

Rajasthan Co-operative Societies Rules, 2003

RAJASTHAN

India

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Rajasthan Co-operative Societies Rules, 2003

Chapter 1 Preliminary.

1. Short title, extent and commencement.

(1) These rules may be called the Rajasthan Co-operative Societies Rules, 2003.(2)They shall extend to the whole of the State of Rajasthan.(3)They shall come into force at once.

2. Definitions.

(1) In these rules, unless the context otherwise requires,(a)"Act" means the Rajasthan Co-operative Societies act, 2001 (Rajasthan Act No. 16 of 2002);(b)"Agricultural Marketing Society" means a society the core object of which is the marketing of agricultural produce and the supply of implements and other requisites for agricultural production, of which not less than three-fourth of the members are agriculturists or societies formed by agriculturists;(c)"Bonus" means payment made in cash or kind out of the profits of a society to a member, or an employee, on the basis of his contribution (including any contribution in the form of labour or service) to the business of the society, and in the case of a joint farming society, on the basis both of such contribution and also the value or income or, as the case may be, the area of the lands of the members brought together for joint cultivation as may be decided by the society;(d)"Consumers Society" means a society the core object of which is the procurement, production or processing, and distribution of goods to, or the performance of other services for, its members as also other customers;(e)"Co-operative Bank" means a society registered under this act and doing the business of banking, as defined in clause (b) of section 5 of the Banking Regulation Act, 1949;(f)"Co-operative Year" means the year ending on

the 31st day of March or in the case of any co-operative society or class of co-operative societies the accounts of which are balanced on any other date, with the previous sanction of the Registrar, the year ending on such date;(g)"Credit Society" means a society the core object of which is to lend money to its members;(h)"Dividend" means the amount paid, out of the profits of a society, to a member in proportion to the shares held by him;(i)"Farming Society" means a society in which, with the core object of increasing agricultural production, employment and income and the better utilisation of resources, lands are brought together and jointly cultivated by all the members, such lands (a) being owned by or leased to the members (or some of them), or (b) coming in possession of the society in any other manner whatsoever;(j)"General Society" means a society not failing in any of the classes of societies defined by the other clauses of this rule;(k)"Housing Society" means a society the core object of which is providing members with dwelling houses or facilitating them in the having their dwelling houses constructed by providing any one or more of the necessary components required for the purpose;(l)"Non-credit Society" means a society other than a society as defined under clause (g) of this rule;(m)"Producers Society" means a society formed with the core object of producing and disposing of goods and commodities produced by its members, and includes a society formed with the object of the collective disposal of the labour of its members;(n)"Processing Society" means a society the core object of which is the processing of goods;(o)"Recovery Officer" means a person empowered to exercise, the power of the Registrar under section 100 of the Act;(p)"Registering Authority" in relation to a Co-operative Society, means a person competent to register the society or to whom powers of registration of such society have been delegated by the Government;(q)"Resource Society" means a society the core object of which is the obtaining for its members of credit, goods or services required by them and includes a service co-operative; society;(r)"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, order, decision or award, by attachment and sale of property;(s)"Section" means the section of the Act; and(t)"Women society" means a society the core object of which is the economical upliftment of women and the member of which are either women exclusively or societies having exclusively women members.(2)Words and expressions used but not defined in these rules but defined in the Act shall have the same meaning as assigned to them in the Act.

Chapter II

Incorporation

3. Rural families included in "Weaker section".

The following classes of persons having total income not exceeding rupees eleven thousand per annum, shall be categorized as economically and socially backward or neglected sections of the village community:-(i)Agriculturists owning or cultivating not more than one standard acre of(ii)Persons belonging to scheduled castes, scheduled tribes, other backward etas-es and nomadic tribes;(iii)Landless agricultural labour;(iv)Village artisans and workers engaged in small crafts; and(v)Persons, other than agriculturists, engaged in productive vocations subsidiary to agriculture e.g. milk production, poultry farming etc.

4. Application for Registration.

(1) Every application for registration of a society under section 5 shall be made in such form as may be specified by the Registrar from time to time and shall, subject to the provisions of sub-rule (2) and (3), be duly signed by the applicants and be accompanied by, - (a) three copies of the proposed bye-laws of the society; (b) a certificate, from the co-operative bank stating the credit balance in favour of the proposed society; (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; (e) in case of a Service Co-operative Society, a list of the members of the weaker section as per rule (3); and (f) such other documents as may be specified, if any, by the Registrar from time to time. (2) Where any member of the proposed society is a registered society, the application for registration shall be signed by a member of the registered society duly authorised for the purpose by the committee of the registered society and a copy of such resolution authorising the member shall be appended to the application. (3) Where any member of the proposed society is a corporate body, or a local authority then such corporate body or local authority shall duly authorise any person to sign the application for registration on its behalf, and a copy of the resolution giving such authority shall be appended to the application. (4) The applicants of the proposed society shall also intimate while presenting the application for registration, the name and address of one of the applicant designated by them for being given opportunity of hearing as provided in sub-section (2) of section 6 or to whom correspondence before the registration of the society, if any, may be addressed by the Registrar. (5) On receipt of an application for registration the Registering Authority shall enter particulars of the application in the register of applications to be maintained in such form as may be specified by the Registrar.

5. Registration.

(1) On receipt of an application under rule 4, the Registrar shall examine the application for registration of the society including the proposed bye-laws and may give, wherever necessary, opportunity to the person authorised by the applicants for the purpose, to modify the proposed bye-laws or to supply the additional information, if found deficient in the application before finally registering the society or rejecting the application for registration. (2) On registering a society and its bye-laws under section 6, the Registrar shall 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 and shall also furnish the society with a copy of the bye-laws approved and registered by him. (3) The Registrar shall maintain a register of societies registered under the Act in such form as may be specified by the Government. (4) Where the applicants have moved to Registrar, Co-operative Societies, Rajasthan or the Government under sub-section (3) of section 6, the Registrar, Cooperative Societies, Rajasthan or the Government, as the case may be, shall enter the particulars of such application in a register to be maintained in such form, as may be specified by the Government. (5) On receipt of an application under sub-section (3) of section 6, the Registrar, Co-operative Societies, Rajasthan or the Government, as the case may be, shall call for the necessary record from the Registering Authority. (6) The Registrar, Co-operative Societies, Rajasthan or the Government, as the case may be, shall decide the application within 30 days of the receipt of the

application and give decisive directions to the Registering Authority. Such directions shall also include the time period within which the decisions are to be complied with.(7)The Registering Authority after receiving directions from the Registrar, Co-operative Societies, Rajasthan or the Government, as the case may be, shall comply with the directions within the period specified in the directions.(8)Where no directions are received from the Registrar, Co-operative Societies, Rajasthan or the Government, as the case may be, even after expiry of the period specified in sub-section (3) of section 6, the Registering Authority shall, after ascertaining facts from the Registrar, Co-operative Societies, Rajasthan or the Government, as the case may be, issue registration certificate immediately under sub-section (3) of section 6.

