

Reply to the Calling Attention tabled by Shri Aleixo Reginaldo Lourenco and Churchill Alemao, MLAs, “Apprehension and anxiety in the minds of the shareholders and depositors of various Co-operative Credit Societies and in particular of the Visionary Urban Co-operative Society Ltd. Over the alleged Rs. 39 crores fraud. The action proposed to be taken against the Directors, Auditors by the Registrar of Co-operative Societies, who failed to detect the same in time. The action of the Government to prevent such scam in future and to recover the amount by attachment of properties by the Government.

The Visionaries Urban Co-operative Credit Society Ltd., Loutolim, Salcete-Goa was registered under Code Symbol No.8/RES/(a)-85/South/Goa/99 on 16th April, 1999 under sub-classification (a) of clause 8 in terms of Rule 9 of Coop. Societies Rules 1962 as was applicable to the State of Goa with a view to encourage the sense of thrift and cooperation amongst its members, to assist the members to tide over the financial difficulties by making available loans to them on reasonable terms and conditions and to assist downtrodden members of the society by way of financial assistance. The area of operation is confined to Salcete Taluka.

COMPLAINT

1. Complaint from office of the Assistance Engineer, Sub-Div IV, W.D. IX(PHE), PWD, Monte, Margao – Goa for non payment of water supply bills collected from the customers.
2. The Economic Offences Cell, Panaji – Goa vide letter dated 03/01/2020 had forwarded complaint of Investors/Depositors dated 02/01/2020.

PRESENT STATUS AND FINANCIAL POSITION

- The term of Board of Directors expired, however, non of the members willing to be on the Board of Directors of the society hence Committee of Administrator was appointed on 15/01/2020.
- As per the audit report of the society as on 31/03/2018:

- Share Capital Rs. 7419020/-
- Deposits Rs. 391715011/-
- Cash and Bank Balance Rs. 2387769.68
- Investment Rs. 38645617/-
- Loans and Advances Rs. 124317189/-
- Fixed Assets (office premises and land) Rs. 3240132/-
- Accumulated Loss Rs. 33,13,33,328/-
- NPA Rs. 6,04,59,759/-
- NPA accounts Nos. 219
- Staff strength Nos. 2 Branch Manager and 14 Clerks.
- Arbitration and Execution Pending Cases Nos. 6

ACTION INITIATED BY THE DEPARTMENT

- The Department being regulatory Authority has conducted the audit of the society on regular basis and has completed the audit of the said society upto financial year 2017-18.
- The Department Auditor during the years from 2007-08 to 2009-10, have reported various illegalities in the functioning of the society whereby the funds of the society have been found misappropriated/mis-utilised by the Management and Staff members of the society.
- Department had filed misappropriation cases in the above matter against alleged persons to recover losses of the society during the year 2007-08 Rs. 5,42,75,722/-, 2008-09 Rs. 1,22,70,962/- and 2009-10 Rs. 90,71,385=90 and for which the Departmental Auditor had also filed F.I.R. against the culprits.
- Due to the financial irregularities the Managing Committee was superseded and Committee of Administrators was appointed on 24/10/2011 and thereafter the election to the new Board of Directors was held on 03/09/2012.

- The Department upon verification of serious irregularities pointed out in Audit report for the year 2014-15, has directed the society vide letter dated 13/04/2016 to stop collecting deposits immediately to curtail the losses.
- Directions were issued to the various Nationalized and Cooperative Banks to stop operation of the accounts of the society.
- The term of Board of Directors expired, however, none of the members willing to be on the Board of Directors of the society hence to streamline the affairs of the society Committee of Administrator was constituted thrice on 20/12/2019, 15/01/2020 and 21/01/2020.
- Directions have also been given to file Special Report to the concerned Auditor for the year 2017-18. The Auditor has pointed out the various financial as well as functional irregularities and in order to verify in detail, a considerable amount of time is required to establish the quantum of misappropriation/mi-utilisation of funds of the society and further action on the same will be initiated in the due course of time as per the provisions of law.
- The society has failed to appoint auditor for the year 2018-19 in the general body and therefore the Department has appointed auditor for the financial year 2018-19.