

The Arunachal Pradesh Co-operative Societies Rules, 1984

ARUNACHAL PRADESH

India

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Rule

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The Arunachal Pradesh Co-operative Societies Rules, 1984Published vide Notification No. CO-OP/RCS/72/81, dated 28th October, 1982, published in the Arunachal Pradesh Gazette, Part 2, dated 17-11-1986Last Updated 8th February, 2020Notification No. CO-OP/RCS/72/81, dated 28th October, 1982. - Whereas the Rules which the Administrator, Arunachal Pradesh to make in exercise of the power conferred by Section 133 of the Arunachal Pradesh Co-operative Societies Act, 1978 (No. 3 of 1979) were published for general information as required under provision of sub-section (3) of Section 133 of the Act, in the Arunachal Pradesh Gazette dated November, 16, 1982-giving notice that the draft rules would be taken into consideration on or after the expiry of 30 (thirty) days from the date of publication in the official Gazette and inviting objections or suggestions, if any, from any person in respect of the said rules within the above specified period;Now therefore the Administrator, Arunachal Pradesh is hereby pleased to make the following rules:

Chapter I Preliminary

1. Short title and commencement.

(1)These rules may be called The Arunachal Pradesh Co-operative Societies Rules, 1984.(2)These rules shall come into force at once.

2. Definitions.

- In this rules, unless the context otherwise requires-(a)"Act" means The Arunachal Pradesh Co-operative Societies Act, 1978 (No. 3 of 1979);(b)"Decree holder" means any person holding a decree;(c)"Form" means any person appended to these rules;(d)"Record of rights" means a record of rights maintained under any law relating to land law for the time being in force or any customary law;(e)"Recovery Officer" means any person empowered to exercise in any district, the power of the Registrar under Section 124;(f)"Sale Officer" means an officer empowered by the Registrar, by general or special order, to attach and sell the property of defaulters or to execute any decree by attachment and sale of property;(g)"section" means a section of the Act;(h)Words the expressions not defined in these rules but defined in the Act shall have the same meaning as assigned to them in the Act.

Chapter II Registration

3. Designation of persons appointed to assist Registrar.

- Persons appointed to assist the Registrar under Section 3 may be designated as the Additional Registrar, Joint Registrar, Deputy Registrar Assistant Registrar.

4. Application for registration.

(1)Every application for registration of a society under sub-section (1) of Section 8 shall be made in Form 'A' in Hindi or English and shall subject to the provisions of sub-rule (2) and (3) be duly signed by the applicants, and be accompanied by-(a)four copies of the proposed bye-laws of the society;(b)a certificate, from the bank or banks stating the credit balance in favour of the proposed society therein;(c)a list of persons who have contributed to the share capital together with the amount contributed by each of them and the entrance fee paid by them;(d)the scheme showing the details explaining how the working of the society will be economically sound and, where the scheme envisages the holding of immovable property by the society, the description of immovable property proposed to be purchased, acquired or transferred to the society; and(e)such other documents as may either be separately specified or be specified in the model bye-laws, if any, framed by the Registrar.(2)Where any member of a society to be registered is a registered society, a member of the committee of such registered society shall be authorised by the committee by a resolution to sign the application for registration and the bye-laws on its behalf, and a copy of such resolution shall be appended to the application.(3)Where any member of a society to be registered is a firm, company, corporate body, society registered under Societies Registration Act, 1860 as modified by Societies Registration (Extension to Arunachal Pradesh) Act, 1978 (No. 6 of 1978) or public trust registered under any law for the time being in force relating to registration of public trust or local authority, then such firm, company, corporate body, society, public trust or local authority shall duly authorise any person to sign the application for registration and the bye-laws on its behalf, and a copy of the resolution giving such authority shall be appended to the application.(4)The application shall be

sent to the Registrar by registered post or delivery by hand.

5. Registration.

(1) On receipt of an application under Rule 4 and after scrutinising that it is correct in all respects, the Registrar shall enter particulars of the application in the register of applications to be maintained in Form 'B', give a serial number to the application and issue a receipt in acknowledgement thereof. (2) The Registrar may give, wherever necessary, opportunity to the promoters to modify the proposed bye-laws before finally registering the society or rejecting the application for registration of the society. (3) On registering a society and its bye-laws under sub-section (1) of Section 9, the Registrar shall, as soon as may be, notify the registration of the society in the officer Gazette and grant to the society a certificate of registration signed by him and bearing his official seal and containing the registration number of the society, and the date of its registration. The Registrar shall also furnish to the society with a certified copy of the bye-laws approved and registered by him.

6. Form of report under Section 9 (2).

- The report to be made by the Registrar to the Government under, sub-section (2) of Section 9 shall be in Form

7. Refusal of registration.

- Where any society does not furnish the information in regard to the society as required by the Registrar or fulfil any of the conditions laid down in the Act or these rules, the Registrar may refuse to register that society.

8. Matters in respect of which Registrar may direct society to make bye-laws or society may make bye-laws.

(1) The Registrar may require a society to make bye-laws in respect of all or any of the following matters: (a) the name of the society, its address and branches; (b) the area of operation; (c) the objects of the society; (d) the manner in which and the limit up to which the funds of the society may be raised, the maximum share capital which any one member may hold and the purpose to which the funds may be made available; (e) the terms and qualifications for admission to membership; (f) the privileges, rights, duties and liabilities of members including nominal, associate and sympathiser members; (g) the consequences of default in payment of any sum due by a member; (h) conditions regarding sale or disposal of produce of members, wherever applicable; (i) in the case of credit societies, - (i) the maximum loan admissible to a member; (ii) the maximum rates of interest on loans to members; (iii) the conditions on which loans may be granted to members and penalties for misapplication of loan so advanced; (iv) the procedure for granting extension of time for the repayment of loans and advances; (v) the consequences of default in payment of any sum due; (vi) the circumstances under which a loan may be recalled; (j) in the case of non-credit societies, the mode of

conducting business, such as manufacture, purchase, sale, stock-taking and other like matters;(k)in the case of a composite society [i.e., a society having both credit and non-credit functional matters referred to in Clauses (i) and (j)];(l)the mode of holding meetings of the general body and of the committee;(m)the procedure for expulsion of members;(n)the manner of making, altering and abrogating bye-laws;(o)the mode of appointment either by election or otherwise and removal of members of the committee and others officers, if any, their duties and powers;(p)the powers, duties and functions of the Chairman and his removal on losing support of the majority;(q)the method of recruitment, the conditions of service and the authority competent to fix, revise or regulate the scale of pay and allowances of salaried officers and servants of the society and the procedure to be followed in the disposal of disciplinary cases against them;(r)the mode of custody and investment of funds and mode of keeping accounts and records;(s)the disposal of net profits;(t)the manner in which penalty should be levied on a member who is found to be guilty of breach of bye-laws;(u)appointment of a provisional committee, where necessary;(v)the mode of appointment and removal of committee and its powers and functions;(w)the mode of convening annual and special general meetings, issue of notices, and the business which may be transacted thereat;(x)the purpose for which surplus, if any, shall be utilised in the event of winding up of a society;(y)the conduct of elections to the committee and other bodies of the societies as provided in the bye-laws, including the number of members be elected by different constituencies and appointment of Returning Officer thereof;(z)any other matter relating to the management of its business.(2)A society may make bye-laws for all or any of the following:(a)the circumstances under which withdrawal from membership may be permitted;(b)the procedure to be followed in cases of withdrawal, ineligibility and death of members;(c)the condition, if any, under which the transfer of share or interest of members any be permitted;(d)the method of appropriating payments made by members from whom moneys are due;(e)the authorisation of an officer or officers to sign documents and to institute and defend suits and other legal proceedings on behalf of the society;(f)the constitution and maintenance of various funds as required to be maintained under various provisions of the Act, rules and bye-laws;(g)constitution of representative body consisting of delegates of the members of the society and the mode of election of such delegates to exercise the powers of the general body of members and to specify the powers which may be exercised by such smaller body.

9. First bye laws of a society.

- When a society has been registered, the bye-laws of the society as approved and registered by the Registrar shall be the bye-laws of the society.

10. Classification and sub-classification of societies.

(1)After registration of a society, the Registrar shall classify the society into one or other of the following classes and sub-classes of societies as specified in columns 1 and 2 of the table below according to the principal object provided in its bye-laws;

SI. No.	Class	Sub-Class	Examples of societies falling in the class or sub-class, as the case may be
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1	2	3	4
1.	Agricultural Marketing Society	—	All Purchase and Sale Unions and Marketing Societies of Agricultural Produce.
2.	Consumers' Society		Stores and Canteens.
3.	Co-operative Bank	(a) Central Banks	District Central Banks, Land Development Banks having provision in their bye-laws to advance loans to co-operatives societies
		(b) Other Banks	Urban Banks, Salary Earners Societies.
4.	Farming Society	(a) Collective Farming Society	Farming societies where major area of land is acquired from outside agency for cultivation by members.
		(b) Joint Farming Society	Societies where the major area of land brought together for cultivation is held by members.
5.	Housing Society	(a) Tenant Ownership Housing Society	Housing Societies where land is held either on lease-hold or free-hold basis by societies and houses are owned or are to be owned by members.
		(b) Tenant Co-partnership Housing Society	Housing Societies which hold both land and buildings either on lease-hold or free-hold basis and allot them to their members.
		(c) Other Housing Societies	House Mortgage Societies and Home Construction Societies.
6.	Processing Society	(a) Agricultural Processing Society	Societies, which process agricultural produce like Co-operative Sugar Factories and Oil Mills.
		(b) Industrial Processing Society	Wool Processing and Tanners' Societies.
7.	Producers' Society	(a) Industrial Producers' Society	Weavers and Carpenters Societies.
		(b) Labourers Industrial Society	Forest Labourers Societies and Labour Contract Societies.
		(c) Agricultural Producers Society'	Cattle breeding and Dairy Farming Societies.
8.	Resource Society	(a) Credit Resource Society	Agricultural Credit. Thrift and Urban Credit Societies.
		(b) Non-credit Resource Society	Seeds and Implements and Agricultural Requirements Societies.
		(c) Service Resource Society	Service Co-operative and Multipurpose Co-operative Societies.
9.	General Society	(a) Social	Better Living Societies and Education Societies.

(b) Commercial Insurance and Motor Transport Societies.

(c) Others Not falling in either of the above sub-classes.

(2)The Registrar may alter the classification of a society from one class of society to another, or from one sub-class thereof to another and while doing so he shall issue to the society a copy of his order of such alteration in the case of an amendment of the bye-laws.

11. Maintenance of register.

(1)The registrar to be maintained by the Registrar under sub-section (4) of Section 9 shall be in Form 'D'.(2)The Registrar shall divide the register into parts, one for each district in Arunachal Pradesh A society shall be registered in that part for a district in which its head office is situated.(3)The Registrar shall assign for each district and each class or sub-class of societies, a code symbol, for giving registration numbers to the societies and the societies be registered from the dates specified by him.

12. Amendment of bye-laws.

- Subject to the provisions of Section 13,-(1)a society may amend its bye-laws by a resolution passed at a general meeting by not less than two-thirds of the members of the society present and voting.(2)The society shall give due notice in accordance with its bye-laws to all the members for considering any amendment thereof.(3)An amendment shall be deemed to have been duly passed if a resolution in that behalf is passed at a general meeting by not less than two-thirds of the members present thereat, and voting.(4)After the resolution is passed, a copy thereof shall, within a period of two months from the date of the meeting at which the resolution was passed, be furnished to the Registrar along with-(a)a copy of the relevant bye-laws in force with amendments proposed to be made in pursuance of the resolution, together with reasons justifying such amendments,(b)four copies of the text of the bye-laws as it would stand after amendment, signed by the officers duly authorised in this behalf by the committee of the society,(c)a copy of the notice given to the members of the society of the proposal to amend the bye-laws.(d)such other information as may be required by the Registrar.(5)On receipt of a copy of the resolution and other particulars referred to in sub-rule (4), the Registrar shall examine the amendment proposed by the society and if he is satisfied that the amendment is not contrary to the Act or the rules and is in the interest of the society and co-operative movement, he may register the amendment and issue to the society a copy of the amendment certified by him under sub-section (2) of Section 13. Where the Registrar is of opinion that the proposed amendment may be accepted subject to any modification, he may indicate to the society such modification after explaining in writing his reasons therefor.

13. Manner of calling upon society to make amendment to bye-laws.

(1)Subject to the provisions of this rule, the Registrar may, by serving a notice in Form 'E', call upon a society to make such amendment to the bye-laws of the society as he considers to be necessary or desirable in its interest, within the period not exceeding two months from the date of service of such notice. The notice shall state the exact amendment which the society should make.(2)For the

purpose of sub-section (2) of Section 14, the Registrar shall send a copy of the notice to the federal society duly notified under that sub-section with a request to offer its comments on the amendment within such time as may be specified by him. If the federal society fails to offer its comments within the specified time, it may be presumed by the Registrar that the said society has no objection to the amendment.(3)If, after considering the comments of the federal society, if any, the Registrar considers that there is no objection to registering the amendment, he shall send a written notice in Form 'F' by registered post to the registered address of the society calling upon it to show cause in writing, or through an authorised representative to appear before the Registrar on the date specified in the notice, as to why the proposed amendment should not be registered within the time specified in the notice in Form 'E'.(4)After the expiry of the period specified in notice under sub-rule (1) of this rule in Form 'E' and after considering the objections, if any, of the society and the views, if any of the federal society, on such reply the Registrar may register the amendment after; duly considering the objections of the society to the proposed amendment.;

14. Change in name of society.

(1)The name of a society may be changed under Section 15 so however that it does not refer to any caste or religious denomination and is not inconsistent with the objects of society.(2)Every change in the name of a society shall be made by an amendment of its bye-laws and shall be notified in the official Gazette.(3)After the change in the name is approved by the Registrar, the society shall send the original registration certificate for amendment to the Registrar, who shall return the same to the society duly amended.(4)The Registrar shall enter the new name in the Registrar of Societies maintained by him.

15. Change of liability.

(1)The change of liability of a society from unlimited to limited and vice-versa or in terms of multiple of share capital, shall be secured by passing a resolution in that behalf at a general meeting of the society indicating in clear terms the manner of changing the liability. The society shall give thirty days' notice in writing of such meeting to all its members and creditors and shall furnish therewith copies of the resolution proposed to be moved at the meeting. After the resolution is duly moved and passed a copy thereof shall be sent to the Registrar within thirty days of its passing.(2)Every notice to be given by the society under sub-section (2) of Section 16 shall be sent by post under certificate of posting or otherwise to the address of each of its members and creditors as recorded in the books of the society. A copy of such notice shall be exhibited on the notice board of the society and a copy shall also be sent to the Registrar for exhibition on the notice board in his office ; and thereupon, notice of the resolution to change the form or extent of its liability shall be deemed to have been duly given to all its members and creditors, notice not being sent to their correct address or notice not being received by them, notwithstanding.(3)For the purpose of determining the claims of a member under Clause (b) of sub-section (4) of Section 16 the value of a share of a member in a society shall be ascertained as follows:(a)In the case of a society with limited liability, the value of a share shall be the amount arrived at by a valuation based on the financial position of the society as shown in the last audited balance sheet; provided that it shall not exceed the actual amount received by the society in respect of such share.(b)In the case of a society was

unlimited liability, the value of a share shall be the actual amount received by the society in respect of such share.(4)Any member or creditor desiring to exercise his option under sub-section (2) of Section 16 shall inform the society accordingly in writing, and when he does not propose to withdraw his entire shares or deposits, the member or creditor shall clearly indicate in writing the extent of his withdrawal. The society shall examine and draw up a scheme for orderly payment of all claims in an equitable manner including shares, the value of which shall be ascertained in accordance with the provisions of sub-rule (3) of this rule. The schemes may also provide for settlement of claims by mutual agreement. Where the Registrar does not approve the scheme on the ground of impracticability or undesirability, the resolution passed by the society under sub-rule (1) of this rule shall be ineffective, and the form and extent of liability of a society shall not be deemed to be changed in accordance with the resolution passed aforesaid.(5)After the Registrar approved the schemes, the society' shall make payments to members and creditors as provided in Clause (b) of sub-section (4) of Section 16, make a report to that effect to the Registrar and furnish the Registrar with a proposal to amend the bye-laws of the society' duly passed in that behalf. On receipt of the proposal, the Registrar shall registrar the amendment in accordance with the provisions of Section 13.