6. Refusal of Registration.

(1) Where any proposed society does not furnish the information in regard to the society as required by the Registrar or fulfill any of the conditions laid down in the Act or these rules, the Registrar may refuse to register the society.(2)If the Registrar refuses to register a Co-operative society, he shall communicate the order of refusal with reasons thereof to the applicant referred to in sub-rule (4) of rule 4 by registered post.

7. Cancellation of registration of a Co-operative society.

(1) Where it comes to the notice of the Government that a Co-operative society which has been registered or deemed to be registered under sub-section (3) of section 6 does not fulfill the requirements or registration as mentioned in sub-section (1) of section 6, the Government shall give a notice of fourteen days to the society to show cause as to why the registration of the society should not be cancelled.(2)The Government may also call the relevant record and other information, as may be necessary, from the Registrar.(3)If the society does not reply to the notice of the Government, or the Government is satisfied, after considering the reply of the society and after examining the record and other information, if any, received from the Registrar, that the society which has been deemed to have been registered does not fulfill the necessary requirements of registration as laid down in sub-section (1) of section 6, the Government shall direct the Registrar to cancel the registration of the society forthwith.(4)On receiving the directions of the government under sub-rule (3) above, the Registrar shall cancel the registration certificate of the society immediately and therewith the society shall cease to exist as a corporate body.

8. Classification, sub-classification and minimum share capital required at the time of registration.

(1) The minimum share capital required for registration of a Co-operative society shall be as mentioned in table below against each class or subclass of society.

Class	Sub-class	Examples of societies falling in the class or sub-class, as the case may be.	Minimum share capital required at the time of registration.(Rs. in
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				lakh)
1	2	3	4	5
1	Agricultural Marketing society	(a) Federation	Having jurisdiction over the whole of the State of Rajasthan	25.00
		(b)	Fruit and vegetable produce and marketing	2.00
		(c)	All other purchase and sale unions & marketing societies of agricultural produce	1.00
2	Consumers Societies	(a) Federations	Having jurisdiction over the whole of the State of Rajasthan	25
		(b) Central	Wholesale Bhandar	2.00
		(c) Primary	Primary Bhandar	0.50
3	Co-operative Bank	(a) Apex Bank	[Apex society which is the federal body of the Central Co-operative Banks in the State and is engaged in the business of banking.] [Substituted 'Financing Bank having jurisdiction over the whole of the State of Rajasthan' by Notification No. G.S.R. 73, dated 19.9.2011.]	500.00
		(b) Central Bank	[Central Society which has primary agricultural credit societies as its members and is engaged in the business of banking] [Substituted 'District Central Banks having provisions in their bye-laws to advance loans to Co-operative Societies' by Notification No. G.S.R. 73, dated 19.9.2011.]	50.00
		(c) Other Banks	(i) Urban Banks	200.00
			(ii) Land Development Banks	25.00
			(iii) Salary Earners Societies	2.00
4	Farming Society	(a) Collective Farming Society	Farming Societies where ownership is vested in the Society	as per by laws
		(b) Joint Farming Society	Societies where the ownership is retained by members.	as per by laws
5	Housing Society	(a) Tenant Ownership Housing Society	Housing Societies where land is held either on leasehold or free-hold basis by societies and houses are owned or are	as per by laws

			to be owned by members.	
		(b) Tenant Co-partnership Housing Society	Housing Societies which hold both land and building either on leasehold or free-hold basis and allot them to their members.	as per by laws
		(c) Other Housing Society	House Mortgage Societies and House Construction Societies.	as per by laws
6	Processing Society	(a) Agriculture Processing Society	Societies, which process Agriculture produce like Cooperative Sugar Factories and Oil mills.	as per by laws
		(b) Industrial Processing Society	Wool Processing and Tanners' Societies, Spinning Societies.	as per by laws
7	Producers' society	(a) Industrial Producers' Society	Weavers' and Carpenters' Societies, Societies.	0.25
		(b) Labourers' Industrial Society	Forest Labourers' Societies and Labour Contract Societies.	0.05
		(c) Agriculture Producers' Society	Cattle Breeding, Dairy and Poultry Societies.	0. [015] [Notification No. F. 12(7) Coop./dated 27-2-2007, Rajasthan Gazzete Part-IV (C) (1) dated 8-3-2007, Page 27.]
8	Resource Society	(a) Credit Resource Society	Employees Credit and Thrift Societies	0.50
		(b) Non-Credit Resource Society	Seeds and implements and Agricultural Requisites Societies Service Co-operatives.	1.00
		(c) Service Co-operative Society	Multipurpose Co-operative and Agricultural Credit Societies.	1.00
9	Women Co-operative Societies	(a) Federation	Having jurisdiction over the whole of the State of Rajasthan	5.00
		(b) Central	Women multi-purpose Central Society	1.00
		(c) Primary	Women multi-purpose Society	0.05
10	General Society	(a) Social	Better Living Societies and Education Societies	0.50

(b) Commercial	Insurance and Motor as per bylaws Rickshaw Puller Transport Societies	as per by laws
(c) Others	Not falling either of as per bylaws the above sub-clauses.	as per by laws

9. Change of form and extent of liability.

(1) A society willing to change its liability may do so by an amendment in its bye-laws subject to the provisions of this rule. 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 special resolution in that behalf at a general meeting of the society specially called for the purpose 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 them with copies of the resolution proposed to be moved at the meeting. After the resolution is duly moved and passed as a special resolution, 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-rule (1) 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) After the passing of the special resolution regarding the change of liability another notice of thirty days shall be given to each of the members and creditors in the manner specified under sub-rule (2), who may opt to withdraw his shares, loans or deposits, the value of a share of a member in a society shall be ascertained as follows :- (a) In case of a society with unlimited liability, the value of a share shall be the actual amount received by the society in respect of such share. (b) 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. (4) Any member or creditor desiring to exercise the option under sub-rule (3) 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). The scheme 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) 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 approves the scheme, the society shall make payment to members and creditors who have opted to withdraw their shares, loans and deposits and, 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, after ascertaining that all claims made under sub-rule (2) have been met in full, register the amendment in accordance with the provisions of section 10.

10. Expenses for change of name of the society.

(1) Where a society proposes to change its name under the provisions of section 9, it shall deposit the expenses for publication of notice as required in sub-section (1) of section 9.(2)The expenses shall be determined by the Registrar in accordance with the prevalent rates of advertisement publication in the leading newspapers having wide circulation in the area of operation of the society. The expenses so determined shall be deposited by the society in the treasury on demand raised by the Registrar within a period of seven days. The charges of publication shall be paid from the amount so deposited.

