

CEA-12011/73/2024
Government of India
Ministry of Cooperation
Office of Co-operative Election Authority

9th Floor, Tower-E, World Trade Center,
Nauroji Nagar, Delhi-110029
Dated: 17th May, 2024

Sub. – Election of Gurupadappa Nagmarpalli Multi Super Specialty Cooperative Hospital and Research Center Limited -reg.

Order of Cooperative Election Authority

1. Whereas, a Show Cause Notice was issued on 02.05.2024 to CEO of Gurupadappa Nagmarpalli Multi Super Specialty Cooperative Hospital and Research Center Limited as to why the election of Board of Directors conducted on 28.03.2024 is not treated as null & void. The basis to issue the SCN was following:
 - a. The election of Board of Director was not conducted as per the provision of MSCS Act & Rules (Amended) in 2023.
 - b. In spite of direction from CRCS to submit request for election to CEA through CRCS portal, society did not take any action.
 - c. The Society appointed Returning Officer of its own and conducted election on 28.03.2024. The amended Act was notified on 03.08.2023 and the Rules therein become effective from 04.08.2023.
2. Whereas, C.E.O. of the society was given an opportunity to present the case before the CEA on 08.05.2024 at 11:00 a.m.
3. Whereas, CEO Shri N. Krishna Reddy along with PRO of the society Shri B.S. Aparanji appeared before the authority on 10.05.2024 at 11:00 a.m. and submitted written statement. They pleaded that due to lack of communication and not appropriate understanding society conducted the election on 28.03.2024 after appointing RO (Shri D. Baswaraj, Advocate). C.E.O also requested to withdraw the Show Cause Notice and validate the Board elections held on 28.03.2024 & Office Bearer election held on 03.04.2024.


Fact of the Case

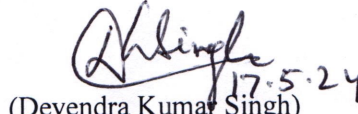
4. CEO of Gurupadappa Nagmarpalli Multi Super Specialty Cooperative Hospital and Research Center Limited vide letter dated 03.02.2024 intimated CRCS about pre-ponement of date of election of Board of Directors, from 28.05.2024 to 28.03.2024. In response, CRCS intimated to Society vide letter dated 28.02.2024 that its election process is not as per the provisions of the MSCS (Amendment) Act, 2023 (notified on 03.08.2023). The Cooperative Election Authority established by the Central Government shall only be responsible for conducting the election w.e.f 03.08.2023. Society was asked to send a election request through CRCS Portal to the Cooperative Election Authority established for the purpose of conduct of election. But, later, CEO of society vide letter dated 12.03.2024 intimated that term of existing BoD is going to expire on 31.05.2024 and requested permission to conduct election as per schedule already announced. In response, CRCS again directed society to take action as per the MSCS (Amendment) Act, 2023 vide letter dated 26.03.2024.
5. Further, Society vide letter dated 06.04.2024 intimated that RO declared the result of board election of society on 28.03.2024. The society has also stated that as elections have already been conducted as per earlier provisions and huge amount has been spent for conducting the election and newly elected board members and voters are not ready to conduct fresh elections and there is no time to conduct election before expiry of term of earlier existing board. Accordingly, society has requested to CRCS office to consider the elections valid.

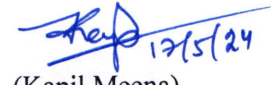
Cont.

ORDER

6. The society violated the following provision of the MSCS Act & Rules.
- Society has not followed the provision of MSCS Act & Rules (amended in 2023), notified on 03.08.2023 & 04.08.2023 respectively
 - The establishment of Cooperative Election Authority was issued on 20.11.2023 whereas, society has conducted its election on 28.03.2024.
 - Society has not followed the direction given by CRCS vide letter dated 28.02.2024 & 26.03.2024.
 - Returning Officer (advocate) appointed by society, is not qualified as per the notification dated 27.12.2019 issued by CRCS. (As per the notification RO should be):-
 - Sitting Assistant Registrar (Co-operatives) or Dy. Registrar (Cooperatives) of the district where the head office of the society/bank is located
 - any sitting officer equal to or above the rank of Dy. Registrar (Cooperatives) of the Cooperative Department of the State where the head office of the society/bank is located
 - District Collector of the district or any other officer not below the rank of Dy. Collector/SDM nominated by the Collector where the head office of the society/bank is located
 - An officer not below the rank of Dy. Commissioner from the Office of Sugar Commissioner.
 - As per circular dated 13.07.2022 in reference to above notification dated 27.12.2019 which provide that RO should also be appointed from panel of serving or ex-officers who retired from the corresponding ranks upto age of 65 years.
 - Society has not taken prior approval of CEA before declaration of result of Board of Directors in form 19M & of Office Bearer in form 19N.
7. In view of the above, CEA concludes that society has ignored the provisions of MSCS Act & Rules and directions given by CRCS for conduct of election.
8. Therefore, it is decided that the election conducted by society is treated as null and void, and further directed C.E.O of the society to take appropriate action to conduct election as per the provision of MSCS Act & Rules (Amended in 2023) and must send election request through CRCS portal to the Cooperative Election Authority established for the purpose of conducting election without any further delay.


(Monika Khanna)
Member, CEA


(Devendra Kumar Singh)
Chairperson, CEA


(Kapil Meena)
Member, CEA

To,

Chief Executive Officer
Gurupadappa Nagmarpalli Multi Super Specialty
Cooperative Hospital and Research Center Limited,
Akka Mahadevi Colony, Near Axis Bank Haroorgeri,
B.V.B. College Road, Bidar-585403, Maharashtra.

Copy to.

1. PSO to Secretary (cooperation)
2. PS to CRCS
3. NIC (for uploading on website)