16. Amalgamation, transfer of assets and liabilities, division or conversion of societies.

(1)Every society desiring to effect amalgamation, transfer of assets and liabilities, division or conversion shall make an application to the Registrar in that behalf, giving full details about such amalgamation, transfer, division, or as the case may be, conversion.(2)On receipt of such application, the Registrar may after examining the details furnished in the application and other particulars which he may call upon the society' to furnish, give his approval to the amalgamation, transfer, division or conversion, if he considers such amalgamation, transfer, division or conversion, as the case may be, to be in the interest of the society.(3)After the receipt of Registrar's approval under sub-rule (2) of this rule the society shall convene a special general meeting by giving notice of at least 15 clear days to all its members and creditors and pass a resolution for amalgamation, transfer of assets and liabilities, division or conversion, as the case may be, by two-third majority of the members present and voting at the meeting. The resolution so passed shall contain the purpose and the full scheme indicating how the proposed amalgamation, transfer or division or conversion would be useful to the society and be given effect to. Where the scheme does not involve transfer of liabilities of the society to another society, a statement to that effect shall be made in the application to be made under sub-rule (1) of this rule. Where the scheme involves transfer of liabilities of the society, the society shall give written notice in Form 'G' to all its members, creditors and other persons whose interest are likely to be affected by such transfer. The Notice shall also be displayed in DC/ADC/CO's office and in the district in which the society's office is situated and a copy thereof shall be exhibited on the notice board in the society's and Registrar's office.(4)Within one month from the date of notice referred to in sub-rule (3) of this rule, the members, creditors and other persons whose interests are likely to be affected by the transfer of the society's liabilities, may exercise their option as required by Clause (i) of the proviso to sub-section (1) of Section 17 failing which they shall be deemed to have assented to the transfer of liabilities of the society to another society.(5)The society shall meet in full or otherwise satisfy all claims of members and creditors and

other interested persons who exercise the option.(6)The society shall submit a report to the Registrar of the action taken by it and request him to give effect to its decision for amalgamation, transfer, division or conversion by registering the amalgamated or converted society or the new society, as the case may be, and cancelling the registration of the societies which have been amalgamated, divided or converted.(7)On receipt of the report from the society under sub-rule (6) of this rule, the Registrar shall, after satisfying himself that the procedure has been properly followed, register the amalgamated, divided or converted societies and cancel the registration of the societies which have been amalgamated, divided or converted.

17. Reconstruction of a society.

(1)An application for reconstruction of a society under Section 19 may be made in Form 'H'. On receipt of such application, the Registrar may, taking into consideration the compromise or arrangement for reconstruction of the society, if he thinks fit, prepare a draft order indicating-(a)the manner in which the amounts payable by the society to its creditors should be paid and the amounts recoverable from its debtor members should be recovered.(b)the manner in which the share capital, if any, of such members should be reduced.(c)the manner in which the scheme of reconstruction should be implemented, and(d)the manner in which the bye-laws of the society will stand amended in order to give effect to the scheme of reconstruction.A copy of the draft order shall be exhibited on the notice board of the society and a copy thereof shall be exhibited on the notice board of the Registrar's office inviting objections and suggestions from all those interested within a specified time which shall not exceed one month.(2)After taking into consideration the objections and suggestions (if any) received, the Registrar may issue an order approving such reconstruction or staying further proceedings in respect of such reconstruction. On issue of an order approving the reconstruction, the society shall stand reconstructed and the bye-laws of the society shall be modified to that effect and to that extent.

Chapter III

Members and their Rights and Liabilities

18. Conditions to be complied with for admission for membership, etc.

- No person shall be admitted as a member of a society, unless-(a)he has applied in writing in the form laid down by the society or in the form specified by the Registrar, if any, for membership;(b)his application is approved by the committee of the society in pursuance of the powers conferred on it in that behalf and subject to such resolution as the general body of members may, in pursuance of the powers conferred on it in that behalf from time to time, pass, and in the case of nominal, associate or sympathiser member, by an officer of the society authorised in that behalf by the committee;(c)he has fulfilled all other conditions laid down in the Act, the rules and the bye-laws;(d)in case of a firm, company or body corporate, society registered under the Societies Registration Act, 1980 as extended to Arunachal Pradesh or a public trust registered under any law for the time being in force relating to registration of public trusts or a local authority, the application for membership is accompanied by a resolution authorising it to apply for such membership.

19. Procedure for admission of joint member and minors and persons of unsound mind inheriting the share or interest of deceased member.

(1)A society may admit joint members, provided they make a declaration in writing that the person whose name stands first in the share certificate shall have the right to vote and all the liabilities will be borne jointly and severally by them as provided in the Act, rules and bye-laws.(2)In accordance with the procedure laid down in its bye-laws and these rules for admission of any member, a society may admit minors and persons of unsound mind inheriting share or interest of deceased members as its members through their legal representatives or guardians, respectively. The members so admitted will enjoy such rights and liabilities through such legal representatives or guardians as are laid down in the bye-laws of the society that are consistent with the Act and rules.

20. Withdrawal of membership.

(1)Subject to the provisions of the Act, the rules and the bye-laws of the society, a member may withdraw from the society, after giving three months' notice to the Secretary of the society of his intention to resign his membership of the society.(2)No resignation of a membership shall be accepted by the society unless the member has paid in full, his dues, if any, to the society and has also cleared his liability, if any, as surety to any other member or otherwise.(3)The withdrawal from membership shall also be subject to such restrictions regarding the maximum amount of share capital that can be refunded in a year or as may have been provided for in the Act, the rules or bye-laws of the society.(4)Any member whose resignation has been accepted by the society, or any heir or legal representative of a deceased member, may demand refund of the share capital held by such member or deceased member and the society shall, subject to the provisions of sub-section (3) of Section 29 and subject to the provisions of the bye-laws, refund the amount within six months from the date of the acceptance of the resignation or, as the case may be, the date of demand made by the heir or legal representative of the deceased member.(5)In all cases where share capital is to be refunded, valuation of the shares to be refunded shall be made in accordance with the provisions contained in Rule 22.

21. Voting rights of individual members in a federal society.

(1)In the case of federal societies, the voting rights of individual members (which terms shall include firm, company or body corporate, society registered under the Societies Registration Act, 1860 as extended to Arunachal Pradesh, Government, local authority, and public trust registered under any law for the time being in force relating to registration of public trust and shall not include a society) may be regulated as follows:(a)immediately after the 30th June of every year and as soon as possible before annual general meeting, individual members admitted to membership up to the 30th June of the preceding year (hereinafter referred to as "the relevant date"), shall elect delegates equal to one-fourth of the number of societies admitted to membership up to the relevant date or one delegate for every twenty-five individual members (fractions being neglected) whichever is less. The delegates so elected will continue in office till their successors are elected after 30th June next;(b)every society through its properly authorised representative and every delegate referred to

in Clause (a) above shall have one vote in the general meeting;(c)the quorum for the meeting shall be one-fifth of the total number of delegates and representatives of the societies or 25 (twenty-five) whichever is less:Provided that the delegates shall not at any time in the meeting exceed one-fourth of the number of representatives of the societies;(d)the election of delegates shall be held in accordance with the provisions of the bye-laws;(e)any vacancy of a delegate caused on account of cessation of membership shall be filled by the delegates by co-opting one of the individual members.(2)Unless otherwise provided by the Registrar in respect of any particular society, the delegates on the committee or the Board of Directors, as the case may be, shall not, at any time, exceed one-third of the number of representatives of societies (fraction being neglected).

22. Valuation of shares.

(1)Where a member of a society ceases to be a member thereof, the sum representing the value of his share or interest in the share capital of the society to be paid to him or his nominee, heir or legal representative, as the case may be, shall be ascertained in the following manner, namely:(a)in the case of a society with unlimited liability, it shall be the actual amount received by the society in respect of such share or interest;(b)in the case of a society with limited liability, it shall be the amount arrived at by a valuation based on the financial position of the society as shown in the last audited balance sheet preceding the cessation of membership:Provided that the amount so ascertained shall not exceed the actual amount received by the society in respect of such share or interest.(2)Where a person is allotted a share by a society, the payment required to be made therefor shall not exceed the face value of the share notwithstanding anything contained in the bye-laws of the society.(3)When a share is transferred by a member to another member duly admitted as a member of a society, the transferee shall not be required to pay anything in excess of the value of the share determined in accordance with sub-rule (1)

23. Procedure for transfer of shares.

(1)No transfer of shares shall be effective unless,-(a)it is made in accordance with the provisions of the bye-laws;(b)a clear fifteen days' notice to writing is given to the society indicating therein the name of the proposed transferee, his consent, his application for membership, where necessary, and the value proposed to be paid by the transferee;(c)all liabilities of the transferor due to the society are discharged; and(d)the transfer is registered in the books of the society.(2)Any charge in favour of the society on the share transferred will continue unless discharged otherwise.

24. Nomination of persons.

(1)For the purpose of transfer of his share or interest under sub-section (1) of Section 30, a member of a society may, by a document signed by him or by making a statement in a book kept for the purpose by the society, nominate any person or persons. Where the nomination is made by a document, such document shall be deposited with the society during the member's life time and where the nomination is made by a statement, such statement shall be signed by the member and attested by one witness.(2)The nomination made under sub-rule (1) of this rule may be revoked or varied by any other nomination made in accordance with that sub-rule.(3)(a)Where a member of a

society has not made any nomination, the society shall, on the member's death, by a public notice exhibited at the office of the society, invite claims or objections for the proposed transfer of the share or interest of the deceased within the time specified in the notice.(b)After taking into consideration the claim of objections received in reply to the notice or otherwise, and after making such inquiries as the committee considers proper in the circumstances prevailing, the committee shall decide as to the person who in its opinion is the heir or the legal representative of the deceased member and proceed to take action under Section 30.

25. Registration of nomination.

- The name and address of every person nominated for the purposes of sub-section (1) of Section 30 and any revocation or variation of such nomination shall be entered in the register kept under Rule 31 of these rules.

26. Supply of copies of documents by societies and fees therefor.

(1)A member of a society requiring a copy of any of the documents mentioned in sub-section (1) of Section 32, may apply to the society for the same. Every such application shall be accompanied by a deposit of such amount as may be decided by the committee, for recovering the cost of preparing the copies at the rates of 0.15 paise for every 200 words or less. On receipt of the deposit, the society shall issue a receipt for the same.(2)Where the copies are prepared, the amount due from the member according to the scale laid down in sub-rule (1) of this rule shall be retained by the society as copying fees and the surplus amount, if any, remaining out of the deposit shall be refunded to the member at the time of supplying copies. Where the amount deposited by the member is found to be insufficient to cover the copying fees, the member shall be called upon to pay the deficit before taking delivery of the copies.(3)The copies shall be certified and signed as true copies by any person duly authorised in this behalf by the committee or under the bye-laws of the society.

27. Expulsion of members.

- Any member who has been persistently defaulting payment of his dues or has been failing to comply with the provisions of the bye-laws regarding sales of his produce through the society, or other matters in connection with his dealings with the society or who, in the opinion of the committee, has brought disrepute to the society or has done other acts detrimental to the interest or proper working of the society may, in accordance with the provisions of sub-section (1) of Section 35, be expelled from the society. Expulsion from member may involve forfeiture of shares held by the member.

28. Procedure for expulsion of members.

(1)Where any member of a society proposes to bring a resolution for expulsion of any other member, he shall give a written notice thereof to the Chairman of the society. On receipt of such notice or when the committee itself decides to bring in such resolution, the consideration of such resolution

shall be included in the agenda for the next general meeting and a notice thereof shall be given to the member against whom such resolution is proposed to be brought, calling upon him to be present at the general meeting to be held not earlier than a period of one month from the date of such notice and to show cause against expulsion to the general body of members. After hearing the member, if present, or after taking into consideration any written representation which he might have sent, the general body of members shall proceed to consider the resolution.(2)When a resolution passed in accordance with sub-rule (1) of this rule is sent to the Registrar or otherwise brought to his notice, the Registrar may consider the resolution and after making such inquiries as he may deem fit, give his approval and communicate the same to the society and the member concerned. The resolution shall be effective from the date of such approval.

29. Inspection of documents in the Registrar's office by members of societies and the scale of fees for supply of copies of documents.

- A member of a society or any member of the public may inspect the following documents in the office of the Registrar, free of charge, and may obtain certified copies thereof, on payment of fees as specified below:

Documents	Fees
(i) Application for registration of a society	– 0.50 paise each
(ii) Certificate of registration	– 0.50 paise each
(iii) Bye-laws of societies	– 0.50 paise per 200 words or less
(iv) Amendment of bye-laws of a society	– 0.50 paise per 200 words or less
(v) Order of cancellation of the registration of society	– 0.50 paise per 200 words or less
(vi) Audit memorandum of a society	– 0.50 paise per 200 words or less
(vii) Annual balance sheet	– 0.50 paise per 200 words or less
(viii) Order under Section 90	– 0.50 paise per 200 words or less
(ix) Order referring a dispute	– 0.50 paise per 200 words or less
(x) Order of supersession of a committee or removal of any member thereof	– 0.50 paise per 200 words or less
(xi) Any other order against which an appeal is provided	– 0.50 paise per 200 words or less

Chapter IV

Incorporation, Duties and Privileges of Societies

30. Procedure for change of address of societies.

(1) Every society shall communicate in writing to the Registrar its postal address as indicated in its bye-laws registered under the Act and wherever applicable mention the name of districts, sub-division, circle, town or village, house number and postal circle. While communicating the postal address of the society, the committee of the society shall also send a copy of a resolution passed by it for adoption of the address communicated to the Registrar. (2) On receipt of the communication from the society under sub-Rule (1) of this rule, the Registrar shall register the address communicated by the society in a register to be maintained for that purpose and inform the society of such registration. (3) Every change in its registered address shall be communicated by the society to the Registrar in the manner laid down in sub-rule (1) of this rule. Any such change shall not be treated as registered unless-(i) it is indicated in the bye-laws by amending them and the amendment so made is registered under the Act, and (ii) the change is registered in the manner laid down in sub-rule (2) of this rule. (4) The registered address of a society or such change therein as may be registered, from time to time, shall be exhibited on the notice board of the society, immediately after registration.

31. Register of members.

- The register of members to be kept by every society under sub-section (1) of Section 39 shall be in Form "I".

32. List of members.

- The list of members to be kept by every society under Section 40 shall be in Form "J".

33. Certified copies of entries in books of societies.

- For the purposes of Section 41, copies of any entries referred to in that section may be certified by any officer of the society duly authorised in that behalf by the committee under the seal of the society.

34. Conditions for borrowing by societies with limited liability.

(1) No society other than those referred to in Rule 35 with limited liability shall, without the previous sanction of the Registrar, incur liability exceeding in total ten times the total amount of its paid up share capital, accumulated reserve fund and building fund minus accumulated losses: Provided that Central Bank, Urban Banks and Producers' Societies shall not, except with the previous sanction of the Registrar, incur liabilities exceeding twelve times the total of their paid up share capital,

accumulated reserve fund and building fund minus accumulated losses. Explanation. - In calculating the total amount of liability for the purposes of this sub-rule, in the case of any society or class of societies the bye-laws of which permit borrowing or granting credit facilities on the pledge of agricultural produce or other goods, specified in that behalf by the Registrar, by general or special order, a sum equal to the amount borrowed by such society or class of societies, on the security of agricultural produce or other goods of such society or its members, shall be excluded from the amount of the actual liability under this rule. (2) Any society may incur liabilities in excess of the limit specified in sub-rule (1) of this rule by receiving deposits or borrowing loans subject to the conditions that the amount received as deposits or borrowed as loans in excess of the said limit shall not be utilised in the business of the society but shall be invested in Government securities which, in the case of Central Bank, shall be deposited with the Government and, in case of other Co-operative Banks, with the Central Banks. No society shall borrow against such securities.

35. Conditions of borrowing for Co-operative Banks.

- Except with the previous sanction of the Registrar, a Co-operative Bank shall not incur liabilities exceeding in total fifteen times the total amount of its paid up share capital, and all reserves minus accumulated losses, actual bad debts, if any, and overdue interest: Provided that the Bank may incur liabilities in excess of the aforesaid limit by receiving deposits or borrowing loans subject to the condition that the amount received as deposits or borrowed as loans in excess of the said limit shall not be utilised in the business of the Bank but shall be invested in Government securities which shall be deposited as directed by the Registrar. The Bank shall not borrow against such securities. Explanation. - In calculating the total amount of liability for the purposes of this rule, a sum equal to the amount borrowed by the Bank, on the security of agricultural produce or other goods of the members of the Bank shall be excluded from the amount of the actual liability under this rule.

36. Loans and deposits from non-members in unlimited liability societies.

- Every society with unlimited liability shall, from time to time, fix, in a general meeting, the maximum liability which it may incur in loans and in deposits from non-members. The maximum so fixed shall be subject to the sanction of the Registrar, who may at any time reduce it, for reasons to be communicated by him to the society in writing, and may specify a period not being less than four months, within which the society shall comply with his orders. No such society shall receive any loan or deposit from a non-member, which will make its liability to non-members exceed the limit sanctioned by the Registrar.

37. Raising of funds by societies.

(1) Every society, which has a share capital, shall provide in the bye-laws the maximum amount of such share capital, the number of shares into which it is divided, the class of shares, the face value of each share of each class and rights and liabilities attaching to each class of shares and where the full amount of the share is not payable on allotment, the amount and the number of instalment in which it is required to be paid and such other incidental matters. (2) Any society, which is authorised under

its bye-laws or raise funds, by the issue of debentures and bonus, may, with the prior sanction of the Registrar, frame regulations regarding the maximum amount to be raised by the issue of debentures and bonds, the class or classes of debentures or/and bonds, the face value of each debenture or bond, the date on which the debentures or bonds are to be redeemed, the rates at which interest is payable, the terms and conditions regarding transfer of debentures and bonds and other incidental matters.(3)The total amount of debentures and bonds issued at any time together with the other liabilities incurred by the society shall not exceed the maximum amount which the society can borrow under the provisions of Rule 32, 33, 34, 36 or 37, as the case may be, and its bye-laws.