11. Procedure regarding amendment of bye-laws.

(1) Where a co-operative society proposes to amend its bye-laws, no such amendment shall be made, save by a special resolution passed at its general body meeting called for the purpose.(2)No such resolution shall be valid, unless notice of the proposed amendment has been given to the members of the society at least fifteen days before the general meeting.(3)After the special resolution is passed, an application shall be made to the Registrar alongwith:-(a)a copy of the relevant bye-laws in force with amendment proposed to be made in pursuance of the special resolution together with reasons justifying such amendment;(b)three copies of the bye-laws as it would stand after amendment, signed by the officers duly authorised in this behalf by the society;(c)a copy of the notice given to the members of the society of the proposal to amend the bye-laws;(d)a copy of the special resolution referred to in sub-rule (1);(e)total number of members of the society on the date of such meeting;(f)number of members who formed the quorum of such meeting;(g)number of members present at such meeting;(h)number of members who voted for the amendment;(i)a certificate signed by the officers duly authorised by the society that the procedure specified in section 10, sub-rule (1) and bye-laws has been followed; and(j)such other information as may be required by the Registrar.(4)Every such application shall be made within fourteen days from the date of the general meeting at which special resolution for amendment was passed:Provided that the Registrar may condone the delay, if any, for sufficient cause.(5)On receipt of a copy of the special resolution and other particulars referred to in sub-rule (3), the Registrar shall examine the proposed amendment and if he is satisfied, that the proposed amendment fulfill the requirements as are essentials for the registration of bye-laws under section 6 [and are in consonance with the provisions of sub-section (1) of section 10] [Inserted by Notification No. G.S.R. 53, dated 10.7.2017.] he shall register the amendment and issue to the society a copy of the amendment registered by him. Where the Registrar is of the opinion that the proposed amendment does not fulfill the requirements as are essential for the registration of bye-laws, he shall alongwith his comments thereon, send it back to the society, for reconsideration as required under sub-section (2) of section 10.(6)Provisions of sub rule (4) to (8) of rule 5 shall mutatis mutandis apply for action under sub-section (4) of section 10 for amendment of bye-laws.

12. Transfer of assets and liabilities, division and amalgamation of societies.

(1) Every society desiring to effect transfer assets and liabilities, division or amalgamation under section 12 shall frame a scheme of transfer of assets and liabilities, division or amalgamation

indicating how the proposed transfer of assets and liabilities, division or amalgamation would be useful to the society and be given effect to. Where the scheme involves a division of a society into two or more societies, it shall contain proposals regarding the name, the area of operation, draft bye-laws and the list of members and creditors of the new societies into which the society would be divided.(2)After framing the scheme of amalgamation or division or transfer of assets and liabilities under sub-rule (1), the society shall first inform the Registrar and then convene a special general meeting by giving a written notice of atleast fifteen days to all of its members alongwith the proposed scheme of transfer of assets and liabilities, division or amalgamation. In the case of the society desiring amalgamation with or transfer of the assets and liabilities in whole or in part to any other society (hereinafter referred to as the other society), the society shall send a copy of the notice and the proposed scheme to the other society also for information. The society shall pass a special resolution for transfer of assets and liabilities, division or amalgamation as the case may be, at the special general meeting and shall in the case of the amalgamation or transfer of assets and liabilities forward a copy of such special resolution to the other society.(3)After the receipt of the special resolution under sub-rule (2), the other society shall convene a special general meeting by giving a written notice of atleast fifteen days to the Registrar and to all its members and creditors alongwith the scheme of amalgamation or transfer of assets and liabilities and draft amendment to its bye-laws, if any, and pass a special resolution at the general meeting for approving the scheme of amalgamation or transfer of assets and liabilities, as the case may be, and the amendment to its bye-laws, if any, and send a copy of such special resolution to the society which had earlier decided to amalgamate or transfer its assets and liabilities.(4)The affected society or each of the affected societies, as the case may be, shall, in the case of amalgamation or transfer of assets and liabilities, after the conveyance of the approval under sub-rule (3) and in the case of division, after passing of the special resolution under sub-rule (2) forward the proposals to the Registrar :Provided that where such proposals involve an amendment of the bye-laws, the procedure specified in rule 11 shall be followed.(5)After approval of the proposals by the Registrar, the affected society or each of the affected societies, as the case may be, shall take action under subsection (4) to (6) of section 12.(6)The affected society or each of the affected societies, as the case may be, shall forward a report to the Registrar of the action taken by it under sub-rule (5) and request him to approve the decision for transfer of assets and liabilities, division or amalgamation.(7)The Registrar shall, after satisfying himself that the procedure has been followed pass an order transferring the assets and liabilities and register the amalgamated or divided society or societies and cancel the registration of societies which have been amalgamated or divided.(8)Provisions of sub rule (4) to (8) of rule 5 shall mutatis-mutandis apply for action to be taken by the Registrar Co-operative Societies, Rajasthan or the Government, as the case may be, under sub-section (3) of section 12.

13. Proposal by Registrar for Amalgamation, division and Reorganization of societies in public interest etc.

(1) Before sending any proposal under section 13 for the amalgamation, transfer of assets and liabilities, division or reorganization of any society or societies, the Registrar shall prepare a draft scheme in respect of such amalgamation, division, transfer of assets and liabilities or reorganization stating the manner in which the new committee or committees of the society or societies resulting from such amalgamation, division or reorganization shall be constituted and the bye-laws which

such society or societies shall follow. The Registrar shall send a copy of the draft of the order proposed to be issued by him under section 13, to the Chairperson and the Chief Executive Officer of the society or of each of the societies concerned requiring the proposals to be considered and decided in the general body meeting of the society or the societies within a period of three months.(2)The society or each of the societies, as the case may be, shall give a notice of not less than thirty days to the members and creditors inviting their objections and suggestions on the proposals of the Registrar. All the objections and suggestions received from the members and creditors shall be considered in the general body meeting, and a decision shall be taken on the proposals of the Registrar.(3)The Registrar shall consider all suggestions and objections and make such modifications in the draft order as may seem to him desirable in the light of those suggestions or objections and the resolution of the society thereon and then issue a final order under sub-section (2) of section 13.(4)Any member or creditor of each of the societies to be amalgamated, divided or re-organised who had objected to the scheme of amalgamation, division or reorganisation within the period specified in sub-rule (2), may apply to the Registrar for payment of his share or interest, if he be a member, and the amount in satisfaction of his dues, if he be a creditor. Such application shall be separate and distinct from the objection or suggestion, which he may have submitted to the society or the Registrar under clause (b) of sub-section (5) of section 13. It shall be competent for the Registrar to nominate an officer to investigate such applications and determine the payments required to be made to the members or creditors, as the case may be.(5)Subject to the provisions of the Act, the rules and the bye-laws, the Registrar may by order require the society concerned to meet in full or satisfy otherwise all due claims of the members and creditors and thereupon the society shall be bound to meet in full or satisfy otherwise all due claims of the members and creditors within such time as may be specified by the Registrar in the order.

