

“LEGAL ISSUES IN CO- OPERATIVES”

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ABSTRACT

A cooperative ("coop") is an autonomous association of people who voluntarily cooperate for their mutual social, economic, and cultural benefit. Cooperatives include non-profit community organizations and businesses that are owned and managed by the people who use their services (a consumer cooperative) or by the people who work there (a worker cooperative) or by the people who live there (a housing cooperative), hybrids such as worker cooperatives that are also consumer cooperatives or credit unions, multi-stakeholder cooperatives such as those that bring together civil society and local actors to deliver community needs, and second and third tier cooperatives whose members are other cooperatives.

Cooperatives should be treated in accordance with national law and practice and on terms no less favourable than those accorded to other forms of enterprise and social organization. Governments should introduce support measures, where appropriate, for the activities of cooperatives that meet specific social and public policy outcomes, such as employment promotion or the development of activities benefiting disadvantaged groups or regions. Such measures could include, among others and in so far as possible, tax benefits, loans, grants, access to public works programmes, and special procurement provisions. Governments should facilitate access of cooperatives to support services in order to strengthen them, their business viability and their capacity to create employment and income.

KEYWORDS: Co-Operatives, Legislation, Self Help, RBI Guidelines, Tax Payers, RTGS System