38. Additional conditions for raising funds by societies.

- The Registrar may, by general or special order, lay down such additional conditions as he deems fit, subject to which and the extent up to which any society or class of societies may receive deposits, issue debentures or raise loans from any creditor other than a Central Bank.

39. Maintenance of liquid resources and distribution.

- Every society which obtains any portion of its working capital by deposits shall-(a)maintain such liquid resources and in such form as may be specified from time to time by the Registrar, and(b)utilise only such portion of its working capital in lending business and distribute its assets in accordance with such standards as may be specified from time to time by the Registrar.

40. Regulation of loans to be granted by societies.

(1)In case of grant of loans against security of movable or immovable property, the lending society shall maintain such margin as the Registrar may, with the approval of the Apex Bank, by general or special order, direct from time to time, with reference to different commodities, securities or classes of societies.(2)In case of cash credit, the amount of loans shall not exceed such multiple of owed funds of the borrowing society as may be laid down by the Registrar with the approval of concerned financing agency from time to time.(3)It shall be lawful for a society for a society to grant loans without taking security of movable or immovable property if the purpose for which the loan given is considered production-worthy or credit-worthy and it is reasonably expected that the loans will be repaid by the loanee. The Registrar may, with the approval of the Apex Bank, issue directions to societies to ensure that credit-worthy purposes indicated above received finance from the societies without any difficulties on the one hand, and without being detrimental to the financial of the societies, on the other.(4)The Registrar may recognise a Central Bank as the-Central Financing Agency which shall be primarily responsible for financing credit requirements of all credit-worthy purposes through the Concerned societies in its jurisdiction. On such recognition such bank shall be responsible for making all possible efforts to mobilise local resources for making loans available to the societies in its area. Such loans may be granted for credit worthy purposes, giving due importance to the production plans and requirements of various strata of the producer and co-operative discipline with reference to linking up of credit with co-operative processing or co-operative marketing.(5)Except with the general or special permission of the Registrar, the loan advanced to a member by a society or to a society by a bank, shall be subject to such conditions as

may be laid down by the Registrar, with the approval of the Apex Bank, including the maximum amount to be advanced and the period of repayment, both in regard to total advances and to members and societies as also against different types for securities.(6)No society shall carry on transactions on credit or sanction trade credit to its members or to non-members except in accordance with the general directions that may be issued by the Registrar in that behalf.(7)In the matter of grant of loans to societies by Central Banks or to members by Primary societies, the Registrar may lay down, with the approval of the Central Banks, the procedure regarding receiving applications, assessing credit needs, making inquiries in respect of the production programme for which such loan is required and the procedure for finally sanctioning the loan as also the rates of finance to be followed from year to year and the nature of inquiries to be made for the purpose of financing of different crops and imposition of certain conditions regarding proper utilisation of loan and sale of agricultural produce through specified co-operative organisation, before such finance is granted.(8)The Registrar may, with the approval of the Apex Bank, by general or special order, prohibit or regulate, grant of loans by a Central Bank or a society where such grant is considered neither in the interest of the society nor in the interest of the development of co-operative movement on sound lines.

41. Conditions to be complied with by members applying for loans.

(1)Every member of a society applying for a loan from the society shall be required to hold shares in such manner and in such proportion to the amount of loan applied for by him as may be specified in the bye-laws of the society.(2)Subject to the maximum limit specified in the bye-laws, a loan to be granted to a member of a resource society and the period of its repayment shall be in accordance with the standard laid down by the Registrar in consultation with the Central Bank and the federal society. A loan in excess of the maximum amount may be granted to a member with the previous sanction of the Central Bank and the federal society to which the society is affiliated:Provided that where the amount of the loan exceeds twice the maximum limit contained in the bye-laws, prior sanction of the Registrar shall also be obtained.

42. Credit limits by non-credit societies.

(1)No society, whose objects do not include grant of loan or financial accommodation to its members, shall grant loans or sanction credit to any member without the sanction of the Registrar:Provided that any society which has, as one of its objects, supply of goods or services required by members for production purposes, may supply goods or provide services on credit against sufficient security on condition that the cost of the goods supplied or services provided shall be recoverable from the amount of the sale proceeds of the agricultural produce or other goods produce by the member.(2)A consumer society may sell goods on credit to its members and other consumers up to the extent of deposits received from them.

43. Restrictions on borrowing from more than one credit society.

(1)Every person who is a member of more than one resource society (other than a Central Bank or a marketing society) dispensing, credit, shall, if he has not already made, make a declaration in Form

'K', that he will borrow only from one such society to be mentioned in the declaration and shall send a copy of such declaration duly attested to all societies of which he is or has become a member.(2)Any person who continues to be a member of more than one such society without complying with provisions of this rule, shall be liable to be removed from the membership of any or all such societies upon receiving a written requisition from the Registrar to that effect:Provided that the society from which a person has borrowed may permit him to borrow from any other society of which he is a member to such extent and subject to such conditions as may be laid down by it.(3)The Registrar, may, for reasons to be recorded in writing, exempt any person or persons from the operation of this rule or prohibit any person or persons from borrowing from more than one society, notwithstanding permission of the society under proviso to sub-rule (2) of this rule has been obtained by him.

44. Manner of recalling of loan.

(1)Notwithstanding anything contained in the agreement entered into with the borrowing member, the committee of a society shall be entitled, after giving a week's notice to such member, to recall the entire loan amount immediately, when it is satisfied that the loan given has not been applied for the purpose for which it was given or there has been breach of any of the conditions for grant of such loan.(2)Nothing in this rule shall be deemed to preclude the Registrar from directing the society to recall a loan of his own motion, when it is brought to his notice that the loan given by the society has been misapplied or conditions thereof, have not been followed. The Registrar may make in the matter such inquiries as he may deem necessary and after giving a show cause notice to the society, issue with the prior approval of the Co-operative Bank financing the society, necessary directions to the society. The directions issued by the Registrar in this respect shall be complied with by the society.

45. Restriction on transactions with non-members.

- On the application of a member of any society or of his own motion, when it appears to the Registrar that it is necessary in the interest of the Working of any particular society to regulate or restrict transactions of such society with any non-member, the Registrar shall after giving an opportunity to the society of being heard, issue such directions as he may consider necessary regulating or restricting such transactions.

46. Form of declarations to be made by members borrowing loans from certain societies and conditions on which any charge in favour of societies shall be satisfied.

(1)A declaration to be made under Clauses (a) and (b) of Section 49 shall be in Form 'L'.(2)A register of such declaration shall be kept by the society in Form 'K'.(3)A charge on any immovable property created by a member in favour of a society for amounts borrowed or likely to be borrowed by him, from time to time, shall, subject to the provisions of Clauses (c) and (d) of Section 49, continue in force till the person creating the charge ceases to be a member of the society.(4)Where a member of

a society creates a charge on his land or on his interest in any land as a tenant by declaration under Section 49, the society may, if compelled to make use of such property for the recovery of the loan granted to such member against the security of such property or interest in the property, utilise the whole or any portion of such property which may be sufficient to satisfy the amount due with interest and any incidental expenses incurred in that connection.(5)Where a charge is created by a member on his land or on his interest in any land as a tenant by declaration under Section 49, the society shall record or cause to record such particulars of charge in the record maintained by the village officers of the village/Panchayat/Anchal Samiti where such property is situated. Such recording of the charge in the record of village/Panchayat/Anchal Samiti of the village shall be treated as a reasonable notice of such charge created under Section 49.

Chapter V

Property and Funds of Societies

47. Writing-off of bad debts and losses.

(1)All loans including interest thereon and recovery charges in respect thereof which are found irrecoverable and are certified as bad debts, by the auditor appointed under Section 82, shall first be written-off against the Bad Debt Fund and the balance, if any, may be written-off against the Reserve Fund and the share capital of the society.(2)All other dues and accumulated losses or any other loss sustained by the society which cannot be recovered and have been certified as irrecoverable by the auditor may be written-off against the Reserve Fund or share capital of the society:Provided that-(i)no bad debts or losses be written-off without the sanction of the general body;(ii)before any such bad debts or losses are so written-off, the society, if it is affiliated and indebted to a Central Bank shall first obtain the approval of that bank in writing and also the approval of the Registrar.If the society is affiliated but not indebted to the Central Bank and in all other cases, it shall obtain the approval of the Registrar in writing. If the society itself is a Central Bank approval of the State Co-operative Bank Arunachal Pradesh, if any, and the approval of the Registrar shall first be obtained:Provided that, in case of societies classified as A or B at the time of last audit no such permission need be taken if the bad debts are to be written-off against the Bad Debt Fund specially created for the purpose;Provided further that the Registrar may while giving the approval, impose such conditions as to the recoupment of the Bad Debt Fund and restoration of part or whole of the amount written-off against the Reserve Fund, from out of future profits as he deems fit.

48. Appropriation of profits.

(1)The other purposes for which a society may appropriate its profits shall be education and enlightenment of the members of the society and also any Co-operative or charitable purpose including relief to the poor, education, medical relief and advancement of any other general public utility; provided that the expenditure on such item does not exceed 10 per cent of the net profits.(2)No bonus on shares shall be given over and above the dividend.Explanation. - Nothing in this rule shall prohibit giving of any bonus as contemplated in Clause (5) of Section 2.

49. Amount to be deducted by a society from its profits before arriving at its net profits.

- In addition to the sums referred to in sub-section (1) of Section 66, the following sums shall be deducted by a society from its profits before arriving at its net profit for the purpose of sub-section (2) of Section 66-(i)contribution, if any, to be made to any sinking fund or guarantee fund constituted under the provisions of the Act, these rules or bye-laws of the society for ensuring due fulfilment of guarantee given by Government to respect of loans raised by the society;(ii)provision considered necessary for depreciation in the value of any security, bonds or shares held by the society as part of its investments;(iii)any provision required to be made for the redemption of share capital contributed by Government or by a federal society.

50. Bonus and Dividend Equalisation Fund.

(1)A society may create out its net profits a fund to be called "the Bonus Equalisation Fund" and a fund to be called the Dividend Equalisation Fund.(2)Except otherwise specifically authorised by the Registrar, the funds so created shall be utilised in accordance with the provisions of the bye-laws of the society only for payment of bonus or dividend, as the case may be.(3)A society may credit in any year a sum not exceeding 2 per cent of the paid up share capital to the Dividend Equalisation Fund until the total amount in such Fund amounts to 9 per cent of the paid up share capital.(4)No society shall declare a dividend at a rate exceeding that recommended by its committee.

51. Rate of contribution to educational fund of the territory level federal society.

- Every society which pass a dividend to its members at a rate of 4 per cent or more, shall contribute towards the educational fund of the federal society notified by the Government, at the following rates, namely:

- | | |
|--|--|
| (a) if the rate of dividend for any year is 4 per cent. | 1 per cent of the net profits of the year. |
| (b) if the rate of dividend for any year is more than 4 per centbut not more than 5 per cent | 1 ¼ per cent of the net profits of the year. |
| (c) if the rate of dividend for any year is more than 5 per centbut not more than 6 per cent | 1 ½ per cent of the net profits of the year. |
| (d) if the rate of dividend is more than 6 per cent but not morethan 7 per cent | 1 ¾ per cent of the net profits of the year. |
| (e) If the rate of dividend is more than 7 per cent but not morethan 8 per cent | 2 per cent of the net profits of the year. |
| (f) if the rate of dividend is more than 8 per cent | 2 ¼ per cent of the net profits of the year: |

Provided that, if the net profits of a society for any year do not exceed Rs. 200 the society shall not be required to contribute anything towards the said educational fund for that year.

52. Utilisation and investment of reserve fund.

(1)A society shall, in addition to the modes specified in Clauses (a) to (d) of Section 71, invest or deposit its reserve fund in any one or more of the following permitted modes, namely:(i)in the case of primary societies, in Central Financing Agencies;(ii)in the case of Central Co-operative Banks and Urban Banks, in the State Co-operative Bank;(iii)in debentures issued by Apex Bank or in Government loans; or(iv)in any immovable property specified by the Registrar by a general or special order;Provided that, in the case of a society whose reserve fund is equal to or more than its paid up share capital, the Registrar may, by general or special order, permit that society to invest the portion of the reserve fund which is in excess of its paid up share capital or a portion thereof, in its business. Further in case of Central Co-operative Banks and the State Co-operative Bank, the Registrar may, by general or special order, authorise such banks to invest fifty per cent of their reserve fund in their business.(2)No society whose reserve fund has been separately invested or deposited shall draw upon, pledge or otherwise employ such fund except with the sanction of the Registrar previously obtained in writing.(3)In the case of a society constituted with the object of co-operative housing on a co-partnership basis, the reserve fund may be utilised for expenditures on the maintenance, repair, and renewal of buildings of the society.(4)In the case of a processing society the reserve fund may be utilised in acquisition, purchase or construction of lands, buildings and machinery.

53. Investment of other funds.

(1)A society may invest any of its funds (other than the reserve fund) in any of the modes specified in Section 71 when such funds are not utilised for the business of the society.Explanation. - For the purpose of this sub-rule, "business of a society" shall include any investment made by the society in immovable property with the prior sanction of the Registrar in the process of recovery of the society's normal dues or for the purpose of construction of building or buildings for its own use.(2)The Registrar may, in the case of any society or class of societies, specify, by a special or general order, the maximum amounts to be invested in any class or classes of societies.(3)Every society which has invested an amount not less than 10 per cent of its working capital in securities shall be required to constitute an investment fluctuation fund. The Registrar may direct that a specified per cent of the net profits every year shall be credited to the Investment Fluctuation Fund until, in his opinion, the amount of the funds is adequate to cover anticipated losses arising out of the disposal of the securities.

54. Maintenance and administration of provident fund.

- A society which has established a provident fund for its employees under Section 72 shall, with the previous approval of the Registrar, frame regulations for the maintenance and utilisation of the provident fund for its employees. Among other matters, such regulations shall provide for the following:(i)amount (not exceeding ten per cent of the employees' salary) of contribution to be

deducted from the employees' salary;(ii)the rate of contribution (not exceeding the annual contribution made by the employee)- to be made by the society;(iii)advances which may be made against the security of the provident fund;(iv)refund of employees' contribution and contributions made by the society; and(v)mode of investment of the provident fund and payment of interest thereon.

Chapter VI

Management of Societies

55. Prohibition against being interested in contracts etc.

(1)No officer of a society shall have any interest, directly or indirectly otherwise than as such officer-(a)in any contract made with or by the society; or(b)in any property sold or purchased by the society ; or(c)in any other transaction of the society, except as investment made or as loan as taken from the society or the provision of residential accommodation of the society to any paid employee of the society.(2)No officer of the society shall purchase, directly or indirectly, any property of a member of the society sold for the recovery of his dues to the society.

56. Disqualification for membership of committee.

(1)No person shall be eligible for appointment or election as a member of the committee of a society, if-(a)he is in default to any society in respect of any dues from him, either as a borrower or as a surety for such period as is specified in this behalf in the bye-laws of the concerned society or for a period exceeding three months, whichever is less; or(b)he is, in the opinion of the Registrar, persistently and deliberately committing breach of the co-operative discipline with reference to linking up of credit with co-operative marketing or co-operative processing; or(c)he has been responsible under Section 80 or 90 or has been held responsible for payment of costs of inquiry under Section 87; or(d)he does not, when representing individual member in Co-operative Bank or a Central Bank or any other society or class of societies, hold such share as may be laid down in the bye-laws of such bank or such society or such class of societies, as the case may be.(2)A member of the committee of a society shall cease to hold office if he incurs any of the disqualification mentioned in sub-Rule (1) of this rule.(3)(i)A member of a society who carries on business of the kind carried on his society, shall not be eligible to be a member of the committee of that society without the general or special sanction of the Registrar.(ii)Where any person not eligible to be a member of the committee without the general or special sanction of the Registrar is elected to be member of such committee without the sanction of the Registrar, he shall cease to be member of the committee on receipt by the committee of a written requisition in that behalf from the Registrar.

57. First general meeting.

(1)Within three months, from the date of registration of a society the chief promoter thereof, shall convene the first general meeting of all persons who had joined in the application for registration of

the society. Where the chief promoter fails to convene the meeting as aforesaid, it shall be convened by any person authorised in that behalf by the Registrar.(2)At the first general meeting, the following business shall be transacted;(i)Election of a president for the meeting.(ii)Admission of new members.(iii)Receiving a statement of accounts and reporting all transactions entered into by the promoter up to 14 days before the meeting.(iv)Constitution of a provisional committee until regular elections are held under the bye-laws. The provisional committee shall have the same powers and functions as the committee elected in accordance with the bye-laws.(v)Fixing the limit up to which the funds may be borrowed.(vi)Any other matter which is specifically mentioned in the bye-laws.