Chapter III

Member of co-operative societies and their rights and liabilities

14. Membership.

(1) (i) Any person eligible for membership as per provisions of the Act, rules made thereunder and the bye laws of the society, shall not be refused membership of the society.(ii)A person willing to become member of a society may apply in Form-M alongwith the membership fee of Rs. 10/- and the necessary share money as required in the bye laws of the society.(iii)The Chief Executive Officer of the society shall ensure that every application received for membership is entered in a chronological order in a register maintained in Form-N.(iv)The Chief Executive Officer or a person authorised by him in this behalf shall, while receiving the membership form, deposit the membership fee and the share money, and issue a receipt to the applicant for the same under his signature.(v)The Chief Executive Officer shall scrutinize the applications received for membership and shall put them before the committee for consideration with his recommendations thereon regarding eligibility of the applicant for such membership.(vi)Unless it specifically comes to knowledge that the applicant has incurred any of the ineligibilities as specified in the Act, rules made thereunder and the bye-laws of the society, the committee shall accept applications put up before it and the Chief Executive Officer of the society shall inform the applicant regarding such

acceptance.(vii)Where the committee refuses an application for membership, the Chief Executive Officer shall inform the applicant regarding such refusal alongwith the reasons thereof and simultaneously return the membership fee and the share money to the applicant.(viii)A person who has applied for membership shall be deemed to have become such member from the date of his filing the application unless the society refuses his application.(ix)Where a society refuses to receive an application for membership filed by an applicant, the applicant may file his application before the Registrar, who shall, in turn forward it to the society immediately. An application so forwarded by the Registrar shall be deemed to have been duly filed in the office of the society on the date it was received in the office of the Registrar.[1-A ***] [Deleted by Notification No. G.S.R. 53, dated 10.7.2017.](2)The following persons, bodies or local authorities may be admitted as members of a co-operative society under section 15 (1) (d) :-(a)a firm, a company or any other body corporate constituted under any law for the time being in force, or the society registered under the Societies Registration Act, 1958.(b)Zila Parishads or Panchayat Samities or Panchayats constituted under the Rajasthan Panchayati Raj Act,1994. (Act No. 13 of 1994)(c)a Public trust registered under any law for the time being in force for the registration of such trust.(d)a municipality constituted under the Rajasthan Municipalities Act, 1959.(e)a Khadi Village Industries Board constituted under the Rajasthan Khadi and Village Industries Board Act 1955 (Act No. 5 of 1955).Provided that a firm, a company, municipality or any other body constituted under any law for time being in force shall not be admitted as member in any cooperative society under this rule, except with the previous sanction of the Registrar and that the application for membership is accompanied by a resolution authorising to apply for such membership.

15. Admission of nominal and Associate members under section 17.

(1) The following may be admitted as nominal members :-(i)a person having such transactions with the society, as may be specified in the bye-laws;(ii) a person executing guarantee in favour of a loanee of a financing bank, as may be specified in its bye-laws;(iii)in case of a financing bank, other than a Land Development Bank, a person who maintains a deposit of at least Rs. 1000/- in the deposit account of the Bank; and(iv)in case a marketing society, a person who carries on business in agricultural commodities in the area of operation of the society and has dealings with it;(v)a self help group, where bye-laws of the society so permit:Provided that, a self help group shall not be admitted, as nominal member without prior approval of the Registrar.Provided further that such self help group along with the application for membership shall furnish a copy of the resolution passed in the general body meeting of such self help group about the person who shall represent the self help group in the society. A person once authorised shall be replaced on by a similar resolution of the self help group.(2)The Zila Parishads, Panchayat Samities and Panchayats constituted under Raj. Panchayati Raj Act, 1994 may be admitted as nominal members in a cooperative society.(3)The spouse of a member may be admitted as an associate member only in societies specified by the Government for the purpose.

16. Disqualifications for membership.

(1) No person shall be eligible for admission as member of a co-operative society, if he(a)has applied to be adjudicated as an insolvent or is an undischarged insolvent;or;(b)is adjudged by a

court of competent jurisdiction to be of unsound mind or, (c) has been sentenced for any offence, involving moral turpitude; such sentence not having been reversed or the offence pardoned, and a period of five years has not elapsed from the date of expiry of the sentences: Provided that the provision of clause (c) of sub-rule (1) shall not apply to a person sentenced for any offence, during the period he is undergoing the sentence in the Jail and seeking admission as a member of a society formed for the betterment of the prisoners and meant exclusively for the inmates of the Jail, but such person shall cease to be a member of such society as soon as he is released from the Jail: Provided further that a convict can be admitted as a member of a co-operative society even after his release from Jail if his good conduct is certified by a Jail authority not below the rank of a Superintendent of Jail. (2) If a member becomes subject to any of the disqualifications specified in sub-rule (1), he shall be deemed to have ceased to be a member from the date of his incurring the disqualification. If any dispute arises, the aggrieved party may apply to the Registrar, whose decision in the matter shall be final.

17. Prohibition of membership in two credit societies.

No individual, being a member of a primary co-operative credit society shall be a member of any other such society other than a Land Development Bank or a marketing society without the general or special sanction of the Registrar, and where an individual has become a member of two such credit societies, either or both of the societies shall be bound to remove him from membership upon a written requisition from the Registrar to that effect.

18. Procedure for expulsion of Members.

(1) No member shall be expelled from membership of the society, unless he has been served a notice at least 30 days before the general body meeting in which his expulsion has been proposed. (2) 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 his expulsion to the general body of co-operative society. After hearing the member, if present, or after taking into consideration any written representation which he might have sent, the general body of co-operative society shall proceed to consider the resolution. (3) When a resolution passed in accordance with sub-rule (1) or (2) 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 date of such approval. (4) The shares held by the member expelled shall be deemed to be forfeited by the society. (5) No member of a society who has been expelled under the foregoing sub-rules shall be eligible for re-admission as a member of that society, or for admission as a member of any other society, for a period of one year from the date of such expulsion: Provided that the Registrar may, on an application by the Society and in special circumstances, sanction the re-admission, or admission

within the said period, of any such member as a member of the said society or of any other society, as the case may be.

19. Cessation of membership.

(1) A person shall cease to be a member, of a society on acceptance of his resignation from the membership or on the transfer of the whole of his share or interest in the society to another member, or on his death, removal or expulsion or incurring any of the disqualification specified in the Act and rules or the bye-laws of the society:(2)[***] [Deleted by Notification No. G.S.R. 53, dated 10.7.2017.]Provided that resignation of a member shall not be accepted unless all the dues against the member are recovered from him.

