# 8 Lecture - MGT211

## **Important Subjective**

#### 1. What is a cooperative society?

Answer: A cooperative society is an autonomous association of people who voluntarily join together to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

## 2. What are the types of cooperative societies?

Answer: The types of cooperative societies include consumer cooperatives, producer cooperatives, worker cooperatives, housing cooperatives, and credit cooperatives.

## 3. What is the role of a board of directors in a cooperative society?

Answer: The board of directors in a cooperative society is responsible for overseeing the management of the cooperative, making strategic decisions, ensuring compliance with legal requirements, and representing the interests of the members.

## 4. How is membership in a cooperative society acquired?

Answer: Membership in a cooperative society is acquired by applying and fulfilling the conditions for membership set out in the bylaws, which typically include purchasing a minimum number of shares, paying an entrance fee, and agreeing to abide by the rules and principles of the cooperative.

## 5. What is the difference between a cooperative society and a joint-stock company?

Answer: A cooperative society is owned and controlled by its members, who share in the profits and have equal voting rights, while a joint-stock company is owned by shareholders who may or may not have equal voting rights, and the profits are distributed among them based on the number of shares they hold.

## 6. What is the principle of democratic control in a cooperative society?

Answer: The principle of democratic control in a cooperative society means that all members have an equal say in the decision-making process, and decisions are made through a democratic process such as voting.

#### 7. What is the principle of limited interest in a cooperative society?

Answer: The principle of limited interest in a cooperative society means that the maximum amount of interest paid on share capital or loans is limited to a reasonable rate set by the members.

## 8. What is the principle of open membership in a cooperative society?

Answer: The principle of open membership in a cooperative society means that membership is open to all individuals or groups who share the same economic, social, and cultural needs and aspirations.

#### 9. What is the principle of mutual benefit in a cooperative society?

Answer: The principle of mutual benefit in a cooperative society means that the cooperative exists to serve the needs and aspirations of its members, and the benefits are shared equally

among them.

## 10. How are disputes resolved in a cooperative society?

Answer: Disputes in a cooperative society are typically resolved through a dispute resolution mechanism set out in the bylaws, which may include negotiation, mediation, or arbitration. In some cases, disputes may be resolved through legal action.