58. General meeting.

(1)All general meetings of a society excepting the first general meeting shall be convened by the Secretary or any other officer authorised by an under the bye-laws to convene such meeting under intimation to the Registrar, who may attend such meetings and authorise some person to attend such meetings on his behalf. The President of the society or in his absence the Vice-President of the society Or, in the absence of both, a member elected by the members present at the meeting, shall preside over the meeting unless the bye-laws specify that the President of the meeting should be elected by the meeting.(2)No general meeting shall be held or proceeded with unless the number of members required to form a quorum as specified in the bye-laws are present.(3)The Secretary or any other officer convening the meeting shall read out the notice of convening the meeting and the agenda for the meeting and then the subjects shall be taken up for consideration in the order in which then are mentioned in the agenda unless the members present, with the permission of the President, agree to change the order. Unless otherwise specified in the Act, these rules and bye-laws, the resolution will be passed by a majority of the members present. The President will have a casting vote.(4)When the members are divided on any resolution, any member may demand a poll. When a poll is demanded, the President shall put the resolution to vote.(5)Voting may be by show of hands or by ballot as may be decided by the members present at the meeting, unless otherwise specified in the bye-laws. Notwithstanding anything contained in the bye-laws, election of officer bearers of a society having members' share capital in excess of Rs. 10,000 (Rupees ten thousand) including Government share capital, if any, shall be by ballot.(6)Where voting is to be by ballot, the President shall take necessary steps for the issue of ballot papers and counting of votes.(7)The result of voting shall be announced by the President.(8)If all the business in the agenda cannot be transacted on the date on which the general meeting is held, the meeting may be postponed to any other suitable date not later than 30 days from the date of the meeting as may be decided by the members present at the meeting.(9)The remaining subject or subjects on the agenda shall be taken up for consideration at the postponed meeting.(10)If the general meeting cannot be held for want of quorum, it shall be adjourned to a later hour on the same day as may have been specified in the notice calling the meeting or to subsequent date not earlier than seven days and at such adjourned meeting the business on the agenda of the original meeting shall be transacted whether there is a quorum or not.(11)No resolution regarding expulsion of a member of the society, removal of a member of the committee or amendment of bye-laws, shall be brought forward in any general meeting, unless due notice thereof is given in accordance with the provisions of the Act, these rules and the bye-laws of the society.

59. Annual statement of accounts including balance sheet etc.

- Within forty-five days of the close of every co-operative year, or within such extended period as may be specified by the Registrar, in the case of any society or class of societies, the committee of every society shall prepare annual statements of accounts showing-(i)receipts and disbursements during the previous co-operative years,(ii)the profit and loss account for the year, and(iii)balance sheet as at the close of the year.These statements of accounts shall be open to inspection by any member during office hours at the office of the society and a copy thereof shall be submitted within fifteen days from the date of preparation to the auditor appointed by the Registrar for the audit of that society.

60. Form for the balance sheet and the profit and loss account.

(1)The balance sheet and the profit and loss account to be laid before the annual general meeting of a society by the committee shall ordinarily be in Form 'N';Provided that it shall be competent for the Registrar to permit a society or class of societies to adopt such other form as he may deem fit.(2)A copy of the balance sheet and profit and loss account to be presented at the annual general meeting under sub-section (2) of Section 76 and a copy of the report of the committee under sub-section (2), of Section 76 shall be affixed on the notice board of the society at least fourteen days before the date fixed for the annual general meeting.

61. Power to call annual and special general meeting.

- If the annual general meeting of a society is not called in accordance with the provisions of Section 76 or if the Chairman or majority of the committee of a society fail to call a special general meeting in accordance with the provisions of Section 77, the Registrar may authorise any person subordinate to him or any officer or employee of a federal society to call annual general meeting or the special general meeting, as the case may be, and such officer or person shall have all the power and functions of the officer of the society authorised to convene such annual or special general meeting under its bye-laws.

62. Procedure for appointment, suspension and removal of members of the committee and other officers etc.

(1)Notwithstanding anything contained in the bye-laws of a society but subject to the provisions of Section 79, the Registrar may, by an order published with reasons therefor, in the official Gazette-(a)remove the committee of a society and appoint a new committee in its place consisting of three or more members of the society to manage the affairs of the society; or(b)remove the committee and appoint one or more administrators, who need not be members of the society, to manage the affairs of the society; or(c)remove any member of the committee of a society and appoint in his place such other member as he may deem fit.(2)Before making any order under sub-rule (1), the Registrar shall consult the federal society to which the society is affiliated and give an opportunity to the committee or the member concerned to show cause, within fifteen days from

the date of issue of notice, why such an order shall not be made.(3)The member appointed under Clause (c) of sub-rule (1) of this rule shall hold office so long as the member in whose place he is appointed would have held office, if the vacancy had not occurred.(4)Notwithstanding anything contained in the bye-laws regarding holding of any meeting of the society, the Registrar may, by special or general order, specify the procedure for holding meetings of the committee appointed by him under Clause (a) of sub-rule (1).(5)Immediately after the appointment of a new committee or an administrator or administrators under sub-rule (1) of this rule the committee in whose place such appointment is made and officers of the society shall give the new committee or the administrator or administrators, as the case may be, the charge of the property, documents and accounts of the society.

63. Accounts and books to be kept.

- Every society shall keep the following accounts and books-(1)a Register of Members including persons nominated under Section 39 in Form 'I'.(2)a Register of Shares;(3)a Register of Debentures and Bonds (where capital is raised by debentures and bonds);(4)Minute Book recording proceedings of general meetings;(5)Minute Book recording proceedings of committee meetings;(6)Cash Book;(7)General Ledger and Personal Ledger;(8)Stock Register;(9)Property Register;(10)Register of audit objections and their rectifications;(11)such other accounts and books, as from time to time, be specified by Governments by special or general order for any society or class of societies.

64. Periodical financial statements to be furnished.

- All registered societies classified by the Registrar as Central Banks or as Union Banks with a working capital of more than Rs. 50,000 shall submit to that officer a quarterly financial statement in the form specified by the Registrar for the quarters ending March 31st, June 30th, September 30th, and December 31st not later than April 15th, July 31st, October 15th and January 15th respectively.

65. Registrar's powers to enforce performance of obligations.

(1)In addition to the periodical financial statements referred to in Rule 64, the Registrar may, by special or general order, require any society to furnish to him any other returns in such forms as may be specified by him, on such date or dates or at such interval or intervals as may be specified by him, in the order. The salaried officers of the society shall be responsible for the submission of these returns on due dates. If there are no salaried officers of the society or if the executive functions are attended to by the Chairman or any other member of the committee in an honorary capacity, the returns shall be submitted by the Chairman or such member of the committee.(2)On failure of the society to furnish any returns on due dates the Registrar may, after giving due notice to the person or persons responsible for the submission of the same, depute an employee of the Co-operative Department or of the federal society to which the society is affiliated, to prepare the return or returns and submit it or them to him. The members of the committee and other officers of the society shall furnish to the employee of the Co-operative Department or of the federal society entrusted with the work, all information, necessary for preparing the return or returns. The

expenses incurred by the Registrar in getting such return or returns prepared shall be borne by the society and shall be recovered from the society under Section 80 as if they were public demands.

66. Procedure to be adopted for taking possession of books, documents, securities, cash and other profits of societies.

(1) Where taking possession of books, documents, securities, cash or other properties of a society is considered necessary and where taking of such possession is resisted, is registered or obstructed, the Registrar, the Liquidator or any other person entitled to the same may take or cause to be taken order for seizing the books, documents, cash or other properties of the society, as the case may be, in the manner provided in Section 81. (2) Any person appointed by the Registrar as a Liquidator of a society or any person authorised by the Registrar to audit the accounts of a society under Section 82 or any person authorised by the Registrar to hold an inquiry into the constitution, working and financial conditions of a society under Section 84 or any person authorised by the Registrar to inspect the books of a society under Section 85 shall, in case where the misappropriation of funds, breach of trust or fraud has been committed or where it is suspected or apprehended that the books, documents, securities, cash or other properties of a society are likely to be tampered with or destroyed or removed, and where taking of possession of such books, documents, securities, cash or other properties is considered necessary, shall follow the same procedure, with the previous permission of the Registrar, as is laid down in Section 81 for the purpose of obtaining such possession.

Chapter VII

Audit, Inquiry, Inspection and Supervision

67. Procedure for appointment of auditors and for conducting audit.

(1) The audit of accounts of societies shall be conducted by departmental auditors or by certified auditors appointed by the Registrar from time to time on such terms and conditions as he deems fit: Provided that any society or class of societies notified by the Registrar may get their accounts audited by an auditor selected from the panel of certified auditors maintained by the Registrar and published by him in the official Gazette. Explanation 1. - For purposes of this Chapter, 'audit' shall include annual or periodical audit, continuous or concurrent audit and test or super audit and re-audit. Explanation 2. - For purposes of this rule, 'a certified auditor' includes-(a) a Chartered Accountant within the meaning of the Chartered Accountants Act, 1949; or (b) a person who holds a diploma in Co-operative Accounts or a diploma in Co-operation and Accountancy; or (c) a person who has served as an auditor in the Department of Co-operation, Government of Arunachal Pradesh or elsewhere in India, and whose name has been included by the Registrar in the panel of certified auditors maintained and published by him in the official Gazette at least once in every three years. (2) The audit under Section 82 shall in all cases extend back to the last date of the previous audit and shall be carried out up to the last date of the co-operative year immediately preceding the audit or where the Registrar so directs in the case of any particular society or class of societies, such other date as may be specified by the Registrar. (3) The auditor shall submit an audit memorandum

to the society and to the Registrar in the Form specified by the Registrar, on the accounts examined by him and on the balance sheet and profit and loss accounts as on the date and for the period up to which the accounts have been audited, and shall state whether in his opinion and to the best of his information and according to the explanation given to him, the said accounts give all the information required by the Act in the manner so required and give true and fair view-(i)in the case of the balance sheet of the state of society's affairs as at the end of the financial year or any other subsequent date up to which the accounts are made up and examined by him; and(ii)in the case of the profit and loss account, of the profit or loss for the financial year, or the period covered by the audit, as the case may be.(4)The audit memorandum shall state-(i)whether the auditor had obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;(ii)whether in his opinion, proper books of accounts as required by the Act, these rules and the bye-laws of the society have been kept by the society so far as it appears from the examination of these books; and(iii)whether the balance sheet and profit and loss accounts examined by him or in agreement with the books of accounts and returns of the society.(5)Where any of the matters referred to in sub-rule (4) of this rule are answered in the negative or with a qualification, the audit memorandum shall specify the reasons for the answer.(6)The audit memorandum shall also contain schedule with full particulars of-(i)all transactions which appear to be contrary to the provisions of the Act, the rules or the bye-laws of the society;(ii)all sums which ought to have been but have not been brought into account by the society;(iii)any material impropriety or irregularity in the expenditure or in the realisation of moneys due to the society;(iv)any money or property belonging to the society which appears to the auditor to be bad or doubtful debt; and(v)any other matters specified by the Registrar in this behalf.(7)The summary of audit memorandum as prepared by auditor shall be read out in a general meeting. The audit memorandum together with its accompaniments shall be open to inspection by any member of the society. The Registrar may however direct that any portion of the audit memorandum which appears to him to be of objectionable nature or not justified by facts shall be expunged and the portion so expunged shall not form part of the audit memorandum.(8)The Registrar may, from time to time, specify the form or forms in which the statements of accounts and information shall be prepared for audit, by the society.(9)On completion of his statutory audit, the auditor shall award an audit classification letter to the society whose accounts he has audited in accordance with the instructions issued by the Registrar from time to time. The list of societies to be published under sub-section (3) of Section 12 shall also specify the audit class of the society.

68. Requisition of the federal society for inquiry.

- Any federal society duly authorised by a resolution of its committee, may submit a requisition to the Registrar to hold an inquiry under Section 84 in respect of any society affiliated to it, duly setting out the grounds on which the inquiry is sought. A copy of such requisition shall be supplied to the society in respect of which the requisition is made.

69. Procedure and principles for the conduct of inquiry and inspection.

(1)An order authorising inquiry under Section 84 or inspection under Section 85 shall, among other things, contain the following:(a)the name of the person authorised to conduct the inquiry or

inspection;(b)the name of the society whose affairs are to be inquired into or whose books are to be inspected;(c)the specific point or points on which the inquiry or inspection is to be made, the period within which the inquiry or inspection is to be completed and report submitted to the Registrar.(d)cost of inquiry; and(e)any other matter relating to the inquiry or inspection.(2)A copy of every order authorising inquiry under Section 84 or inspection under Section 85 shall be supplied to the federal society or societies to which the society in respect of which the order is issued, is affiliated.(3)If the inquiry or inspection cannot be completed within the time specified in the order referred to in sub-rule (1) of this rule, the person conducting the inquiry or inspection shall submit an interim report stating the reasons for failure to complete the inquiry or inspection and the Registrar, if he is satisfied, grant such extension of time for the completion of the inquiry or inspection as he may deem necessary or he may withdraw the inquiry or inspection from the officer to whom it is entrusted and holds the inquiry or inspection himself or entrust it to such other person as he deems fit.(4)On receipt of the order referred to in sub-rule (1) of this rule the person authorised to conduct the inquiry or inspection shall proceed to examine the relevant books of accounts and other documents in possession of the society or any of its officers, members, agents or servants and obtain such information or explanation from any such officers, members, agents or servants of the society in regard to the transactions and working of the society as he deems necessary for the conduct of such inquiry or inspection.(5)The person authorised to conduct the inquiry or inspection shall submit his report to the Registrar, on all the points mentioned in the order referred to in sub-rule (1) of this rule. The report shall contain his findings and the reasons therefor supported by such documentary or other evidence as recorded by him during the course of his inquiry or inspection. He shall also specify in his report the costs of the inquiry or inspection together with reason and recommend to the Registrar the manner in which the entire cost or a part thereof may be apportioned, amongst the parties specified in sub-section (1) of Section 87. The Registrar shall pass such orders thereon as may be considered just after giving a reasonable opportunity of being heard to the person or persons concerned.(6)The costs of the inquiry or inspection apportioned by the Registrar under sub-section (1) of Section 87 shall be recovered as provided in Section 88. The Registrar may direct that such costs or any part thereof shall be paid in the first instance from the funds of the society or in case of inspection, from the amount deposited by the creditor under Clause (b) of sub-section (1) of Section 86 and then recovered and repaid to the society or the creditor, as the case may be.

70. Procedure for assessing damages against delinquent promoters, etc. under Section 90.

(1)On receipt of a report referred to in Section 90 or otherwise, the Registrar or any other person authorised by him, may make such further inquiries as he may deem necessary regarding the extent to which the person who has taken any part in the organisation or management of a society or any deceased, past or present officer of the society has misapplied or retained, or become liable or accountable for, any money or property of the society, or has committed misfeasance or breach of trust in relation to the society.(2)On the completion of the further inquiries under sub-rule (1) of this rule, where necessary, the Registrar or the person authorised by him, shall issue a notice to the person or persons concerned furnishing him or them with particulars of the acts of misapplication, retention, misfeasance or breach of trust and the extent of his or their liability involved therein and

calling upon him or them to put in statements his or their defence within fifteen days of the date of issue of the notice.(3)On receipt of the statements referred to in sub-rule (2) of this rule, the Registrar or the person authorised by him, if he is satisfied that there are reasonable grounds for holding the person or persons liable, shall frame charges.(4)The person or persons concerned shall, after the charges are framed, be asked to put in his statement, in defence and to indicate the documentary or oral evidence which he would like to produce. The Registrar or the person authorised by him may permit production of other documentary or oral evidence, if considered necessary, subsequently.(5)The Registrar, or the person authorised by him, shall thereafter record the evidence led by the society or the person or persons concerned and take on record the documents proved by them and shall thereafter fix a date for hearing arguments of both the parties.(6)On the day fixed for hearing under sub-rule (5) of this rule, the Registrar or the person authorised by him, shall hear the arguments and may pass his final orders on the same day or on any date fixed by him within sixty days from the date on which the hearing was completed. On the date so fixed, the Registrar, or as the case may be, the person authorised by him, shall make his final order either ordering repayment of the money or return of the property to the society together with interest at such rate as may be specified by him or to contribute such amount to the assets of the society by way of compensation in regard to misapplication, retention, misfeasance or breach of trust as may be determined or may reject the claim submitted on behalf of the society.(7)The Registrar or the person authorised by him, may also provide in his order for the payment of the cost of the proceedings under this rule or any part of such cost as he thinks just.(8)The Registrar or the person authorised by him shall forthwith a copy of his order under sub-rule (6) of this rule to the party concerned within ten days of the date on which he makes his final order.

71. Form of Rectification Report.

- On receipt of an order, directing a society or its officers to rectify the defects and remedy the irregularities, issued by the Registrar under Section 83 and on receipt of an order issued by the Registrar under Section 89, the society shall, subject to the provisions of sub-sections (2) and (3) of Section 89, submit to the Registrar a Rectification Report in Form 'O'. The society shall continue to submit such rectification reports to the Registrar till all the defects are rectified or the irregularities are remedied to the satisfaction of the Registrar.

72. Levy of audit charges and supervision charges.

(1)The Registrar may levy audit charges and supervision charges payable annually on or before a specified date by all or any class of societies including the societies in liquidation at such rates as may be fixed by him with the approval of the Government, such charges, if not paid by the specified date, shall be recoverable under sub-section (2) of Section 123.(2)The Government may authorise the Registrar to grant total or partial exemption from the payment of audit charges and/or supervision charges assessed to any society or class of societies.

Chapter VIII

Dispute and Arbitration

73. Reference of disputes.

- A reference of a dispute under Section 94 shall be made in writing to the Registrar in Form "P". Wherever necessary, the Registrar may require the party referring the dispute to him to produce a certified copy of the relevant records on which the dispute is based and such other statements or records as may be required by him, before proceeding with the consideration of such reference.