20. Nomination.

(1) A member of a co-operative society may nominate a person or persons to whom in the event of his death, his share or interest in the capital of the society shall be transferred or the value thereof or any other moneys due to him from the society shall be paid. Such member may, from time to time, revoke or vary such nomination.(2)The number of persons who may be nominated by a member shall not exceed the number of shares held by the member.(3)When a member nominates more than one person in respect of any shares held by him, he shall, as far as practicable, specify the amount to be paid or transferred to each nominee in terms of a whole share.(4)A nomination made by a member under this rule shall not be valid and shall not, in the event of the death of the member, have effect, unless :-(a)it is made in writing and is signed by the member in the presence of at least two witnesses; and(b)it is registered in the books of the society kept for the purpose.

21. Procedure for admission of joint members and minor and persons of unsound mind Inheriting the share or Interest of deceased member.

(1) A society may admit two or more person inheriting the share or interest of deceased member as 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 the bye-laws and these rules for admission of any member, a society may admit a minor or a person of unsound mind inheriting share or interest of deceased member as its member through their guardians. The member so admitted will enjoy such rights and liabilities through such guardian as are laid down in the bye-laws of the society that are consistent with the Act and rules.

22. Valuation of shares.

(1) Where a member of a society ceases to be such member, 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 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 therefore 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. Register of Members.

(1) A Register of members shall be kept by every society in such form as the Registrar may, from time to time, specify. (2) [***] [Deleted by Notification No. G.S.R. 53, dated 10.7.2017.]

24. List of members of Co-operative.

(1) Every co-operative society shall prepare a list of its members as on the last day of each co-operative year. The list shall be kept open at the office of the society during office hours for inspection by any member of the society. The list of members shall be revised thirty days prior to the date of the elections of the Committee of the society and shall include the member admitted and exclude the members removed during the period commencing from the date when the list was last revised and ending with the date of the revision of the list. The list shall be in Form "A". It shall be the duty of the chief executive officer to prepare and furnish list of members to the Election officer. (2) [***] [Deleted by Notification No. G.S.R. 53, dated 10.7.2017.]

25. Voting rights of members admitted just before annual general meeting.

- No member shall exercise his vote in the annual general meeting, [if he is admitted] [Substituted 'if he is admitted or deemed to be a member under sub-section (4) of Section 15' by Notification No. G.S.R. 53, dated 10.7.2017.] within thirty days prior to the date of its annual general meeting.

26. Chairman to have second or casting vote.

In the event of an equality of votes the chairman of a meeting of a co-operative society shall have a second or casting vote.

27. Disabilities of a defaulting member.

(1) [Save as provided in [sub-section (4)] [Substituted 'No member of a co-operative society' by Notification No. G.S.R. 73, dated 19.9.2011.] of Section 28, no member of a co-operative society] who is in arrears to the society in respect of any loan taken by him, for such period as is specified in its bye-laws, or in any case for a period exceeding three months, shall be appointed to represent the society in any other co-operative society and to vote on its behalf in such other co-operative society. (2) Where a member of a co-operative society so appointed falls in arrears to the society for

the period specified in sub-rule (1), subsequent to his appointment, he shall cease to be a representative of the society as from the end of the said period.

Chapter IV

Management of Societies

28. First general meeting.

(1) Within one month from the date of registration of a society, the Chief Executive Officer of the Society shall convene the first general meeting of all persons who had joined in the application for registration of the society, and also those who were admitted as members after its registration. Where the Committee or the Officer fails to convene the meeting as aforesaid, it may be convened by a person authorised by the Registrar in this behalf. (2) At the first general meeting, the following business shall be transacted - (i) Election of a president for the meeting, if the president of the committee formed under the proviso to sub-section (1) of section 27 is not present in the meeting; (ii) Receiving a statement of accounts and reporting all transactions entered into by the society upto a date, 14 days before the meeting; (iii) Fixing the limit up to which the funds may be borrowed; (iv) Decision regarding action to be taken for conduct of election to the committee in accordance with the Act and the bye-laws, to follow the first (provisional) committee formed under the proviso to sub-section (1) of section 27 : [Provided that in case, the society belongs to any one of the categories wherein elections are to be conducted by the State Co-operative Election Authority under section 33, read with Rule 45 of these rules, the Chief Executive Officer of the society immediately after registration of the society shall send a written request to the State Co-operative Election Authority and a copy thereof to the registrar, to conduct elections to the committee of the society. Provided further that in a society where there is no Chief Executive Officer, a person working in place of the Chief Executive Officer, as per the bye-laws of the society and if there is no such person working as the Chief Executive Officer, then the Chairpersons of the society shall send such request to the State Co-operative Election Authority.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.] (v) Any other matter which has been specifically mentioned in the bye-laws.

29. Constitution of Delegate General Body.

(1) Where the size, spread or type of membership of a society is such that it is either very cumbersome to convene a meeting of the general body or no fruitful deliberations are possible in such meeting, the bye-laws of the society may provide for constitution of a Delegate General Body. (2) Number of members shall [not be less than 30] [Substituted 'not be less than 50' by Notification No. G.S.R. 53, dated 10.7.2017.] and not more than 300 in a Delegate General Body. (3) No Delegate General Body shall be constituted in a society having membership less than 500. (4) For the purpose of constituting a Delegate General Body membership of a society may be divided into different groups on a territorial or any other suitable basis. The bye-laws of such a society may specify the number or proportion of the members of the committee who may be elected to represent each group on the committee and may specify that such representative may be elected :- (a) by all members of the society; or (b) by only that particular group of members of the society to

which such representative belongs.(5)The wards or groups for the purpose of constituting the Delegate General Body shall be decided by the committee of the society with the approval of the Registrar.(6)[The elections for the Delegate General Body shall be conducted in the manner prescribed in the bye-laws:Provided that in societies where election to the committee is to be conducted by the State Co-operative Election Authority as per the provisions of Section 33 read with Rule 45 of these rules, such election for the Delegate General Body shall be conducted under intimation to the State Co-operative Election Authority. The Authority may appoint an observer for elections to the Delegate General Body of such society and may issue such other directions as it deems necessary in the interest of conducting the elections in a fair and transparent manner.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](7)Elections to the Delegate General Body shall be conducted before every election to the Committee and the Delegate General Body so constituted shall remain in office till the elections are held for the next Delegate General Body.

