DegreeLive

B.Com Honours

Semester VI

Calicut University

CO-OPERATIVE MANAGEMENT AND ADMINISTRATION

Course Code: COM6EJ3065 • Module 1 Notes

Module I: Management of Societies

Covers democratic governance structure (General Body, Representative General Body, Board Elections, Supersession), properties & funds of cooperatives, disposal of net profit, and statutory procedures under KCS Act.

Unit 1: Democratic Management, Elections, & Supersession

Democratic Structure: General Body is ultimate authority under KCS Act Sec 27. Representative General Body for large multi-branch societies. Managing Committee elected via democratic secret ballot. Supersession of Board under Sec 32 in case of persistent default or mismanagement.

Unit 2: Properties, Funds, & Net Profit Disposal

Fund Management: Statutory Net Surplus Appropriation under Sec 56: Statutory Reserve Fund (Min 25%), Co-operative Education Fund (5%), Member Dividend (Max 15-25%), & Building/Common Good Fund.

Unit 3: Statutory Winding Up, Execution, Appeals, & Revision

Legal Remedies under KCS Act: Winding up & liquidation under Sec 71, appointment of Liquidator, execution of decision/award under Sec 76, Appeals before Cooperative Tribunal, Revision & Review provisions.

Practical Case Framework 1 (Cooperative Governance Bodies Responsibility Matrix): Compare governance body, legal authority level, core administrative functions, and KCS Act section.

Cooperative Democratic Governance Structure Table:

Governance Organ	Legal Authority Level	Core Administrative Functions
General Body (All Members)	Supreme Authority (Sec 27)	Approve annual budget, bye-law amendments, & elect Board
Managing Committee (Board)	Executive Management	Day-to-day administration, loan sanctioning, & staff control
Statutory Liquidator	Winding Up Officer (Sec 71)	Realize assets, pay off liabilities, & cancel registration

Practical Case Framework 2 (Statutory Net Surplus Appropriation Order Matrix): Detail statutory priority order, fund allocation head, statutory percentage rule, and legal investment constraint.

Statutory Profit Disposal Hierarchy Table:

Appropriation Priority	Statutory Fund Designation	Legal Rule / Percentage Rule
Priority 1 (Mandatory Apex)	Statutory Reserve Fund	Minimum 25% of Net Profits (Indivisible reserve)
Priority 2 (State Co-op)	Co-operative Education Fund	5% of Net Surplus payable to State Co-op Union
Priority 3 (Members)	Member Dividend & Patronage Rebate	Capped at max 15% dividend on share capital