74. Appointment of Registrar's nominee or board of nominees.

(1)The Registrar may, by general or special order notified in the official Gazette, appoint any person to his nominee for deciding disputes arising in any one or more societies situated in such area and for such period as may be specified in the order.(2)The Register may, by order notified in the official Gazette, appoint a board of nominees consisting of two or more nominees appointed under sub-rule (1) of this rule for deciding disputes arising in any one or more societies within such area and for such period as may be specified in the order.(3)Where a board of nominees is appointed under sub-rule (2) of this rule, one of the nominees on the board shall be appointed by the Registrar to be the Chairman of the board, who shall fix the date, time and place of hearing disputes referred to the board and carry out necessary correspondence in connection with the disposal of such disputes.

75. Procedure for hearing and decision of disputes.

(1)When any dispute is referred to the Registrar's nominee or to a board of nominees for decision and is not decided by him or it within two months or such further period as the Registrar may allow, the Registrar may withdraw the dispute from the nominee, or as the case may be, the board of nominees and decide the dispute himself or refer it again to another nominee or a board of nominees for decision.(2)The Registrar or his nominee or the board of nominee shall record in English or in Hindi the evidence of the parties to the dispute and witnesses who attend; and upon the evidence so recorded, and upon consideration of any documentary evidence produced by either party, a decision in writing shall be given. Such decision shall be pronounced either at once or on some future date on which due notice shall be given to the parties.(3)Where any party duly summoned to attend the proceedings fails to appear, the dispute may be decide ex parte.(4)In deciding the dispute, where there is no unanimous decision, the opinion of the board of nominees shall prevail. Where the opinion of the nominees on the board is equally divided, the opinion of the Chairman of the board shall prevail.(5)Any award made, decision given or order passed by the Registrar's nominee or board of nominees or a person authorised under Section 90, shall be sent by him or by the Chairman of the Board with all the powers and proceedings of the dispute to the Registrar within 15 days from the date on which it is made, given or passed.

76. Summonses, notices and fixing of dates, place etc., in connection with the disputes.

(1)The Registrar, his nominee or the Chairman of the board of nominees may issue summons or notices at least fifteen days before the date fixed for hearing of the dispute requiring-(i)the attendance of the parties to the dispute and of witnesses, if any; and(ii)the production of all books and documents relating to the matter in dispute.(2)Summonses or notices issued by the Registrar or his nominee or the Chairman of the board of nominees may be served through any employee of the Co-operative Department or of a federal society or through the Chairman or Secretary of the society by registered post with acknowledgement due. Every person or society to whom summonses or notices are sent for service shall be bound to serve them within a reasonable time.(3)The officer serving a summons or notice shall, in all cases in which summons or notice has been served, endorse or annex or cause to be endorsed on or annexed to, the original summons or notice, a return stating the time when, and the manner in which, the summons or, as the case may be, the notice was served, and the name and address of the person (if any) identifying the person served and witnessing the delivery or tender of the summons or notice.(4)The officer issuing the summons or notice may examine the serving officer on oath or cause him to be so examined by Secretary of the society or other officer through whom it is served and may make such further inquiry in the matter as he thinks fit, and shall either declare that the summons or, as the case may be, notice has been duly served or order it to be served in such manner as he thinks fit.(5)The mode of serving summons and notices as laid down in sub-Rule (1) to (4) of this rule, shall mutatis mutandis apply to the service of summonses or notices-(i)issued by the Registrar or the person authorised by him when acting under Sections 84, 86 and 90;(ii)issued by an auditor, when acting under Section 82; or(iii)issued by a Liquidator, when acting under Section 109.

77. Investigation of claims and objections against any attachment.

- Where any claim or objection has been preferred against the attachment of any property under Section 99 on the ground that such property is not liable to such attachment, the Registrar, his nominee or board of nominees shall investigate into the claim or objections and dispose it of on merits:Provided that, no such investigation shall be made when the Registrar or his nominee or board of nominees considers that the claim or objection is frivolous.

78. Procedure for the custody of property attached under Section 99.

(1)Where the property to be attached is movable property, other than agricultural produce, in the possession of the debtor, the attachment shall be made by actual seizure and the attaching officer shall keep the property in his own custody or in the custody of one of his subordinates, or of a Receiver, if one is appointed under sub-rule (2) of this rule, and shall be responsible for the due custody thereof:Provided that, when the property seized is subject to speedy and natural decay, or when the expense of keeping it in custody is likely to exceed its value, the attaching officer may sell it at once.(2)Where it appears to the officer ordering conditional attachment under Section 99 to be just and convenient, he may appoint a receiver for the custody of the movable property attached

under that section and his duties and liabilities shall be identical with those of a Receiver appointed under Order XL in the First Schedule to the Code of Civil Procedure, 1908 [as amended by Code of Civil Procedure (Amendment) Act, No. 104 of 1976].(3)(a)Where the property to be attached is immovable, the attachment shall be made by an order prohibiting the debtor from transferring or charging the property in any way, and all persons from taking any benefit from such transfer or charge.(b)The order shall be proclaimed at some place on, or adjacent to such property by beat of drum or other customary mode, and a copy of the order shall be fixed on a conspicuous part of the property and upon a conspicuous part of the village Community hall; and where the property is land paying revenue to the Government, also in the office, of the DC/ADC/EAC/CO or any revenue officer within whose jurisdiction the property is situated.

79. Procedure for attachment and sale of property for realisation of any security given by persons in course of execution proceedings.

- The procedure laid down in Rules 78 and 81 shall mutatis mutandis apply for attachment and sale of property for the realisation of any security given by a person in the course of execution proceedings.

80. Issue of proclamation prohibiting, private transfers of property.

- The Registrar or Liquidator when acting under Clause (a) of Section 102 shall, at the time of signing a certificate affecting any property, issue a proclamation in Form 'O' and in the case of immovable property shall also forward a copy of the proclamation to any Administrative/Revenue Officer within whose jurisdiction the property is situated, who shall cause an entry about such certificate to be made in their office record.

81. Procedure for execution of award.

(1)Every order or award passed by the Registrar, or the person authorised by him or his nominee or board of nominees under Section 99 or 100 shall be forwarded by the Registrar to the society or to the party concerned with instructions that the society or, as the case may be, the party concerned should initiate execution proceedings forthwith according to the provisions of Section 102.(2)If the amount due under the award is not forthwith recovered or the order thereunder is not carried out, it shall be forwarded to the Registrar with an application for execution along with all information required by the Registrar, for the issue of certificate under Section 102. The applicant shall state whether he desires to execute the award by a civil Court or through the appropriate authority as provided under Section 102 or through the Registrar as provided under Section 124.(3)On receipt of such application for execution the Registrar shall forward the same to the proper authority for execution along with a certificate issued by him under Section 102 and a proclamation issued under Rule 80 in the manner prescribed therein.(4)Every order passed in appeal under Section 101 shall also be executed in the manner laid down in sub-rules (2) and (3) of this rule.

82. Execution of awards or orders in special cases.

- Subject to the provisions of Section 102, the Registrar may, by an order in writing specially authorise any officer of the Co-operative Department or any officer of a federal society or a Central Bank, on an application made by it, to call for and send awards or orders obtained by any society for execution. The society or societies in respect of which these powers are to be exercised shall be specified in the order.

83. Transfer of property which cannot be sold.

(1) When in execution of an order sought to be executed under Section 102 any property cannot be sold for want of buyers, if such property is in the possession of the defaulter or some person on his behalf, or of some person claiming it under a title created by the defaulter subsequent to the issue of the certificate by the Registrar or Liquidator under Clause (a) or (b) of the said section, the officer conducting the executing shall as soon as practicable report the fact to the Court or the District/Sub-divisional/Circle Officer holding Magisterial powers or the Registrar, as the case may be, and the society applying for the execution of the said order. (2) On receipt of a report under sub-rule (1) of this rule, the society may, within six months from the date of the receipt of the report or within such further period as may for sufficient reasons be allowed in any particular case by the Court or the District/Sub-divisional/Circle Officer holding Magisterial power or the Registrar, submit an application in writing to the Court, the appropriate authority or the Registrar, as the case may be, stating whether or not it agrees to take over such property. (3) On receipt of an application under sub-rule (2) of this rule, notices shall be issued to the defaulter and to all persons known to be interested in the property, including those whose names appear in the record-of, rights as persons holding any interest of the property, about intended transfer. (4) On receipt of such a notice, the defaulter, or any person owning such property, or holding an interest therein by virtue of a title acquired before the date of the issue of a certificate under Section 102 may within one month from the date of the receipt of such notice, deposit with the Court or the District/Sub-Divisional/Circle Officer holding Magisterial powers, or the Registrar, for payment to the society a sum equal to the amount due under the order sought to be executed together with interest thereon and such additional sum for payment of costs and other incidental expenses as may be determined in this behalf by the Court or the appropriate authority or the Registrar, as the case may be. (5) On failure of the defaulter, or any person interested or any person holding any interest in the property, to deposit the amount under sub-rule (4) of this rule, the Court or the District/Sub-divisional/Circle Officer holding Magisterial powers, or the Registrar, as the case may be, shall direct the property to be transferred to the society on the conditions stated in the certificate in Form 'R'. (6) The certificate granted under sub-rule (5) of this rule shall state whether the property is transferred to the society in full or partial satisfaction of the amount due to it from the defaulter. (7) If the property is transferred to the society in partial satisfaction of the amount due to it from the defaulter, the Court or the appropriate authority or the Registrar, as the case may be, shall, on the production by the society of a certificate signed by the Registrar, recover the balance due to the society in the manner laid down in Section 102. (8) The transfer of the property under sub-rule (5) of this rule, shall be effected as follows: (i) In the case of movable property- (a) where the property is in possession of the defaulter himself or has been taken possession of on behalf of the Court or the

District/Sub-divisional/Circle Officer holding Magisterial powers or the Registrar, it shall be delivered to the society;(b)where the property is in the possession of some person on behalf of a defaulter, the delivery thereof shall be made by giving notice to the person in possession directing him to give actual peaceful possession to the society, and prohibiting him from delivering possession of the property to any other person;(c)the property shall be delivered to a person authorised by the society to take possession on behalf of the society.(ii)In the case of immovable property-(a)where the property is growing or standing crop, it may be delivered to the society before it is cut and gathered and the society shall be entitled to enter on the land, and to do all that is necessary for the purpose of tending, cutting and gathering it;(b)where the property is in the possession of the defaulter or of some person on his behalf or some person claiming under a title created by the default subsequent to the issue of a certificate, under Section 102 the Court or the District/Sub-divisional/Circle Officer holding Magisterial powers or the Registrar, as the case may be, shall order delivery to be made by putting the society or any person whom the society may appoint to receive delivery on its behalf in actual possession of the property, and if need, be by removing any person who illegally refuses to vacate the same;(c)where the property is in the possession of a tenant or other person entitled to hold the same by a title acquired before the date of issue of a certificate under Section 102, the Court or the District/Sub-divisional/Circle Officer holding Magisterial powers or the Registrar, as the case may be, shall order delivery to be made by affixing a copy of the certificate of transfer of the property to the society in some conspicuous place on the property and proclaiming to such person by beat of drum or other customary mode at some convenient place, that the interest of the defaulter has been transferred to the society.(9)The society shall be required to pay expenses incidental to sale including the cost of maintenance of live-stock, if any, according to such scale as may be fixed by the Registrar from time to time.(10)Where land is transferred to the society under sub-Clause (a) of Clause (ii) of sub-rule (8) of this rule before growing or standing crop is cut and gathered, the society shall be liable to pay the current year's land revenue on the land.(11)The society shall forthwith report any transfer of property under sub-Clause (b) or (c) of Clause (ii) of sub-rule (8) of this rule to the authority to be specified by the Registrar for information and entry in the respective Registrar of the Panchayat, Anchal Samiti in which the society is situated.(12)The society to which property is transferred under sub-rule (5) of this rule shall maintain for each such defaulter a separate account showing all the expenses incurred including payment to outside encumbrances, land revenue and other dues on the property and all the income derived from it.(13)The society to which property is transferred under sub-section (5) of this rule shall use its best endeavour to sell the property as soon as practicable to the best advantages of the society as well as that of the defaulter, the first option being given to the defaulter, who originally owned the property. The sale shall be subject to confirmation by the Registrar. The proceeds of the sale be applied to defraying the expenses of the sale and other expenses incurred by the society and referred to in sub-rule (9) and (12) of this rule and to the payment of the arrears due by the defaulter under the order in execution, and the surplus (if any), shall then be said to the defaulter.(14)Until the property is sold, the society to which the property is transferred under sub-rule (5) of this rule shall use its best endeavour to lease it or to make any other use that can be made of it so to derive the largest possible income from the property.(15)When the society to which property is transferred under sub-rule (5) of this rule, has realised all its dues under the order in execution of which the property was transferred from the proceeds of management of the property, the property, if unsold, shall be restored to the defaulter.

84. Payment of expenses of decisions of disputes.

(1) Where the dispute has been referred to the Registrar or his nominee or the board of nominees under Section 97, the Registrar may require the party or parties to the dispute to deposit such sum as may, in his opinion, be necessary to meet the expenses including payment of fees to the Registrar or his nominee or the board of nominees. (2) The Registrar or his nominee or the board of nominees shall have power to order the fees and expenses of determining the disputes to be paid by the society out of its funds or by such party or parties to the dispute as he or it may think fit, according to the scale laid down by the Registrar after taking into account the amount deposited under sub-rule (1) of this rule. (3) The Registrar may, by general or special order, specify the scale of fees and expenses to be paid to him or to his nominee or the board of nominees.

Chapter IX Liquidation

85. Mode of communication of an interim order under Section 106.

- An interim order under Clause (a) or sub-Clause (iv) of Clause (c) of sub-section (1) of Section 106 shall call upon the society in respect of which the order is made to submit its explanation to the Registrar within one month from the date of issue of such order and shall be communicated by registered post (with acknowledgement due) to the society by the Registrar.

86. Cost of hearing appeal.

- No appeal from a member under Section 108 shall be entertained unless it is accompanied by Rs. 25 on such higher amount not exceeding 500 as may be directed by the appellate authority as security for the cost of hearing the appeal.

87. Appointment of Liquidator and the procedure to be followed and powers to be exercised by him.

- The following procedure shall be adopted for the appointment of the Liquidator and for the exercise of his powers, namely: (1) The appointment of the Liquidator shall be notified by the Registrar in the official Gazette. (2) As soon as may be after the interim order is issued under Section 106, the Liquidator shall take over the custody and control of all the property, effects and actionable claims and books, records and other documents pertaining to the business of the society and continue to hold custody and control thereof until the interim order is vacated. (3) Where the interim order is vacated, the Liquidator shall take action in accordance with the provisions of sub-section (6) of Section 107. (4) Where the Liquidator receives the Registrar's final order confirming the interim order, the Liquidator shall publish, by such means as he may think proper, a notice requiring all claims against the society to be notified to him within two months of the publication of the notice and shall thereafter proceed to take such further action as he is empowered to take under the Act. All

liabilities recorded in the account books of the society shall be deemed to have been duly notified to the Liquidator under this rule.(5)The Liquidator shall, after setting the assets and liabilities of the society as they stood on the date on which the order for winding up is made, proceed to determine the contribution to be made or remaining to be made to the assets of the society by persons and estates referred to in Clause (b) of Section 109 and by order call upon each of them to pay the amount specified in the order as contribution and as costs of the liquidation determined under Clause (h) of Section 109. Every such order shall be submitted for approval to the Registrar, who may modify it or refer it back to the liquidator for further inquiry or other action or may forward it for execution under Section 102.(6)If the sum assessed against any member is not recovered, the Liquidator may issue subsidiary order or orders against any other member or members to the extent of the liability of each for the debts of the society until the whole amount due from members is recovered. The provisions of sub-rule (5) of this rule shall mutatis mutandis apply to such orders.(7)The Liquidator shall submit a quarterly progress report and such other returns and statements to the Registrar in such forms as the Registrar may require, showing the progress made in the liquidation of the society.(8)The Liquidator may empower any person, by general or special order in writing to make collections and to grant valid receipts on his behalf.(9)Unless otherwise permitted by the Registrar, all funds in charge of the Liquidator shall be deposited in the Apex State Co-operative Bank, or a Central Co-operative Bank or in the State Bank of India and shall stand in the name of the Liquidator.(10)The Registrar shall fix the amount of remuneration, if any, to be paid to the Liquidator. The remuneration shall be included in the cost of liquidation which shall be payable out of the assets of the society in priority to other claims.(11)He Liquidator shall have power to call meetings to call meeting of members of the society in liquidation.(12)The Liquidator may submit an application to the Registrar, for the reconstruction of the society under Section 19, if he is of opinion that such reconstruction has a reasonable charge of success.(13)The Liquidator may, at any time, be removed by the Registrar, and he shall on such removal be bound to hand over all the property and documents relating to the society in liquidation to such person or persons as the Registrar may direct.(14)(i)The Liquidator shall not exercise the powers under Clauses (c), (d), (f), (g), (h) and (k) of Section 109 without the prior approval of the Registrar.(ii)An appeal against the order of the Liquidator under Clauses (a), (b), (i), (j), (l), (m) and (n) of Section 109 shall lie to the Registrar.(15)The Liquidator shall keep such books and accounts as may from time to time be required by the Registrar.(16)At the conclusion of the liquidation proceedings, a general meeting of the members of the society shall be called. At such meeting the Liquidator shall summaries his proceedings, point out causes of the failure of the society and report what sum, if any, remains in his possession after meeting all the liabilities of the society as determined under the rules and suggest how the surplus, if any, should be utilised.