30. General Meeting.

(1) Every society shall within a period of three months next after the date fixed for making up its accounts for the year under the rules for the time being in force, call a general meeting of its members.(2)All general meetings of a society shall be convened by the Chief Executive Officer or any other officer authorised by and under the bye-laws to convene such meetings under intimation to the Registrar, who may attend such meetings or authorise some person to attend such meetings on his behalf. The Chairman of the society or in his absence the Vice-Chairman or, in the absence of both, a member elected by the members present at the meeting shall preside over the meeting.(3)Unless otherwise provided in the bye-laws, a notice of the meetings stating the place, date and hour of the meeting together with a statement of business to be transacted, shall be sent to every member seven clear days before the date of the meeting in the manner provided in the bye-laws.(4)(i)Unless otherwise provided in the bye-laws, the quorum for the general meeting shall be one-fifth of the total number of the members subsisting on the date of a notice of the general meeting.(ii)No general meeting shall be held or proceeded with unless the number of members required to form a quorum is present.(iii)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 a subsequent date not earlier than seven days and not later than 15 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:Provided that if within an hour from the time appointed for the meeting no quorum is formed, in case of a meeting called on the requisition of members under subsection (1) of section 26 the meeting shall not be adjourned but dissolved.(5)The Chief Executive Officer or any other officer convening the meeting shall read out the notice convening the meeting and the agenda for the meeting and then the subjects shall be taken up for consideration in the order in which they are mentioned in the agenda unless the members present, with the permission of the Chairman agree to change the order. Unless otherwise specified in the Act, these rules and the bye-laws, the resolutions will be passed by a majority of the members present.(6)When the members are divided on any resolution, any member may demand a poll. When poll is demanded, the Chairman shall put the resolution for vote.(7)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.(8)When voting is to be by ballot, the Chairman shall take necessary steps for the issue of

ballot papers and counting of votes.(9)The result of voting shall be announced by the Chairman.(10)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 7 days from the date of the meeting as may be decided by the members present at the meeting.(11)The remaining subject or subjects on the agenda shall be taken up for consideration at the postponed meeting.(12)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.(13)(i)Every society shall cause minutes of the proceedings of general meetings to be entered in a book kept for that purpose.(ii)Unless the minutes are drawn up and are duly signed by the Chairman immediately on the termination of the meeting, the minutes free from all alteration or corrections shall be drawn up and shall be signed by the Chief Executive Officer and the Chairman within 72 hours from the time when the meeting terminated. The minutes so signed shall be the evidence of the proceedings of that meeting.(iii)Until the contrary is proved, every general meeting of a society, in respect of the proceedings whereof minutes have been so recorded, shall be deemed to have been duly called and held.(14)In the event of disorder, the chairman may suspend the meeting and adjourn it to such date or time as he may fix as provided in clause (iii) of sub-rule (4).

31. Power to call annual and special general meeting.

Notwithstanding anything contained in these rules or by-laws of a society as to the mode of summoning a general meeting and the period of notice to be given for the said purpose, the Registrar or any other person authorised by him in this behalf may call the annual general meeting or special general meeting as the case may be, if the annual general meeting of the society is not called in accordance with the provisions of section 25 or if the Committee of society or an officer authorised in this behalf fails to call a special general meeting in accordance with the provisions of section 26 in such manner and at such date, time or place as he may direct and may specify what matters shall be discussed in the meeting. The Registrar or the person authorised by him in this behalf shall have all the powers and functions of the officer of the society authorised to convene such annual or special general meetings, under its bye-laws and preside at such meeting and exercise all the powers and perform all the duties of the Chairman of a meeting including the power to adjourn the meeting to a date to be specified by him but shall have no vote unless he is a member of the society. In the event of equality of votes, the question shall be decided by draw of lots.

32. Appointment of Committee.

(1) Subject to the provisions of the Act, and these rules, the committee of a society shall be constituted in the manner provided in the bye-laws.(2)[The quorum for a meeting of the committee shall be as specified in the bye-laws but shall not be less than fifty percent of the total members of the committee subsisting at the time of such meeting or seven members, whichever is more; and] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](3)The Registrar or any other authority competent to register a society other than a financial bank, shall be the specified authority to nominate as members of the Committee on behalf of the Government under section 29.(4)[Where a casual vacancy occurs in the committee of a society and at the time of occurrence of such vacancy,

the remaining term of the committee is less than half of the total term for which it was elected, the committee may fill such vacancy by co-option out of the same class of members in respect of which the vacancy has arisen: Provided that no such co-option shall be valid unless, -(i) all the sitting members of the committee and the Registrar have been served a notice of 15 days for the meeting of the committee having an agenda of the proposed co-option; (ii) the resolution of co-option is passed with a simple majority in the Schedule meeting of the committee having the necessary quorum for such meeting and in which not less than six elected members are present: and (iii) the resolution of such co-option is approved by the Registrar.]

33. Disqualification for representation.

(1) No society shall elect any member as its delegate to represent the society in another society or to the committee of another society, who suffers from any of the disqualifications laid down in rule 34. (2) A delegate of a society sitting on the committee of another society or representing it in another society shall cease to hold his office; (a) if he suffers from any of the disqualifications laid down under rule 34; (b) if he ceases to be a member of the society from which he is a delegate; or (c) if the society which elected him as a delegate withdraws him or elects another delegate in his place; or (d) [if, for whatever reasons, he ceases to be the chairperson of the society from which he was elected as its delegate or whom he is representing; or [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.]] (e) if the committee of a society which elected him has been removed under the provisions of the Act and an Administrator is appointed, the Administrator so appointed shall represent the society in place of the chairperson so removed; or (f) if he had been appointed as an administrator under the provisions of the Act and the order of the appointment of administrator has been set aside by a competent authority under the provisions of the Act; or (g) if the registration of the society of which he is a delegate is cancelled or orders for winding up of the society have been issued.]

34. Disqualification for membership of Committee.

(1) No person shall be eligible for election [co-option, nomination] [Inserted by Notification No. G.S.R. 73, dated 19.9.2011.] or appointment as a member of the committee of a cooperative society [or for continuing as its member] [Inserted by Notification No. G.S.R. 73, dated 19.9.2011.], if he suffers from any of the disqualifications mentioned in the Act, or if, (a) 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 (b) he has, directly, or indirectly, any interest in any subsisting contract made with the society or in any property sold or purchased by the society or in any other transaction of the society, except in any investment made in, or any loan taken from, the society; or (c) he is an employee of the Central or the State Government; (d) he is a paid employee of a local authority, board, corporation, or any other body constituted by the State or the Central Government under any law for the time being in force; or (e) he is a paid employee of a society unless the society is composed exclusively of such paid employees of societies; (f) is or becomes of unsound mind. (g) he has been convicted of an offence under Protection of Civil Rights Act, 1955. (Central Act No. 22 of 1955) (h) he has been convicted of an offence punishable under the Rajasthan Prevention of Murti Bhoj Act, 1960. Provided that a government employee shall be eligible for appointment as a member of the committee of a society

