

NEWSLETTER ON ONGOING ACTIVITIES : 10th February 2026

The New Board of the Society took over the affairs of the Cooperative on 19th June 2025.

With a little over 7 months of steering the turbulent times that the previous Board had left behind, we feel that it is time that we shared some of the important issues which have engaged our minds and time. Current status of action initiated must be brought to the knowledge of the members, whose life time savings have been stuck with the Society.

01. Legal Cases– Present Status

	Court & Case No.	Regarding	Last Hearing	Hearing Due on	Order
a)	Calcutta High Court WPA No.24649 of 2025	Filed for action against previous Board Members etc	03.02.2026	10.03.2026	Posted on Coop website
b)	Supreme Court	Special Leave Petition filed by Society for aggregating all cases in different HCs to be moved to Calcutta HC	Awaited	-	-
c)	Calcutta High Court WPA No.1822 of 2026	Filed seeking Stay Order against operation as per order of CRCS to wind up the Coop Society	-	10.02.2026	-
d)	Alipore Court CJM, Kolkata	FIR lodged in Charu Market P.S. regarding Gold Loan Scheme	Awaited	-	-
e)	Delhi High Court	Filed by 37 members of the Coop Society seeking remittance of their own deposits as per Ombudsman order	27.01.2026	03.04.2026	Posted on Coop website

- f) Calcutta High Court In addition to the above, we have on-going cases filed by 8 members of the Coop Society seeking remittance of their own deposits.
- g) Mumbai High Court 5 members of the Coop Society have filed cases seeking remittance of their individual deposits

- 02 **Statutory audit** for two years had not been got conducted for 2023-24 and 2024-25 by the old Board. Financial Accounts for FY 2023-24 were completed, audited and signed by the statutory auditors on 07.10.2025. It was approved by the Board and passed in the AGM held on 25th November 2025.

Audited account for FY 2023 – 24 has since been posted on our website.

- 03 **Highlights of accounts of FY 2023 – 24** are as follows :-

<u>Profit & Loss account</u>	::	Accumulated Loss was Rs. 325 crores
<u>Major Items</u>		<u>Rs. crores</u>
i) Deferred Rev. Expenditure written off		76 crores
ii) Provision made for Accrued Interest not received		26 crores
iii) Prov. made against Deposits of Rs.208 crores which were not available		195 crores
iv) Provn. made for Interest accrued on Members' Deposits		26 crores

Previous Board had declared a falsely stated Profit of Rs.60 lakhs for FY 2022-23, in contravention of true and fair view.

<u>Major Items in Balance Sheet</u>	<u>Rs. crores</u>
i. Share Capital	3 crores
ii. Reserve & Surplus	17 crores
iii. Deposits & Borrowings (includes Members' Deposits of Rs 401 crores under different schemes & OD balance of Rs.34 crores)	435 crores
iv. Provision against Investment	195 crores
v. Other Liabilities	33 crores

It was found that loan of Rs.34 crores had been taken from WB State Coop Bank Ltd as on 31.03.2024. (Additional loan was taken later, and the total outstanding loan on an Overdraft basis on date is Rs.45 crores, for which a monthly interest of about Rs.40 lakhs is being paid by the Society. This is the main reason for continued cash flow problem of the Society on date).

- 04 Considering the directions of the Hon'ble Delhi High Court not to make any payments except day to day running expenses, the Board has decided that any surplus amounts from the monthly loan interest payments by members will be **adjusted against the outstanding Overdraft, thereby reducing the monthly interest cost liability of the Society.**

This is essential since Interest payments on members' loan accounts is reducing on month to month basis.

- 05 After protracted negotiations and follow up, The WB Cooperative Credit Bank Ltd. has **lowered the interest rate on Overdraft** by 1% w.e.f. 01 August 2025 and by another 0.5% w.e.f. 21 January 2026.

06. Members have expressed their dissatisfaction about delay in providing information. We would inform you all that Directors and Delegates in Kolkata, along with the staff of the Society, have been constantly tied up in providing documents and data for **Audits and Investigations** since the beginning, besides court cases etc. This has been done despite limited working hands.

An outline of the Audits / Investigations undergone during the last seven months is as follows:-

A.	Statutory Audit for FY 2023-24 by M/S SBA Associates	Audited account submitted on 07 th October 2025	Appointed by Society
B.	Interim forensic audit by M/S Biswabikash & Associates	From 01 st to 19 th August 2025	Appointed by Society
C.	Inquiry by Institute of Public Auditors of India	From 27 th August to 11 th September 2025	As per order of CRCS dated 14 th August 2025
D.	Forensic Audit by M/S DK Chhajer & Co.	From 9 th to 30 th October, 2025	Appointed by CRCS based on orders of Hon'ble Delhi HC on 25.09.2025
E.	Inquiry by Institute of Public Auditors of India	Started on 29 th December 2025	Appointed by CRCS on 28th November 2025 (w.r.t. Sec 83 of MSCS Act 2002)

- F. In addition, an inquiry from Economic Offence Wing, Government of India has started, for which we are retrieving and submitting documents and information.

- 07 In response to the Notice of CRCS dated 28th November 2025 seeking reasons for not winding up the Society, we have submitted our objections vide letter dated 12th December 2025.

We have also filed our petition in the Hon'ble Calcutta High Court seeking a Stay Order on the subject.

The Board has submitted an outline of the Revival Plan for consideration of CRCS and the Hon'ble Delhi High Court.

Several members had also responded, both in individual capacity and in groups, replying that the Society must continue to function, to avoid winding up.

- 08 Income Tax department had sent a Demand Notice of Rs.77.85 crores for the FYs 2013-14 to 2018-19 against usage of PAN No. AAHCS4101L by the Society.

Our Letter has already been sent to IT Department on 29th Jan 2026 confirming that PAN No.AAHCS4101L (old) had been discontinued and surrendered with the Income Tax Department with effect from 2008-09.

- 09 Action is being initiated for renting out the 1st floor and part of the ground floor of the Ispat Coop House, Kolkata to generate revenue for the Society.

Advertisement will be inserted in newspapers soon, with details on our website.

- 10 The Board is trying to generate revenue through leasing out the Coop hospital in Sonarpur on PPP basis for profit sharing and revenue generation as per Revival Plan submitted.

Advertisement will shortly be inserted in newspapers, with details on our website.

- 11 Essential maintenance jobs have been taken up in our four Holiday Homes of Kolkata, Delhi, Puri and Digha for improved facilities.

- 12 Officers of the **Economic Offences Wing have intervened** to check the working of **the previous Board**, as per order of CRCS dated 28th Nov. 2025. They are expected to carry out detailed investigations in the days to come.

- 13 CEO had been suspended on 02.08.2025 due to non-compliance of certain important decisions of the Board. After completion of inquiry by external independent Inquiry Officer, a major penalty has been imposed and the **CEO has been permitted to resume duties** on 09.02.2026.

- 14 **Preparation of financial accounts for the FY 2024-25** are in progress.

Work relating to monthly accounts, which was completed only up to August 2024 by the old Board has been taken up. The full extent of our losses undergone by the Society can be assessed once this exercise is completed and accounts got audited.

~ We will keep you updated and continue such communications from time to time.