88. Disposal of surplus assets.

- Where the Registrar has to divide the surplus assets amongst members of the society which has been wound up, he shall divide them in proportion to the share capital held by each of such members or in the other suitable manner sanctioned by the Government in special cases.

89. Interest on amounts due from a society under liquidation.

- The creditor of a society, which is being wound up, may apply to the Liquidator for payment of interest of any debt due from the society up to the date of the Registrar's order for winding up. The rate at which interest shall be paid shall be in the case of a Co-operative Bank permitted by the Registrar to finance societies, the contract rate and in any other case the rate which may be fixed by the Registrar which shall not exceed the contract rate: Provided that, if any surplus assets remain after all the liabilities, including liabilities on shares, have been paid off, further interest on such debts at a rate to be fixed by the Registrar but not exceeding the contract rate, may be allowed to the creditors from the date mentioned above up to the date of the repayment of the principal.

90. Disposal of records of society whose registration is cancelled.

(1) When an order directing a society to be wound up is issued under Section 106 and no Liquidator is appointed, the officers of the society which is wound up shall, within fifteen days of the publication of the order in the official Gazette, send by registered post or ordinary parcel, the records and books of the society to the Registrar or to the Assistant Registrar/Deputy Registrar concerned or hand over the same to the departmental local auditor. (2) As soon as may be after the affairs of a society for which a Liquidator has been appointed have been wound up and an order cancelling the registration is made under Section 21, the Liquidator shall forward all the books and records of the wound up society, and all his own papers and proceedings by registered parcel to the Registrar or the Assistant Registrar or the Deputy Registrar concerned together with an account of his expenses, showing how the balance has been disposed of, and attaching the receipt of the person to whom it was handed over. (3) All the books and records of a society, whose registration has been cancelled, and the proceedings of liquidation shall be destroyed by the Registrar or the Assistant Registrar or the Deputy Registrar, as the case may be, after the expiry of two years from the date of the order cancelling the registration of the society.

91. Constitution of authority by Government to hear appeals which lie to the Government.

- The appeals which lie to the Government under the Act may be heard by such officer as may from time to time be specified by the Government in this behalf.

92. Procedure for presentation and disposal of appeals by Government and Registrar under Section 120.

(1) An appeal to the Government or the Registrar shall be presented by the appellant or by his duly appointed agent to the appellate authority either in person during office hours or sent to it by registered post. (2) When such an appeal is presented by an agent, it shall be accompanied by a letter of authority of the appellant appointing him as such. (3) Every appeal shall be accompanied by a certified copy of the order against which the appeal is preferred. (4) Every appeal shall - (i) be either type-written or hand-written in ink legibly; (ii) specify the name and address of the appellant and

also the name and address of the opponent, as the case may be;(iii)state by whom the order against which the appeal is preferred was made;(iv)clearly state the ground on which the appeal is made;(v)state precisely the relief which the appellant claims; and(vi)give the date of the order appealed against.(5)On receipt of appeal, the appellate authority shall endorse on it the date of its receipt by it. The appellate authority shall, as soon as possible examine and satisfy itself-(i)that the person presenting it has the authority to do so;(ii)that it is made within the prescribed time limit; and(iii)that it conforms to all the provisions of the Act and these rules.(6)If the appellate authority finds that the appeal presented does not conform to any of the said provisions, it shall make a note on the appeal to that effect and may call upon the appellant or his agent to remedy the defects within a period of seven days of the receipt of the notice to do so or in case the appeal has not been presented within the prescribed time limit to show cause within the said period of seven days why it should not be dismissed as time-barred by appellate authority.(7)If the defect is remedied or the cause shown by the appellant or his agent satisfies the appellate authority, the appellate authority may proceed to consider the appeal.(8)If the appellant or his agent fails to remedy the defects or to show cause to the satisfaction of the appellate authority within the said period, the appellate authority may, if the appeal is not presented within the time limit, dismiss the appeal as time-barred. In cases where it is considered necessary to give a hearing, the appellate authority may fix a date for hearing, of which due notice shall be given to the appellant or his agent.(9)On the date so fixed, the appellant authority shall go through the relevant papers, hear the appellant or his agent, if present, and pass suitable order on the appeal.(10)The appellate authority may, at its discretion, adjourn to any other day the hearing of any appeal at any stage.(11)When the hearing of the appeal is completed, the appellate authority shall announce its judgement forthwith or may fix a date for the same, after giving due notice to the appellant or the other parties to the appeal.(12)Every decision or order of the appellate authority shall be in writing and a copy of the same shall be supplied to the appellant and such other parties as in the opinion of the appellate authority are likely to be affected by the decision or the order.

Chapter X

Miscellaneous

93. Execution of decrees.

(1)Any society or creditor holding a decree (hereinafter referred to as the "applicant"), requiring the provisions of Section 124 to be applied, shall apply to the recovery officer within whose jurisdiction the debtor resides or the property of the debtor is situated.(2)Every such application shall be made in the form specified by the Registrar and shall be signed by the applicant and shall be accompanied by deposit, if required, at such scales as may be specified by a general or special order by the Registrar.When an application is submitted on behalf of a society, a copy of the resolution of the committee of the society authorising the applicant to sign the application shall also accompany the application. The applicant may indicate whether he wishes to proceed against the immovable property mortgaged to the applicant or other immovable property or to secure the attachment of movable property.(3)On receipt of such application, or when the Registrar is proceeding under Rule 82 the Recovery Officer shall verify the correctness and genuineness of the particulars set forth in

the application with the records, if any, in the office of the Registrar and prepare a demand notice in writing in duplicate in the form specified by Registrar setting forth the name of the defaulter and the amount due and forward it to the Sale Officer.(4)Unless the applicant has expressed a desire that proceeding should be taken in a particular order as laid down in sub-rule (2) of this rule, execution shall ordinarily be taken in the following manner:(i)movable property of the defaulter shall be first proceeded against, but this shall not preclude the immovable property being proceeded against simultaneously in case of necessity.(ii)if there is no movable property, or if the sale proceeds of the movable property or properties attached and sold are insufficient to meet in full the demand of the applicant, the immovable property mortgaged to the applicant, or other immovable property belonging to the defaulter may be proceeded against.(5)In the seizure and sale of movable property the following rules shall be observed:(a)The Sale Officer shall, after giving prior notice to the applicant, proceed to the village where the defaulter resides or the property to be distrained is situated and serve a demand notice upon the defaulter if he is present. If the amount due together with the expenses is paid not at once the Sale Officer shall make the distress and shall immediately deliver to the defaulter a list of inventory of the property distrained and an intimation of place and day and hour at which the distrained property will be brought to sale if the amounts due are not previously discharged. If the defaulter is absent, the Sale Officer shall serve the demand notice on some adult male member of his family, or on his authorised agent, or when such service cannot be effected, shall affix a copy of the demand notice on some conspicuous part of his residence. He shall then proceed to make the distress and shall fix the list of the property attached on the usual place of residence of the defaulter endorsing thereon the place where the property may be lodged or kept and an intimation of the place, day and hour of sale.(b)After the distress is made, the Sale Officer may arrange for the custody of the property, attached with the applicant or otherwise. If the Sale Officer requires the applicant to undertake the custody of the property, he shall be bound to do so and any loss incurred owing to his negligence shall be made good by the applicant. If the attached property is live stock, applicant shall be responsible for providing the necessary food therefor. The Sale Officer may, at the instance of the defaulter or any person claiming an interest in such property leave it in the village or place where it was attached, in charge of such defaulter, or such person, if he enters into a bond in the form specified by the Registrar with one or more sufficient sureties for the production of the property when called for.(c)The distress shall be made after sunrise and before sunset and not at any other time.(d)The distress shall not be excessive, that is to say, the property distrained shall, as nearly as possible, be proportionate to the sum due by the defaulter together with interest and all expenses incidental to the distraint, detention and sale.(e)If crops or ungathered products of the land belonging to a defaulter are attached, the State Officer may cause them to be sold when fit for reaping or gathering, or at his option may cause them to be reaped or gathered in due season and stored in proper place until sold. In the latter case the expense of reaping or gathering and storing such crops or products shall be defrayed by the owner upon his' redeeming the property or from the proceeds of the sale in the event of its being sold.(f)The Sale Officer shall not work the bullocks or cattle, or make use of the goods or effects distrained, and he shall provide the necessary food for the cattle or livestock the expense attending which shall be defrayed by the owner upon his redeeming the property or from the proceeds of the sale in the event of its being sold.(g)It shall be lawful for the Sale Officer to force open any stable, cow house, granary, godown out-house or other building and he may also enter dwelling house, the outer door of which may be open and may break open the door of any room in such dwelling house for the purpose of attaching

property belonging to a defaulter and lodged therein; provided always that it shall not be lawful for the Sale Officer to break open or enter apartment in such dwelling house appropriated for the Zenana or residence of women except as hereinafter provided.(h)Where the Sale Officer may have reason to belief that the property of a defaulter is lodged within a dwelling house the outer door of which may be shut or within any apartments appropriated to women which by custom or usage are considered private, the Sale Officer shall report the fact to the Officer-in-charge of the nearest police station. On such report the Officer-in-charge of the said station shall send a Police Officer to the spot in the presence of whom the Sale Officer may force open the outer door of such dwelling house or break open the door of any room within the house except the room appropriated by women. The Sale Officer may also, in the presence of a Police Officer after due notice given for the removal of women within a Zenana and, after furnishing means for their removal in a suitable manner if they be women of rank, who according to the custom or usage cannot appear in public, enter the apartments for the purpose of distraining the defaulter's property, if any, deposited therein but such property, if found, shall be immediately removed from such apartments after which they shall be left free to the former occupants.(i)The Sale Officer shall on the day previous to, and on the day of sale, cause proclamation of time and place of the intended sale to be made by beat of drum in the village in which the defaulter resides and in such other place or places as the Sale Officer may consider necessary to give the publicity to the sale. No sale shall take place until after the expiration of the period of fifteen days from the date on which the sale notice has been served or affixed in the manner laid down in Clause (a) of this sub-rule:Provided that, where the property seized is subject to speedy and natural decay, or where the expenses of keeping it in custody is likely to exceed its value, the Sale Officer may sell it, at any time, before the expiry of the said period of fifteen days, unless the amount due is sooner paid.(j)At the appointed time, the property shall be put in one or more lots, as the Sale Officer may consider advisable, and shall be disposed of to the highest bidder:Provided that, it shall be open to the Sale Officer to decline to accept the high bid where the price offered appears to be unduly low or for other adequate reasons;Provided further that the Recovery Officer or the Sale Officer may, in his discretion, adjourn the sale to a specified day and hour recording his reasons for such adjournment. Where a sale is so adjourned for a longer period than seven days, a fresh proclamation under Clause (i) shall be made unless the defaulter consents to waive it.(k)The property sold shall be paid for in cash at the time of sale or as soon thereafter as the Sale Officer shall appoint, and the purchaser shall not be permitted to carry away any part of the property until he pays for it in full. Where the purchaser fails in payment of the purchase money, the property shall be resold.(l)Where the proceeds from the sale of the property exceeds the amount due from the debtor, the excess amount after deducting the interest and the expenses or process and other charges, shall be paid to the defaulter..(m)Where, prior to the day fixed for sale, the defaulter or any person acting on his behalf or any person claiming an interest in the property attached, pays the full amount due including interest, batta and other costs incurred in attaching the property', the Sale Officer, shall cancel the order of attachment and release the property forthwith.(n)The movable properties exempted from attachment by the proviso to Section 60 of the Code of Civil Procedure, 1908 as amended by the Code of Civil Procedure (Amendment) Act, No. 104 of 1976 shall not be liable to attachment or sale under the rules.(6)Where the movable property to be attached is the salary or allowance or wages of Public Officer or a railway servant or a servant of a local authority or a firm or a company, the Recovery Officer may, on receiving a report from the Sale Officer, order that the amount shall, subject to the proviso to Section 60 of the Code of Civil Procedure, 1908 as

amended by Act No. 104 of 1976, be withheld from such salary or allowance or wages either in one payment or by monthly instalments as the Recovery Officer may direct and upon receipt of the order, the officer or other person whose duty it is to disburse such salary or allowance or wages shall withhold and remit to the Sale Officer, the amount due under the order or the monthly instalments, as the case may be.(7)(i)Where the property to be attached consists of the share or interest of the defaulter in movable property belonging to him and another as co-owners, the attachment shall be made by a notice to the defaulter, prohibiting him from transferring the share or interest or charging it in any way.(ii)Where the property to be attached is a negotiable or instrument not deposited in Court, nor in the custody of a Public Officer, the attachment shall be made by actual seizure and the instrument shall be brought to the office of the Recovery Officer ordering the attachment and be held subject to his further orders.(iii)Where the property to be attached is in the custody of any Court or Public Officer, the attachment may be made by a notice to such Court or officer requesting that such property and any interest or dividend becoming payable thereon may be held subject to the further demands of the Recovery Officer issuing the notice:Provided that, where such property is in the custody of a court or Recovery Officer or another district, any question of title or priority arising between the applicant and any other person not being the defaulter claiming to or interested in such property by virtue of any assignment, attachment or otherwise shall be left to be determined by such court or Recovery Officer.(8)(i)Where the property to be attached is a decree either for the payment of money or for sale in enforcement of a mortgage or charge, the attachment shall be made, if the decree sought to be attached was passed by the Registrar or by any person to whom a dispute was transferred by the Registrar under Section 97, by a nominee or board or nominees then by the order of the Registrar.(ii)Where the Registrar makes as order under Clause (i), he shall on the application of the applicant who has attached the decree, proceed to execute the attached decree and apply the net proceeds in satisfaction of the decree sought to be executed.(iii)The holder of a decree sought to be executed by the attachment of another decree of the nature specified in Clause (i) shall be deemed to be the representative of the holder of the attached decree and to be entitled to execute such attached decree in any manner for the holder thereof.(iv)Where the property to be attached in execution of a decree is a decree other than a decree of the nature referred to in Clause (i), the attachment shall be made by the issue of a notice by the Recovery Officer to the holder of such decree, prohibiting him from transferring or charging the same in any way.(v)The holder of a decree attached under this sub-rule shall give the Recovery Officer executing the decree such information and aid as may reasonable be required.(vi)On the application of the holder of a decree sought to be executed by the attachment of another decree, the Recovery Officer making an order of attachment under this sub-rule shall give notice of such order to the judgement-debtor bound by the decree attached; and no payment or adjustment of the attached decree made by the judgement-debtor in contravention of such order after receipt of the notice thereof, either through the Recovery Officer or otherwise, shall be recognised so long as the attachment remains in force.(9)Where the movable property to be attached is-(a)a debt due to the defaulter in question,(b)a share in the capital of a corporation or a deposit invested therein, or(c)other movable property not in the possession of the defaulter, except property deposited in, or in the custody of, any civil Court.the attachment shall be made by written order signed by the Recovery Officer prohibiting-(i)in the case of a debt, the creditor from recovering the debt and the debtor from making payment thereof;(ii)in the case of a share or deposit, the person in whose name the share or the deposit may be standing from transferring the share or deposit, may be receiving any dividend or interest thereon; and(iii)in the

case of any other movable property, the person in possession of it, from giving it over to the defaulter. A copy of such order shall be sent, in the case of the debt, to the debtor, in the case of the share or deposit, to the proper officer of the corporation; and in the case of any other movable property, to the person in possession of such property. As soon as the debt referred to in Clause (a) or the deposit referred to in Clause (b) matures, the Recovery Officer may direct the person concerned to pay the amount to him. Where the share is not withdrawable the Recovery Officer shall arrange for its sale through a broker. Where the share is withdrawable, its value shall be paid to the Recovery Officer or to the party referred to in Clause (c). The person concerned shall place it in the hands of Recovery Officer as it becomes deliverable to the debtor. (10) immovable property shall not be sold in execution of a decree unless such property has been previously attached: Provided that where the decree has been obtained on the basis of a mortgage of such property it shall not be necessary to attach it. (11) In the attachment and sale or sale without attachment of immovable property, the following rules shall be observed: (a) The application presented under sub-rule (2) of this rule, shall contain a description of the immovable property to be proceeded against, sufficient for its identification and in case such property can be identified by boundaries or numbers in a record of settlement or survey the specification of such boundaries or numbers and the specification of the defaulter's share or interest in such property to the best of the belief of the applicant and so far as he has been able to ascertain it. (b) The demand notice issued by the Recovery Officer, under sub-rule (3) of this rule shall contain the name of defaulter, the amount due, including the expenses, if any, and the batta to be paid to the person who shall serve the demand notice, the time allowed for payment and in case of non-payment, the particulars of the properties to be attached and sold or to be sold without attachment, as the case may be. After receiving the demand notice, the Sale Officer shall serve or cause to be served a copy of the demand notice upon defaulter or upon some adult member of his family at his usual place of residence, or upon his authorised agent or if such personal service is not possible, shall affix a copy thereof on some conspicuous part of the immovable property about to be attached and sold or sold without attachment, as the case may be: Provided that, where the Recovery Officer is satisfied that a defaulter with intent to defeat or delay the execution proceeding against him is about to dispose of the whole or any part of his property, the demand notice issued by the Recovery Officer under sub-rule (3) of this rule, shall not allow any time to the defaulter for payment of the amount due by him and the property of the defaulter shall be attached forthwith. (c) If the defaulter fails to pay the amount specified in the demand notice within the time allowed, the Sale Officer shall proceed to attach and sell, or sell without attachment, as the case may be, the immovable property noted in the application for execution in the following manner. (d) Where attachment is required before sale, the Sale Officer shall, if possible, cause a notice of attachment to be served on the defaulter personally. Where personal service is not possible, the notice shall be affixed in some conspicuous part of the defaulter's last known residence, if any. The fact of attachment shall also be proclaimed by beat of drum or other customary mode at some place on, or adjacent to, such property and at such other place or places as the Recovery Officer may consider necessary to give due publicity to the sale. The attachment notice shall set forth that, unless the amount due with interest and expenses be paid within the date therein mentioned, the property will be brought to sale. A copy shall be sent to the applicant. Where the Sale Officer so directs, the attachment shall also be notified by public proclamation in the official Gazette. (e) Proclamation of sale shall be published by affixing a notice in the office of the Recovery Officer and in any Public Officer nearest to the residence of the person