composed exclusively of government employees; or as a nominee of the Government or any authority specified by the Government in this behalf under section 29, or as a nominee of the Government or the Registrar under the authority given by the bye-laws, or is a representative of such a society of which all the members are government employee.(2)[No member of a society shall be eligible to be elected, appointed, nominated or co-opted in the committee of a co-operative society, unless he has passed,-(i)class V from a school, in case of a primary dairy society, a weavers society or a women s co-operative society; and(ii)class VIII from a school, in case of a primary level agricultural credit society, a consumer society, a housing society, a farming society, a marketing society, an urban co-operative bank, a primary land development bank, a credit society, a salary earners society, a cooperative union or a central or an apex level co-operative society :Provided that the above disqualification shall not be applicable on a member of a committee elected before commencement of the Rajasthan Co-operative Societies (Amendment) Rules, 2017; and] [Inserted by Notification No. G.S.R. 53, dated 10.7.2017.](3)[[Renumbered '(2)' by Notification No. G.S.R. 53, dated 10.7.2017.] A member of a society who carried on business of the kind carried on by 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. Where any person not eligible to be a member of the committee without general or special sanction of the Registrar is elected to be a member of such committee without the sanction of the Registrar, he shall cease to be a member of the committee on receipt of a written requisition by the Committee in that behalf from the Registrar.(4)[[Renumbered '(3)' by Notification No. G.S.R. 53, dated 10.7.2017.] A member of the committee of a society shall cease to be such member if he incurs any of the disqualifications mentioned in sub-rule (1) or (2) or incurs any of the disqualifications specified by the Act or ceases to be member of the society (unless he is a member nominated by the Government).

35. Remuneration payable to Administrator.

(1) The remuneration payable to an Administrator appointed under [the provisions of the Act] [Substituted 'section 30' by Notification No. G.S.R. 53, dated 10.7.2017.] shall be such as the Registrar may, from time to time, determine.(2)The amount of such remuneration and the other costs, if any, incurred by the Administrator in relation to management of the co-operative society shall be payable from the funds of the society.

36. Procedure for removal of committee or member thereof.

- [(1) Notwithstanding anything contained in the bye-laws of a society, where on the proposal of the Registering Authority of the society or otherwise, it come to the knowledge of the Authority specified in sub-section (1) or (2) of Section 30, the the committee or a member of the committee of a society, as the case may be, is required to be removed for the reasons mentioned in the respective sub-section as above, he shall, before making an order of such removal, give an opportunity, to the committee or member concerned to show cause, within fifteen days from the date of issue of notice, as to why such order shall not be passed.(2)If the competent authority is satisfied, after giving an opportunity of being heard to the committee or the member concerned, that the condition! exist, which make it necessary or desirable to take action under section 30, he shall, by an order in writing,-(a)remove the committee and appoint an administrator, who shall be a government servant, to manage the

affairs of the society; or(b)remove the member of the committee and the vacancy shall be filled in as per the provisions of the Act.(3)Notwithstanding anything contained in this rule, the Registrar, Cooperative Societies, Rajasthan shall remove the committee of the Apex Cooperative Bank or a Central Co-operative Bank on the recommendation of the Reserve Bank of India or of any other Co-operative Bank on the recommendation of the Reserve Bank of India and appoint an administrator in its place within one month of such recommendation.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](4)[[[Renumbered '(5)' by Notification No. G.S.R. 53, dated 10.7.2017.] Immediately after appointment of an administrator under [under the provisions of this Act] [Substituted 'Section 30' by Notification No. G.S.R. 53, dated 10.7.2017.]section 30, the Committee in whose place such appointment is made and officers of the society shall give the administrator the charge of all the books, accounts, documents, papers, securities, cash and other properties belonging to, or in the custody of the society.(5)[[[Renumbered '(6)' by Notification No. G.S.R. 53, dated 10.7.2017.] The Chairman or any elected Officer of a society may be removed from the office by a resolution passed in a general meeting specifically convened for the purpose.(6)[[[Renumbered '(7)' by Notification No. G.S.R. 53, dated 10.7.2017.] Immediately after the removal of the committee or a member thereof, the Chief Executive Officer shall take necessary steps for conducting elections to the committee or for filling up the vacancy of the member, as the case may be, in accordance with the provisions of the Act, these rules and the bye-laws.

37. Notice of meeting of the committee.

The notice of a meeting of the committee of a society specifying the place, date and time of the meeting together with an agenda of business to be transacted thereat shall be given not less than 7 days or such less period as may be provided in the bye-laws, to each member of the committee in writing or in such other manner as may be laid down in the bye-laws, before the date of the meeting:Provided that any urgent business though not included in the agenda accompanying the notice may, however, be brought up and considered with the consent of all the members present at the meeting:Provided further that for a matter of very urgent nature, a meeting may also be convened at a shorter notice and where the circumstances so warrant, a matter of very urgent nature may also be considered by circulation among all members of the committee but no such resolution shall be adopted, save by a unanimous resolution of all the members of the committee.

38. Procedure to be adopted for taking possession of books documents, securities, cash, other properties etc. of the society.

(1)Where taking possession of books, accounts, documents, papers, securities, cash, or other properties of a society is considered necessary and where taking of such possession is resisted or obstructed, the Chief Executive Officer or the Registrar, or a person authorised by the Registrar, the liquidator, the administrator or any other person entitled to the same may take or cause to be taken order for seizing the books, accounts, documents, papers, securities, cash or other properties of the society, as the case may be in the manner provided in section 31:[Provided that in a society where there is no Chief Executive Officer, a person working in place of the Chief Executive Officer, as per the bye-laws of the society and if there is no such person working as the Chief Executive Officer, then the Chairperson of the society may take action as above under this rule.] [Added by

Notification No. G.S.R. 53, dated 10.7.2017.](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 54 or any person authorised by the Registrar to hold an inquiry into the constitution, working and financial conditions of a society under section 55 or any person authorised for an inspection of books by a financing bank under section 56 shall, in cases where the misappropriation of funds, breach of trust or fraud has been committed or where it is suspected or apprehended that the books, accounts, documents, papers, securities, cash or other properties of a society are likely, to be tampered with or destroyed or removed and where taking possession of such books, accounts, papers, 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 31 for the purpose of obtaining such possession.

