximum number women to become members and 2 (two) posts to the Managing Committee/Board of Directors should be kept reserved for them.
- g) On receipt of application for registration of cooperative society, the Registering Authority at the District/Sub-Division shall depute an officer (preferably a Senior Cooperative Officer) for verifying the feasibility and economic viability prior to registration of the proposed Cooperative and to assess its sustainability after due discussion with the promoters and whether the proposed Bye-laws complies with the provision of the Act and Rules in place.

- h) The Officer so deputed shall submit the feasibility and economic viability Report within 7(Seven) working days from the date of receipt of an official order with specific comments on the above points at (c), (d), (e) & (f) besides the following:
- Whether the members are the permanent residents of the village/s or area under operation of the proposed cooperative society, a proof of which must be ascertained from each of the members.
 - Whether the applicants are in a position to avail the services to be provided by the proposed cooperative society so as to fulfil their common needs.
 - Whether the objects of the proposed cooperative society are meant for the economic & social betterment of its members and whether the objectives are attainable in letter and spirit.
 - Whether the existing economic potentialities of the area are co-relevant with the aims/objectives of the proposed cooperative society.
 - Justification regarding the area of operation of the proposed society and possibility of any unhealthy competition with other similar cooperatives within the area of operation.
 - Level of participation of the promoters/members and their awareness about the Cooperative Principles and the objects of the proposed society.
- i) After selection of the area for promotional activity, that is, within the area of operation, adequate training programmes should be imparted to the members of the cooperative by way of organising motivational programmes or by sending the members inside/outside the State for Training-cum-Exposure visit. Thereafter, a plan of action along with the Business Development Plan (BDP) of the cooperative society should be drawn up and should be forwarded to the Directorate and to the State Cooperative Bank for Government assistance and credit support.
- j) In the process of organising Motivation/Awareness programmes etc., the support of any NGOs/Development Institutions working in the District/Sub-Division may be elicited wherever possible.

After all the formalities are completed as required under the provisions of the Meghalaya Cooperative Societies Act and Rules, the concerned Assistant Registrar of Cooperative Societies/Sub-Registrar of Cooperative Societies in-charge of the District and Sub-Division respectively as the case may be, may register the cooperative society as deemed fit under intimation to the Directorate and all concerned.



*Registrar of Cooperative Societies
Meghalaya, Shillong.*