



## **Governance of Employees in Cooperative Societies: A Study on Appointment, Recruitment Bureau, Common Cadre and Disciplinary Control in Tamil Nadu**

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**Abstract** - This paper examines the governance of employees in Cooperative Societies with special reference to the Tamil Nadu Co-operative Societies Act, 1983 and the relevant rules. It focuses on the appointment of paid officers and servants, the role of recruitment bureaus, the common cadre system, and the disciplinary powers of the Registrar. The study explains how proper recruitment and service conditions help in improving efficiency and accountability. It also highlighted the importance of suspension and removal provisions in maintaining discipline. Overall, the paper shows that effective employee management is essential for the smooth functioning and development of Cooperative institutions.

**Summary:** 1 Introduction, 2 Appointment of paid officers and Servants, 3 Constitution of Recruitment Bureaus, 4 Common Cadre of Service, 5 Suspension and removal of Employees, 6 Role of Cooperative Education for Rural and Urban Development, 7 Conclusion, 8 References

### **1 Introduction**

Cooperative Societies have become an important part of the economic and social System, especially in rural areas. They are formed with the main aim of promoting mutual help, improving members' standard of living, and providing essential services at an affordable cost. The Success of any Cooperative Society does not depend only on its policies or financial resources, but largely on the efficiency and commitment of its employees. Paid officers and servants play a key role in the day-to-day functioning of Cooperative Societies. They are responsible for maintaining records, managing financial transactions, implementing the board's decisions, and ensuring that services reach members properly. Without a well-organised and disciplined workforce, the objectives of Cooperative Societies cannot be achieved effectively. Recognising the importance of employees, the Tamil Nadu Cooperative Societies Act provides detailed provisions regarding their appointment, service conditions, and disciplinary control. The Act ensures that only qualified and suitable persons are appointed for different posts. It also provides clear guidelines for recruitment through

recruitment bureaus, which help maintain fairness and transparency in the selection process and further define the conditions for employees. In addition to appointment and recruitment, maintaining discipline among employees is equally important. The Act gives the Registrar the necessary powers to take action in cases of misconduct. Provisions regarding the suspension and removal of employees are included to protect society's interests and ensure accountability in the administration. Thus, Proper governance of employees is essential for the smooth and effective functioning of Cooperative Societies. Not only does it improve organisational performance, but it also strengthens the most committed members of the Cooperative System.

### **2 Appointment of paid officers and Servants**

The appointment of paid officers and servants is an important function of every Cooperative Society. It is governed by the provisions of the Tamil Nadu Cooperative Societies Act, 1993 and the Tamil Nadu Cooperative Societies Rules, 1988. Sections 73 to 79 of the act deal with the appointment, recruitment, service conditions and disciplinary control of employees in Cooperative Societies. A registered Society has the authority to appoint employees to meet its requirements for efficiently carrying out its functions. Employees are appointed to perform various administrative and operational duties, including maintaining accounts, managing records, handling financial transactions, and providing services to members. The number of employees required depends on the Society's size and nature. The rules prescribe the qualifications for different posts and constitute the minimum requirements for appointment. Candidates with higher qualifications may also be considered if they satisfy the prescribed conditions. This helps improve society's efficiency and performance. The service conditions of employees, including duties, responsibilities, salary structure, and disciplinary control, are also clearly defined under the rules. This ensures proper management and accountability in their work. It is important to note that elected members, such as the president, Vice-president, and board members, are not treated as paid officers. In some cases,

Cooperative Societies may prescribe higher qualifications in their bylaws. However, the statutory rules will have an overriding effect over such bylaws, ensuring uniformity in the appointment process. Thus, the appointment system ensures that qualified and capable individuals are selected for administrative roles, thereby supporting the smooth functioning and success of Cooperative Societies.

### 3 Constitution of Recruitment Bureaus

The constitution of recruitment bureaus is provided under Section 74, read with Rule 150. Rule 151 prescribes the procedure to be followed by the said bureaus in selecting candidates for employment. According to rule 150, the recruitment bureau for the State constituted under section 74 shall consist of:

- 1) The president of the Tamil Nadu State Apex Cooperative Bank (Chairman)
- 2) The Registrar of Cooperative Societies (Vice-Chairman)
- 3) The President or Managing Director of two other apex societies
- 4) An officer nominated by the Regional Office, NABARD, Chennai, and
- 5) Two other officers of the Government are exercising the power of the Registrar for the State.