concerned at least thirty days before the date fixed for sale and also by beat of drum in the village (on two consecutive days previous to the date of sale and on the day of sale prior to the commencement of the sale). Such proclamation shall, where attachment is required before sale, be made after the attachment has been effected. Notice shall also be given to the applicant and the defaulter. The proclamation shall state the time and place of sale and specify as fairly and accurately as possible-(i)the property to be sold;(ii)any encumbrance to which the property is liable;(iii)the amount, for the recovery of which sale is ordered;(iv)any other matter which the Sale Officer considers material for a purchaser to know in order to judge the nature and value of the property.(f)Where any immovable property is sold under these rules, the sale shall be subject to the prior encumbrance, on the property, if any The applicant shall, when the amount for the realisation of which the sale is held exceeds Rs. 100 furnish to the Sale Officer within such time as may be fixed by him or by the Recovery Officer an encumbrance certificate from the registration department for the period of not less than twelve years prior to the date of attachment of the property sought to be sold, or in cases falling under the proviso to sub-rule (10), prior to the date of the application for execution. The time for production of the encumbrance certificate may be extended at the discretion of the Sale Officer or the Recovery Officer, as the case may be. The sale shall be by public auction to the highest bidder:Provided that, it shall be open to the Sale Officer to decline to accept the highest bid where the price offered appears to be unduly low or for other adequate reasons;Provided further that Recovery Officer or the Sale Officer may, in his discretion, adjourn the sale to a specified day and hour, recording his reasons for such adjournment. Where a sale is so adjourned for a longer period than seven days, a fresh proclamation under Clause (e) shall be made, unless the defaulter consents to waive it.The sale shall be held after the expiry of not less than thirty days calculated from the date on which notice of the proclamation was affixed in the office of the Recovery Officer. The time and place of sale shall be fixed by the Recovery Officer and the place of sale shall be the village where the property to be sold is situated or such adjoining prominent place of public resort as may be fixed by the Recovery Officer:Provided that, in case where an encumbrance certificate is not obtainable owing to the destruction of the concerned records, an affidavit from the village corresponding officer in regard to the encumbrances known to him supported by a certificate from the Registration Department that the encumbrance certificate cannot be granted owing to the destruction of the connected records, shall be accepted in place of an encumbrance certificate.(g)A sum of money equal to 15 per cent of the price of the immovable property shall be deposited by the purchaser in the hands of the Sale Officer at the time of the purchase, and in default of such deposit, the property shall forthwith be resold:Provided that, where the applicant is the purchaser and is entitled to set-off the purchase money under Clause (k) of this sub-rule, the Sale Officer shall dispense with the requirements of this clause.(h)The remainder of the purchase money and the amount required for the general stamp for the sale certificate shall be paid within fifteen days from the date of sale:Provided that the time for payment of the cost of stamp may, for good and sufficient reasons be extended at the discretion of the Recovery Officer up to thirty days from the date of sale;Provided further that in calculating the amount to be paid under this clause, that purchaser shall have the advantage of any set-off to which he may be entitled under Clause (k).(i)In default of payment within the period mentioned in the last preceding clause of this sub-rule, the deposit may, if the Recovery Officer thinks fit, after defraying the expenses of the sale, be forfeited to the Government and the defaulting purchaser shall forfeit all claims to the property or to any part of the sum for which it may subsequently be sold.(j)Every resale of immovable property in default of

payment of the amounts mentioned in Clause (h) of this sub-rule within the period allowed for such payment, shall be made, after the issue of a fresh proclamation in the manner and for the period hereinbefore prescribed for the sale.(k)Where an applicant purchases the property, the purchase money and the amount due on the decree shall be set-off against one another, and the Sale Officer shall enter up satisfaction of the decree in whole or in part accordingly.(12)Where prior to the date fixed for a sale, the defaulter or any person acting on his behalf or any person claiming an interest in the property sought to be sold tenders payment of the full amount due, together with interest, batta and other expenses incurred in bringing the property to sale, including the expenses of attachment, if any, the Sale Officer shall forthwith release the property after cancelling, where the property has been attached, the order of attachment.(13)(i)Where immovable property has been sold by the Sale Officer, any person either owning such property or holding any interest therein by virtue of a title acquired before such sale, may apply to have the sale set aside on his depositing with the Recovery Officer-(a)for payment to the purchaser a sum equal to 5 per cent of purchase money, and(b)for payment to the applicant, the amount of arrears specified in the proclamation of sale as that for the recovery of which the sale was ordered together with interest thereon and the expenses of attachment, if any, and sale and other costs due in respect of such amount, less amount which may since the date of such proclamation have been received by the applicant.(ii)If such deposit and application are made within thirty days from the date of sale, the Recovery Officer shall pass an order setting aside the sale and shall repay to the purchaser, the purchase money so far as it has been deposited, together with the 5 per cent deposit by the applicant:Provided that, if more persons than one have made deposit and application under this sub-rule, the application of the first depositor to the officer authorised to set aside, shall be accepted.(iii)If a person applies under sub-rule (14) of this rule to set aside the sale of immovable property, he shall not be entitled to make an application under this sub-rule.(14)(i)At any time within thirty days from the date of the sale of immovable property, the applicant or any person entitled to share in a rateable distribution of the assets or whose interests are affected by the sale, may apply to the Recovery Officer to set aside the sale on the ground of a material irregularity or mistake or fraud in publishing or conducting it:Provided that, no sale shall be set aside on the ground of irregularity or fraud unless the Recovery Officer is satisfied that the applicant has sustained substantial injury by reason of such irregularity, mistake or fraud.(ii)If the application is allowed, the Recovery Officer shall set aside the sale and may direct a fresh one.(iii)On the expiration of thirty days from the date of sale, if no application to have the sale set aside is made or if such application has been made and rejected, the Recovery Officer shall make an order confirming the sale:Provided that, if he has reason to believe that the sale ought to be set aside notwithstanding that no such application has been made or on grounds other than those alleged in any application which has been made and rejected, he may, after recording his reasons in writing, set aside the sale.(iv)Whenever the sale of any immovable property is not so confirmed or is set aside, the deposit or the purchase money as the case may be, shall be returned to the purchaser.(v)After the confirmation of any such sale, the Recovery Officer shall grant a certificate of sale bearing his seal and signature to the purchaser, and such certificate shall state the property sold and the name of the purchaser.(15)It shall be lawful for the Sale Officer to sell the whole or any portion of the immovable property of a defaulter in discharge of money due:Provided that so far as may be practicable, no larger section or portion of immovable property shall be sold than may be sufficient to discharge the amount due with interest and expenses of attachment, if any, and sale.(16)Persons employed in serving notice or in other process under these

rules be entitled to batta at such rates as may, from time to time, be fixed by the Recovery Officer.(17)Where the costs of charges incurred in connection with attachment and sale of immovable property or the attachment and sale without attachment of immovable property under this rule, exceeds the amount of the cost deposited by the applicant, such excess shall be deducted from the sale proceeds of the property sold or the moneys paid by the defaulter, as the case may be and the balance shall be made available to the applicant.(18)Every person making a payment towards any money due for the recovery of which application has been made under this rule shall be entitled to a receipt for the amount signed by the Sale Officer or other officer empowered by the Recovery Officer in that behalf. Such receipt shall state the name of the person making the payment and the subject matter in respect of which the payment is made.(19)(a)Where any claim is preferred to, or any objection is made to the attachment of, any property attached under this rule on the ground that such property is not liable to such attachment, the Sale Officer shall investigate the claim or objection and dispose it of on merits:Provided that no such investigation shall be made when the Sale Officer considers that the claim or objection is frivolous.(b)Where the property to which the claim or objection relates has been authorised for sale, the Sale Officer may postpone the sale pending the investigation of the claim or objection.(c)Where a claim or an objection is preferred to the party against whom an order is made may institute a suit to establish the right which he claims to the property is dispute/but subject to the result of such suit, if any, the order shall be final.(20)(i)Any deficiency of price which may arise on a re-sale held under Clause (j) of sub-rule (11) by reason of the purchaser's default and all expenses attending such re-sale shall be certified by the Sale Officer to the Recovery Officer and shall, at the instance of either the applicant or the defaulter, be recoverable from the defaulting purchaser under the provisions of this rule. The costs, if any, incidental to such recovery shall also be borne by the defaulting purchaser.(ii)Where the property may, on the second, sell for a high price than at the first sale, the defaulting purchaser at the first sale, shall have no claim to the difference or increase.(21)Where any property has been attached in execution of decree but by reason of the applicant's default the Recovery Officer is unable to proceed further with the application for execution, he shall either dismiss the application or for any sufficient reason adjourn the proceedings to a future date. Upon the dismissal of such application, the attachment shall cease.(22)Where assets are held by the Sale Officer and before the receipt of such assets, demand notices in pursuance of application for execution of decree against the same defaulter have been received from more than one applicants and the applicants have not obtained satisfaction, the assets, after deducting the cost of realisation, shall be rateably distributed by the Sale Officer among all such applicant in the manner provided in Section 73 of the Code of Civil Procedure, 1908 as amended by Act No. 104 of 1976 or any other law for the time being in force. i(23)Where a defaulter dies before the decree has been fully satisfied, an application under sub-rule (1) of this rule, may be made against the legal representative of the deceased and thereupon all the provisions of this rule shall, save as otherwise provided in this sub-rule, apply as if such legal representative were the defaulter. Where the decree is executed against such legal representative, he shall be liable only to the extent of the property of the deceased which has come to his hand and has not been duly disposed of; and for the purpose of ascertaining such liability, the Recovery Officer executing the decree may, of his own motion or on the application of the applicant, compel such legal representative to produce such accounts as he thinks fit,

94. Contribution fees and charges to be credited to Government.

- All contributions made under sub-section (2) of Section 92, all fees paid under sub-section (3) of Section 112, and all charges levied under Rule 72 shall be credited to the Government.

95. Communication of decision, award etc.

- Any order, decision or award required to be communicated under the Act or these rules, shall, unless otherwise specifically provided in the Act or the rules, be posted to the last address of the party as given by the party under the certificate of posting and under intimation to the society, with instructions to display a copy thereof on its notice board. Form 'A' [See Rule 4 (1)] Application for registration of society Place.....Date.....To The Registrar of Co-operative Societies, Arunachal Pradesh. We submit herewith a proposal for registration of the following society along with enclosures as indicated below:

2. We also declare that the information given herewith, including that in the enclosures, is correct to the best of our knowledge.

(1) Name of the proposed society (2) Address to be registered (3) Whether liability is limited or unlimited (4) Are of operation (5) Objects of the society (6) The amount of preliminary expenditure incurred by the promoters till the date of application, and estimate of expenditure likely to be incurred by them thereafter with a view to getting the society registered. (7) Language in which the books and account of the society will be kept.

3. We are sending four copies of the proposed bye-laws signed by the applicants not less than 10 members.

SI. No.	Full Name	Whether individual or corporate body	Age	Nationality	Profession	Place of residence village and circle	Amount subscribed to share capital	Whether any other signatory of the application is a member of his family	In the case of representative of society whether he is a member of the committee of that society
1	2	3	4	5	6	7	8	9	10

1. Chief promoter

2.

3.

4.

5.

6.

Name and address of the person to whom correspondence regarding registration or otherwise should be addressed. Signature

1. Chief promoter

2.

3.

4.

5.

6.

7.

8.

9.

10.

N.B. - 1. In the case of representative of society a copy of the resolution of the committee of that society authorising him to sign on its behalf this application and bye-laws should be enclosed with the application.

2. In the case of a corporate body representatives status of the signatory on behalf of the corporate body should be indicated.

3. The expression "Member of Family" means a wife, husband, father, mother, grandfather, grandmother, step-father, step-mother, son, daughter, step-son, step-daughter, grandson, grand-daughter, brother, sister, half brother, half sister, and wife of brother or half brother.

Enclosures:(1)Bank balance certificate.(2)List of persons who have contributed to the share capital together with the amount contributed, by each of them and entrance fee to be paid by them.(3)The scheme showing the details as to how the working of the society will be economically sound, and where the scheme envisages the holding of immovable property by the society, giving description of immovable property proposed to be purchased, acquired or transferred to the society.(4)A copy of the resolution authorising a member of the committee of the registered society to sign the application on behalf of the society.(5)A copy of the documents authorising any person to sign the application on its behalf issued by a firm, company or other corporate body, a society registered under the Societies Registration Act, 1860 as extended to Arunachal Pradesh or a public trust registered under any law for the time being in force relating to registration of public trust.Sent by registered post on...../Delivered by hand by.....to.....in the office of the Registrar.(Chief Promoter)Received by registered post/hand delivery on.....by.....in the office of the Registrar.....entered in the register of registration proposals in SI. No.....(Signature of the officer receiving this application)To be forwarded when any member of the society to be registered is itself a registered society.To be forwarded when any member of the society to be registered is a firm, company or other corporate body, a society registered under the Societies Registration Act, 1860 as extended to Arunachal Pradesh for a public trust registered under any law for the time being in force relating to registration of public trusts.AcknowledgementReceived Registration Proposal No.....on.....for the registration of.....society from the chief promoter Shri.....Place.....Date.....Form 'B'[See Rule 5(1)]Register of application for registration received in the office of the Registrar

SI. No.	Name of the proposed society	Place village, circle and District	Date of receipt	Date of acknowledgement	How received (by post hand delivery)	No. and date on which additional information is called	Prescribed date by which information is called
1	2	3	4	5	6	7	8
Date on which information received of registration		No. and date of the report if any, sent to Government, if the society is not registered within 6 months of order under which registration is refused				No and date	Initial Remarks
9		10				11	12 13 14

Form 'C'[See Rule 6]Report to GovernmentToThe Secretary to Government.....DepartmentSubject - Report regarding Registration proposalI have received a

Registrar of Co-operative Societies N.B. - The reasons for delay to be given in the body of the letter should be self-explanatory. Any other reasons, if any, for the delay in the registering of the society should also be mentioned. Form 'D' [See Rule 11(1)] Register of Co-operative Societies registered of deemed to be registered under the Act Part..... District.....

Form 'E'[See Rules 13(1)]Notice under Rule 13(1)By Registered post A.D.ToThe
Chairman,.....Co-operative SocietySir,It appears to me that an amendment/amendments of the
bye-laws of your society as indicated in the attached statement is/are necessary and that
it/those/is/are desirable in the interest of your society.I am to request you to consider this/these,
amendment/amendments in the interest of your society and to call upon you by this notice under
Rule 13 (1) of the Arunachal Pradesh Co-operative Societies Rules, 1984 to take necessary steps to
make the amendments to the bye-laws of your society, within.....days from the date of receipt
of this notice, falling which action will be taken as provided under Section 14(2) of the Arunachal
Pradesh Co-operative Societies Act, 1978.Yours faithfully Register of Co-operative
SocietiesNo.....(Seal of the office)Date.....Place.....Statement accompanying notice

under Rule 13 (1)

SI. No.	Exact wording of existing bye-laws	Bye-laws as it would read after amendments	Exact wording of bye-laws, if it is a new one	Reasons why amendment is considered necessarily
1	2	3	4	5

Registrar of Co-operative Societies Form 'F'[See Rule 13(3)] Notice under Rule 13(3) To The Chairman,.....Co-operative Society Sir, Whereas you were called upon to make amendment to the bye-laws of your society as per this office No.....dated.....and whereas you have failed to make the amendment within the time specified therein, you are hereby called upon to show cause in writing within.....days from the receipt of this notice as to why the proposed amendment of your bye-laws as indicated in this office notice referred to above should not be registered. If you desire to be heard in person, you may attend or send representative duly authorised on.....at.....a.m./p.m in my office and put your defence before me, if any. If you fail to send your written statement or your representative on the date specified above or if your statement is found unsatisfactory, necessary further action according to the provisions of Section 14 (2) of the Arunachal Pradesh Co-operative Societies Act, 1978 will be taken. Yours faithfully Register of Co-operative Societies No.....(Seal of the office) Date.....Place.....Form 'G'[See Rule 16 (3)] Notice of member, creditors and other persons whose interests will be affected by the amalgamation/transfer of assets and liabilities/conversion/division Notice is hereby given as required by Clause (i) of the proviso to sub-section (1) of Section 17 of the Arunachal Pradesh Co-operative Societies Act, 1978, by the.....Society registered under No.....dated.....and having its registered office at.....to all members/creditors/persons interested that the society, after obtaining the approval of the Registrar and a preliminary resolution to that effect having been passed by a special general meeting of the society held on.....has decided to amalgamate itself with.....Society; convert itself into.....Society; divide itself into (1).....(2).....Societies; transfer its assets and liabilities to.....Society. The details regarding the transfer of liabilities of the society to be amalgamated, transferred converted or divided are as given below; I. Applicable to societies amalgamating, transferring assets and liabilities or converting-(1) Name of the society or societies.....(2) Statement showing the assets and liabilities of the society (to be enclosed).....(3) Names of members and creditors.....N.B. Information should be given separately in respect of each society which is affected by the amalgamation, transfer of assets and liabilities or conversion. II. Applicable to societies to be divided-(1) Name of the society.....(2) Present area of operation.....(3) Statement showing assets and liabilities (to be enclosed).....(4) Name of members.....(5) Names of creditors.....III. Applicable to societies which will stand divided-Particular of - (1).....Society-(i) Assets and liabilities which will remain with the society after division (Statement to be enclosed).....(ii) Proposed area of operation.....(iii) Name of members who will remain with the society.....(iv) Names of creditors who will remain with the society.....Particulars of (2).....Society-(i) Assets and liabilities which will remain with the society (Statement to be enclosed); (ii) Proposed area of operation.....(iii) Names of members who will remain with the society.....(iv) Names of creditors who will remain with the society.....

