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Most Important

No. R-11017/68(1)/2013-L&M
Government of India
Ministry of Cooperation
Office of the Central Registrar of Cooperative Societies

Atal Akshaya Urja Bhawan, Lodhi Road
New Delhi, Dated: 3rd September, 2023

SHOW CAUSE NOTICE

The Office of the Commissioner of Police, Nagpur City, 'Police Bhavan' West High Court Road, Civil Lines, Nagpur 440001 vide letter OW No. CPN/EOW/Nirmal Ujjwal/Nagpur City/2287/2023 dated 29.06.2023 has reported that Nirmal Ujjwal Credit Co-operative Society Ltd., 193, Nandanvan Main Road, Nagpur - 440009, Maharashtra, is indulging in many financial irregularities including violation of the various provisions of the Multi-State Cooperative Societies (MSCS) Act, 2002 and rules framed thereunder particularly under Section 67, 68 of the Act. Irregularities and Complaints as reported against the Society are briefed as under:

- i. Nirmal Ujjwal Credit Cooperative Society Limited, Nagpur is accepting investments illegally (even from non-members), Collecting deposits from non-members which violates Section 68 of the MSCS Act, 2002.
- ii. The Society has raised funds more than 10 times of its share capital + reserves-accumulated losses which is a violation of Section 67 of the MSCS Act, 2002.
- iii. The Society has been showing the income through NPA as profits in violation of standard & prudent auditing principles as per ICAI.
- iv. An amount of Rs. 317.73 crores have been diverted to other enterprises without the permission of the Central Registrar and many of those enterprises are making losses, which are in violation of the MSCS Act and against prudent banking principles.
- v. Various offenses were registered against Pramod Manmode and the investigation revealed that the officials and management of the society have indulged in misappropriation of funds to compensate the frauds perpetrated by Nirmal Urban Cooperative Bank (President of which is Mr. Pramod Manmode's daughter).
- vi. There are various other financial irregularities, which raise a serious concern and have come to notice with just a preliminary look at the audit report by a certified auditor.


2. Further, as per record, the Society has not furnished its online annual returns for the financial year 2021-22 to this Office. Also, Society has not furnished complete annual returns for the year 2020-21 as mandatory u/s 120 of the MSCS Act, 2002.

3. Therefore, the Chairman and Chief Executive of Nirmal Ujjwal Credit Co-operative Society Ltd, Nagpur, Maharashtra are hereby requested to furnish

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point-wise comments/ explanation in the matter within 15 days from the date of receipt of this Notice, failing which it would be presumed that the Society has nothing to say in the matter and further action, as deemed fit, would be initiated against the Society under the provisions of the Multi State Cooperative Societies Act, 2002 and Rules framed thereunder.

This has the approval of Central Registrar of Cooperative Societies.


13/9/23

(Mohammad Naseem)

Under Secretary to the Govt. of India

To,

Chairman/Chief Executive Officer,
Nirmal Ujjwal Credit Co-operative Society,
193, Nandanvan Main Road,
Nagpur 440009,
Maharashtra

Copy to:

- 1) Registrar of Cooperative Societies, Govt. of Maharashtra and Madhya Pradesh for information and necessary action.
- 2) IT Cell for uploading on the Office Website.