The Recruitment Bureau for a revenue district constituted under section 74 shall consist of:

- 1) The President of the Central Cooperative Bank, concerned (Chairman)
- 2) The Joint Registrar of the district (Vice-Chairman)
- 3) The President or Managing Director of two other Central Societies and
- 4) One other officer of the Government exercising the powers of the Registrar in the district

State Recruitment Bureau (SRB) and District Recruitment Bureau (DRB) play an important role in selecting employees for Cooperative Societies. They ensure that recruitment is done fairly and transparently. These bureaus invite applications, verify qualifications, and conduct the selection process in accordance with established rules. They prepare the merit list and recommend suitable candidates for appointment. Their main role is to prevent favouritism and ensure that only qualified individuals are selected.

### 4 Common Cadre of Service

TNCS Act 1983 has an enabling provision for the constitution of a common cadre of services in respect of certain posts in the following societies;

- 1) Scheduled Cooperative Societies
- 2) Primary Societies affiliated to such scheduled Cooperative Societies
- 3) Cooperative Sugar mills, Cooperative Spinning mills, Cooperative tea factories or such other prescribed Societies
- 4) Such other class or category of societies in which the Government have taken shares or given financial or other assistance, as may be notified by the Government.

Common cadre refers to a group of employees appointed and controlled centrally, rather than appointed separately by each Society. These employees can be posted to different societies as needed. This helps effectively utilise skilled staff and improves administrative efficiency. This system applies to selected categories of societies, including scheduled Cooperative Societies and Primary Societies affiliated with them. It also includes Cooperative Sugar Mills, Spinning Mills, Tea Factories, and other Societies as prescribed by the Government. Further, it applies to Societies where the Government has invested funds or provided financial or other assistance.

**The Common cadre of service under this section may be constituted in respect of the following posts;**

- ❖ Secretaries
- ❖ Assistant Secretaries
- ❖ Executive Officers
- ❖ General Managers
- ❖ Assistant General Managers
- ❖ Purchase Managers
- ❖ Purchase officers
- ❖ Assistant Purchase Officers
- ❖ Development Officers
- ❖ Chief Accountants
- ❖ Chief Accounts Officers
- ❖ Accounts Officers
- ❖ Such other class or classes of posts as may be notified by the Government

The Common cadre of services may be constituted either separately in respect of these posts in any group of Societies mentioned above, or jointly for the posts in one or more of the groups of the said societies, or of two or more of the Societies in any one of the Groups mentioned in the Said items.

### 5 Suspension and removal of Employees



Section 76 of the Tamil Nadu Cooperative Societies Act provides for the suspension of an employee who is found to be involved in misconduct. Normally, society is responsible for suspending such an employee. However, if the society fails or refuses to take action as directed, the Registrar has the authority to order suspension. This power is exercised only when necessary, in the public interest. Suspension is generally used as a temporary measure to ensure a fair inquiry and to maintain discipline. Further, Section 77 of the Act deals with the removal of employees. The Registrar is empowered to direct the removal of a paid officer or servant who has been found guilty of serious misconduct or convicted by a competent court for an offence involving moral turpitude. If the society does not act in this direction, the Registrar can order the employee's removal directly. This provision ensures that strict action is taken against employees who violate rules and helps in maintaining integrity and discipline within Cooperative institutions.

## **6 Role of Cooperative Education for Rural and Urban Development**

Cooperative education plays an important role in shaping young people to contribute to both rural and urban development. Students who study Cooperative Studies gain Knowledge about financial management, community development, and democratic functioning. This knowledge helps them understand people's real needs, especially in rural areas. Young graduates in Cooperative can work in Cooperative Societies, banks, and development institutions, where they can support farmers, small entrepreneurs, and self-help groups. They help improve access to credit, increase employment opportunities, and strengthen local economies. In urban areas, they can contribute to efficient management of cooperative institutions and promote financial inclusion. Cooperative education also fosters values such as teamwork, responsibility, and social commitment among youth. These qualities are essential for building strong and sustainable communities. When young professionals actively participate in Cooperative institutions, they bring new ideas, transparency, and better management practices. Thus, Cooperative education not only provides employment opportunities but also plays a key role in promoting balanced rural and urban development. It helps in building an inclusive and self-reliant society.

## **7 Conclusion**

The effective functioning of Cooperative societies depends largely on the proper management of their employees. The provisions of the Tamil Nadu Cooperative Societies Act clearly define the process of appointment, recruitment, and service

conditions, ensuring that only qualified and capable persons are selected. Establishing recruitment bureaus at the state and district levels helps maintain transparency and fairness in the selection process. The introduction of the common cadre system brings uniformity in service conditions and improves the efficient use of skilled personnel across societies. At the same time, disciplinary provisions such as suspension and removal play a crucial role in maintaining accountability and integrity among employees. The power given to the Registrar serves as a strong mechanism to control misconduct and protect members' confidence in Cooperative institutions. Therefore, proper governance of employees is essential for ensuring efficiency, discipline, and long-term sustainability of overall social and economic development.

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