1. Any person whose interest is affected by the proposed amalgamation, transfer of assets and liabilities, division or conversion, may send his objections, if any, and give intimation of his opinion to become a member of any of the new societies to continue his membership in the amalgamated or converted society/to demand payment of share or interest or dues, to the office of the society within one month from the date of this notice.

2. If no option is exercised and if no objection is received within one month, it will be assumed that the interested persons have assented to the decision.

(By order of the Board/Managing Committee)SecretaryPlace.....Date.....Form 'H'[See Rule 17 (1)]Application for Reconstruction of SocietyToThe RegistrarCo-operative Societies.....In the special general meetings of.....society at.....circle.....district.....called for the purpose of reconstruction of the society, the society has approved a compromise/arrangement with its creditors and/or members on the following lines:(1)By reducing the claims of creditors;(2)By reducing the value of the shares capital;(3)By re-valuation of assets.A detailed scheme worked out on the above lines is enclosed with a copy of the resolution passed by the special general meeting of the society referred to above.We would request that the scheme of reconstruction of the society may please be approved and orders issued to that effect.Chairman/Member
Creditor/Liquidator.....SocietyForm 'I'[See Rules 31 and 63 (1)]Register of Members[Section 39 (1) of the Arunachal Pradesh Co-operative Societies Act, 1978]

1. Serial No.....

2. Date of admission.....

3. Date of payment of entrance fee.....

4. Full name.....

5. Address.....

6. Occupation.....

7. Age on the date of admission.....

8. Full name and address of the person nominated by the member under Section 30 (1).....

9. Date of nomination.....

10. Date of cessation of membership.....

11. Reasons for cessation.....

12. Remarks.....

Date	Cash Book folio	Particulars of shares held	Total amount received	Number of shares held	SI. No. of shares certificate	Date				
Application	Allotment	Amount received on								
1st call	2nd call									
1	2	3	4	5	6	7	8	9	10	
Particulars of transferred or surrendered shares										
Cash book folio or shares transfer register No.		Number of shares transferred		Number of shares transferred or refunded		Balance				
Sl. No. of shares certificates		Number of shares, held		SI. No. of shares certificate		Amount				
11		12		13		14		15 16		

Form 'J'[See Rule 32]List of members of.....Society Limited/Unlimited

SI. No.	Full name of the member	Address	Class of member
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Form 'K'[See Rule 43 (1)]Declaration under Rule 43 (1)I.....am/have become a member of more than one credit society, names of which are given below:(1)(2)(3)(4)I do hereby declare as required by Rule 43 of the Arunachal Pradesh Co-operative Societies Rules, 1984, that I shall borrow only from....Place.....Date.....(Signature)Witness to SignatureForm 'L'[See Rule 46 (1)]Declaration under Section 49I.....(age.....) residing at.....having been admitted to the membership of.....Society with limited/unlimited liability and being desirous of borrowing loan from the society/having borrowed loan from the society before, make this declaration as required by Section 49 (a)/49 (b) of the Arunachal Pradesh Co-operative Societies Act, 1978, that I own/have interest in as a tenant in land specified in the schedule, and I hereby create charge on the said and/interest in favour of the society or the payment of the amount of the loan which the society may make/has made and for all future advances, if any, which the society may make to me subject to the maximum amount of Rs together with interest on such amount of the loan and advances.

Schedule

Name of village	Name of circle	Name of district	Survey No.	Boundaries
Town/ City Plot No.	Survey No. Plot Hissa	South East	North West	
1	2	3	4	5 6 7

Area	Assessment	Approximate value	Encumbrances, if any	Remarks if any
Acres	Rupees	Nature	Amount	
8	9	10	11	12 13

In witness whereof, I, Shri.....hereunder set my hand this.....day of.....in the year one thousand nine hundred and.....Witness Signed and delivered by the above named in the presence of-(1)(2)Attested byApplicant's/Borrower's SignatureForwarded with compliments to the Appropriate Authority with a request to include the particulars of the charge created under the declaration in the Record of Anchal Samiti/Panchayat and to return to the society for its record.Chairman.....Secretary.....SocietyReturned with compliments to the Chairman.....Society limited/unlimited. The charge created under the declaration is duly included in the Record of Anchal Samiti/Panchayat on the day of.....19...Appropriate AuthorityForm 'M'[See Rule 46 (2)]Register of declaration made under Section 49 (a) (b)

SI. No.	Date of entry of register	Name of the member	Date of declaration	Name of the village in which land is standard	Survey No.	Area
City	Acres					
1	2	3	4	5	6	7

Assessment	Approximate value	Encumbrances, if any	Amount of maximum loan	Remarks if any	Initials of the Chairman
Rs.	P.	Name	Amount		
8	9	10	11	12	13 14 15

Form 'N'[See Rule 60 (1)]Balance sheet

Instruction in accordance with which liabilities should be made out	Liabilities	Assets	Instruction in accordance with which assets should be made out
Figures for the previous year	Figures for the current year	Figure for the previous year	Figures for the current year
1	2	3	4 5 6
I. Contributed by Government and by	I. Share Capital-authorized	I. Cash and Bank balances:(a) Cash in	I. Fixed deposits and call deposit

co-operative societies and different classes of individual members shall be shown separately. Terms of redemption or conversion of any redeemable/preferable shares should be mentioned.	share of Rs..... each subscribed: (distinguishing between the various classes of capital and stating the particulars specified below, in respect of each class) share of Each less calls in arrears. Add: calls in advances. Subscriptions towards shares	hand(b) Cash Bank(i) Current Account(ii) Saving Banks Account(iii) Call deposits on Banks	with Central Banks and other approved Bankers should be shown under the heading 'Investments' and not under the heading, 'Cash and Bank Balances'.
II. (a) Statutory Reserve funds and other reserves and funds shall be shown separately (b) Additions and deductions since last Balance sheet to be shown under each of the specified head. (c) Funds in the nature of reserves and funds credited out of any profits for specific purpose should be shown separately	II. Reserve funds other funds: (a) Statutory Reserve funds (b) Building funds. (c) Special Development fund (d) Bad and doubtful debts reserves. (e) Investment depreciation fund. (f) Dividend, equalization fund. (g) Bonus equalization fund. (h) Reserve for overdue interest. (i) Other Funds.	II Investments: (a) Government Securities. (b) Other Trustee Securities. (c) Non-Trustee Securities. (d) Share of the other Co-operative Societies. (e) Shares, debentures or Bonds of companies registered under the Companies Act. (f) Fixed deposits.	II. The nature of each investment and the mode of valuation (cost of market value) should be mentioned. If the body value of any security is less than the market value a remark to that effect should be made against each item.
III. Staff provident funds and any other insurance or Bonus Funds maintained for the benefit of the employment should be shown separately.	III. Staff Provident Fund	III. Investment: (1) Staff Provident Fund. (2) Advances against Staff Provident Fund.	III. Quoted and unquoted securities be shown separately.
IV. The nature of the security should be specified in each case. Where loans have been guaranteed by Government or State Co-operative or	IV. Secured Loans: (a) Debentures. (b) Loans, overdrafts and cash credits from Banks. (c) Loans from Government. (d) Other secured loans.	IV. Loans and advances: 1. (a) Loans. (b) Overdrafts. (c) Cash credits: (i) Against pledge of goods. (ii) Against hypothecation of goods. (iii) Clean, (of	IV. In case of Central Banks and other Federal Societies loans due by societies and individual members should

Central Banks as mentioned thereof (should also be made together with the maximum amount of such guarantee Loans from - (1) Government. (2) State Co-operative Banks or Central Banks, State Bank of India and other Banks should be shown separately.

which overdue Rs.... 2. be Loans due by shown separately. Managing Committee/members Rs..... loans due by Security and other employees Rs.....

V. Unsecured loans: (a) Loans, cash credits/ and overdrafts from Central Banks. (b) From Government. (c) From Others. (d) Bills Payable.

V. Sundry debtors: (1) Credit Sales. (2) Advance. (3) Others.

V.

VI. Deposits from societies and individual should be shown separately. VI. Deposits: (a) Fixed deposits. (b) Recurring deposits. (c) Thrift or saving deposits. (d) Current deposits. (e) Deposits at call. (f) Order deposits. (g) Credit balance in cash credit and overdraft accounts.

VI. Current Assets: (1) Stores and spare parts. (2) Loan tools. (3) Stock-in-trade. (4) Works in progress.

VI. Mode of valuation and stock shall be started and the amount in respect of raw materials, partly finished and finished goods and stores equipped or consumption should be stated separately. Mode of valuation of work in progress shall be stated.

VII. Current liabilities and provisions: (a) Sundry creditors. (b) Outstanding creditors: (i) for purchases; (ii) for expenses including

VII. Fixed Assets: (a) Lands and buildings. (b) Leaseholding. (c) Railway siding. (d) Plants and machinery. (e) Loose

VII. Under each head the original cost and the additions thereto and deductions therefrom made during the

	salaries of staff, rent, taxes etc. (c) Advance recoveries for the portion for which value has still to be given viz, unexpired subscription, premium, commissions etc.	tools, tackles, and other equipments. (f) Old stock. (g) Furniture and fittings. (h) Live-stock. (i) Vehicle etc.	total depreciation written off or provided up to the end of the year should be stated.
VIII.	VIII. Unpaid Dividends.	VIII. Miscellaneous expenses and losses: (1) Goodwill, (2) Preliminary expenses. (3) Expenses connected with the issue of shares and debentures including underwriting charges, brokerage, etc. (4) Deferred revenue expenditure.	VIII.
IX.	IX. Interest accrued due but not paid.	IX. Other Items: (a) Prepaid. Expenses. (b) Interest accrued but not due. (c) Other items (to be specified).	IX.
X.	X. Other liabilities to be specified.	X. Profit and Loss Accounts: Accumulated Losses not written off from the reserve or any other fund.	X.
XI.	XI. Contingent liabilities which have not been provided for, should also be mentioned in the balance sheet by way of a footnote.	XI. Profit counts: Profit for last year: Less-Appropriation Add-Current profits.	XI.
Profit and Loss Account			
Last year's figures	Expenditure	This year's figures	Last year's figures
1	2	3	4
Rs.	1. Interest: (a) Paid Rs. (b) Payable Rs. 2. Bank charges. 3. Salaries and allowances of staff. 4. Contribution	Rs.	1. Interest received: (a) On loans and debentures. (b) On Investment. 2. Dividend

to Staff Provident Fund.5.
Salaries and allowances of
Managing Director.6. Attendance
fees and travelling expenses of
Director and committee
members.7. Travelling expenses of
staff.8. Rent, rates and
taxes.9. Postage, Telegram and
Telephone charges.10. Printing
and Stationery.11. Audit Fees.12.
Contingencies
General Expenses.13. Bad Debts
written off or provision made for
bad debts.14. Depreciation on
fixed Assets.15. Land Income and
Expenditure Account.16. Other
items.17. Net Profit carried to
Balance Sheet.

received on
shares.3. Commission.4.
Miscellaneous income-(a)
Share transfer fees.(b) Rent(c)
Rebate in interest.(d) Sale
of Forms.(e) Other items.5.
Land Income and
Expenditure Accounts.

Note - In the case of marketing societies, consumers' societies and similar other societies which have undertaking trading activities, the Profit and Loss Account shall be divided into two parts showing separately the trading account and the profit and loss account. In case of producers' societies, processing societies, forest labourers' societies and other societies which have undertaken production activities the manufacturing account shall also be prepared in addition. Form 'O' [See Rule 71] Rectification report under Section 83/89

Date of audit.....

Period covered.....

No. and date of order under Section 84/85 Name and designation of person carrying out audit, inquiry or inspection

SI. No. of the objection in the Audit Memo or report of the officer carrying out inquiry or inspection	Observations made by the Authority or officer carrying out inquiry or inspection	Explanation of the society and the remarks regarding action taken by it to rectify the irregularities and implement the suggestion made by the auditor or officer carrying out inquiry or inspection	No. and date of the resolution of the committee approving the report	Remarks.
1	2	3	4	5

Form 'P' [See Rule 73] Application regarding reference of a dispute To The Registrar

- Name Age
Occupation Address
- Name Age
Occupation Address Disputants
- Name Age

Occupation Address

VERSUS

1. Name Age

Occupation Address

2. Name Age

Occupation Address Opponents

3. Name Age

Occupation Address

Particulars of the claim or the facts constituting the cause of action and when it arose
The disputant/disputants prays/pray as under:.....In support of the above claim or relief sought I/we enclose documents and papers as per the list annexed thereto.
Date.....Signed..... Disputant/Disputants I/We.....disputant/disputants declare that the facts stated above are true to the best of my/our knowledge and belief.
Signed.....Date.....

1.

2. Disputant(s)

3.

Filled in the office of.....on.....19...Note - (1) In case there are more disputants or opponents their names, addresses, ages, and occupations should also be mentioned.(2)In disputes relating to monetary claims, the applicants should state the precise amount claimed but where this cannot be exactly ascertained, the applicant shall state the approximate amount claimed.(3)Where a society is a disputant, a copy of the resolution of its committee of Board of Directors shall accompany the application.
Form 'Q'[See Rule 80]Proclamation to be issued at the time of the issue of a certificate under Section 102A. In the case of immovable property:Whereas.....judgement-creditor has obtained an award or awards under Section 100 or an order or orders of the Liquidator under Section 109 of the Arunachal Pradesh Co-operative Societies Act, 1978, for an amount of Rs.....against.....(Judgement-debtor) and proposes to execute the same by the under-mentioned property of the said judgement debtor and whereas the said judgement creditor has obtained a certificate dated.....or execution of the award/awards or the order/orders, under Section 102 of the said Act;Notice is hereby given that any private transfer or delivery of or encumbrance or charge on, the property made or created after the issue of the certificate shall be null and void against the said judgement-creditor under Section 103 of the Act Aforesaid.
Description of the Property

Date of award or order	Name of the parties against whom award or order has been passed and certificate	Survey No. of House No.	Name of the village or Town	Area	Assessment of other taxes	Other description of property such as boundaries etc.	Remarks

under Section 102
has been issued

1 2 3 4 5 6 7 8

The notice shall be proclaimed at same place on or adjacent to such property by beat of drum or other customary made, and a copy of the said notice shall be fixed on a conspicuous part of the property and upon a conspicuous part of the village and also where the property is land paying revenue to the Government in the office of the Deputy Commissioner the district in which the land is situated. Place.....Date.....Registrar of Co-operative Societies/Liquidator B. In the case of movable property: A similar notice may be given with necessary changes as to the description of the property. A copy of the notice shall be delivered as judgement debtor. Form 'R' [See Rule 83 (5), (7)] Certificate for transfer of property under Section 104 In the case of immovable property-Whereas in execution of the award or order or awards or orders passed under Section 100 or an order or orders made by a Liquidator under Section 109 of the Arunachal Pradesh Co-operative Societies Act, 1978, in favour of the society, an order was made on the.....day of.....19..... for sale of the under-mentioned property of the person or persons (debtor or debtors); And whereas the court/the appropriate authority/the Registrar is satisfied that the said property cannot be sold for want of buyers; It is hereby ordered under Section 100 of the said Act that the right, title and interest of the debtors in the said property shall vest in the said society and shall be delivered to the society subject to the terms and conditions laid down in the schedule hereto annexed. Description of the Property

Survey No.	Area and assessment	Nature of right, title and interest of the defaulter	Details of encumbrances to which property is subjected
1	2	3	4

The Schedule The said property is transferred to the society in full/partial satisfaction of the amount due to it from the debtor. Given under my hand and seal of the court/appropriate authority/Registrar this.....day of.....19..... Court/Registrar of Co-operative Societies In the case of movable property: The form shall be similar with necessary changes as regards the "Description and the delivery of the property."