39. Officers and employees of co operative societies.

(1)Notwithstanding anything contained in the bye-laws of any society, no co-operative society shall appoint any person as its paid officer or employee in any category of service, unless he possesses the qualifications and furnishes the security, if so specified by the Registrar from time to time, for such category of service in the society, or for the class of society to which it belongs. [The conditions of service including the procedure of recruitment discipline] [Substituted 'The conditions of service including discipline' by Notification No. G.S.R. 53, dated 10.7.2017.] and control of the employees of the societies shall be such as specified by the Registrar.(2)No co-operative society shall retain in service any paid officer or employees, if he does not acquire the qualifications or furnish the security as is referred to in sub rule (1) within such time as the Registrar may direct.(3)The Registrar may for special reasons, relax in respect of any paid officer or employee, the provisions of this rule in regard to the qualifications he should possess or the security he should furnish.(4)Where it comes to the notice of the Registrar that a paid officer or servant of a society has committed or has been otherwise responsible for misappropriation, breach of trust or other offence, in relation to the society, the Registrar may, if in his opinion, there is prima facie evidence against such paid officer or servant and the suspension of such paid officer or servant is necessary in the interest of the society direct the committee of the society pending the investigation and disposal of the matter, to place or cause to be placed such paid officer or servant under suspension from such date and for such period as may be specified by him.(5)On receipt of a direction from the Registrar under sub-rule (4), the committee of the society shall, notwithstanding any provision to the contrary in the bye-laws, place or cause to be placed the paid officer or servant under suspension forthwith.(6)The Registrar may direct the committee to extend from time to time the period of suspension and the paid officer or servant so suspended shall not be reinstated except with the previous sanction of the Registrar, whose decision shall be final.(7)If the committee fails to comply with the direction issued under sub-rule (4), the Registrar may make an order placing such paid officer or servant under suspension from such date and for such period, as he may specify in the order and thereupon the paid officer or servant, as the case may be, shall be under suspension.(8)Immediately after placing the employee under suspension under sub-rule (4) or (7) as the case may be, the society shall initiate disciplinary action against the suspended employee under the prevalent service/disciplinary rules applicable on the employee.(9)[A short term co-operative credit structure society shall, subject to the general conditions and norms laid down by the Registrar in this regard, have autonomy in internal

administrative matters including the personnel policy, staffing, recruitment, posting and compensation to staff.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](10)[Where a Chief Executive Officer appointed by the Apex Co-operative Bank or a Centra Co-operative Bank does not fulfill the eligibility criteria specified by the Reserve Bank of India or has been appointed without following the specified procedure, the Registrar may, after giving him an opportunity of hearing, pass an order for removal of such officer: Provided that where an advice has been received from the Reserve Bank of India or the National Bank for removal of a Chief Executive Officer, the orders for such removal shall be issued within a period of one month.] [Added by Notification No. G.S.R. 73, dated 19.9.2011.]

39A. [Recruitment Board for the co-operative societies. [Inserted by Notification No. G.S.R. 53, dated 10.7.2017.]

(1) Recruitment of the employees of the categories of co-operative societies mentioned in sub-rule (4) shall be made by the Co-operative Recruitment Board, hereinafter called the Board in this rule, consisting of the following, namely:-

- (i) Additional Registrar-I, Co-operative Department Rajasthan - Chairperson
- (ii) One nominee of the Registrar. Co-operative Societies, Rajasthan, who shall be an officer having a grade pay not below Rs. 7600/- - Member
- (iii) Director, Rajasthan Institute of Co-operative Education and Management, Jaipur - Member-Secretary.

(2) The Government may also appoint such other officers and employees to assist the Board, as it may consider just and necessary. (3) The Board shall take up the process of recruitment on the requisition of the society concerned in accordance with the rules applicable to the society after the approval of the Registrar. (4) The Board shall be the competent authority for conducting the process of selection and recommending the names of the employees of the following categories of co-operative societies, namely:- (i) all apex and central level societies, except the societies in which there is neither any Government aid as mentioned in Chapter VII of the Act nor any Government servant posted as the Chief Executive Officer or an Executive Officer, (ii) Primary Agricultural Credit Societies, (iii) Primary Land Development Banks, (iv) Urban Co-operative Banks, (v) other societies having a Government share capital of Rs. 5 lakh or more: and (vi) such other class of societies, on the recommendation of the Board mentioned in sub-rule (1), may be notified by the State Government for this purpose. (5) Subject to the provisions of the rules applicable to the category of employees to be recruited by a society, the Board shall decide the selection criteria, procedure and criteria for short listing of candidates, including the manner of selection and other related issues, so that the recruitment's are made in a fair and transparent manner. (6) Where in the opinion of the Board, it is necessary to take services of an independent agency having suitable expertise and repute for conducting a particular type of examination, it may do so with the prior approval of the Registrar. (7) The Board may charge the fees for examination from the candidates as per the norms laid down therefor with the approval of the Registrar. Where the cost of conducting the examination is higher than the fees charged from the candidates, the Board shall be competent for charging the excess cost from the society concerned to recover its expenses.] [Added by Notification No. G.S.R.

53, dated 10.7.2017.]

40. Prohibition against being interested in contracts. etc.

(1) No officer or employee of a co-operative society or a family member of such officer or employee shall have an interest, directly or indirectly, otherwise than as such officers; (a) in any contract made with 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 taken from the society or the provision of residential accommodation by the society to any paid employee of the society. (2) No officer or employee of a co-operative society or a family member of such officer or employee shall purchase, directly or indirectly, any property of a member of the society sold for the recovery of his dues to the society.

41. Annual statements of accounts including balance sheet etc.

(1) 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 year, (ii) the profit and loss account for the year, and (iii) the balance sheet as at the close of the year. (iv) such other accounts, as the Registrar may specify for the class of society to which the society belongs. (2) [A copy of the above statements of accounts shall be submitted within fifteen days from the date of preparation, to the auditor appointed for the audit of the society as per the provisions of the Act and such statements of accounts shall be open to inspection by any member during office hours at the office of the society.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.]

42. 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 be in form "B": 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. Provided further that in case of a society not carrying on the business for profit, an income and expenditure account shall be placed before the society at the annual general meeting instead of profit and loss account; and all references to profit and loss account, and to "profit" or "loss" in this Act, shall be construed in relation to such society as reference respectively, to the "excess of income over expenditure" and "excess" of expenditure over income. (2) There shall be attached to every balance sheet laid before the society in general meetings, a report by its committee, with respect to, - (a) the state of the society's affairs; (b) the amounts, if any, which it proposes to carry to any reserve either in such balance sheet, (c) the amounts, if any, which it recommends should be paid by way of dividend, bonus, or honoraria to honorary workers; and (d) list of defaulters along with the amounts outstanding against each of them. The committee's report shall also deal with any changes, which have occurred during the year for which the accounts are made up in the nature of the society's business. The committee's report shall be signed by its Chairman, or any other member authorised to sign on behalf of the committee. (3) At every annual general meeting, the balance sheet, the profit

and loss account, the audit memorandum submitted by auditor appointed under section 54 and the compliance report of the previous years' reports and the committee's report shall be placed for adoption and such other business will be transacted as may be laid down in the bye-laws and of which due notice has been given.(4)A copy of the balance sheet and profit and loss account to be presented at the annual general meeting under sub-section (1) of section 25 and a copy of the report of the committee under sub-rule (2) above, shall be affixed on the' notice board of the society at least fourteen days before the date fixed for the annual general meeting.

Chapter V

Election

43. Restriction of defaulting member to vote at the election.

No member shall be eligible to vote at the elections, if on the date thirty days prior to the date of such elections, he is a defaulter against whom decree has been issued under section 99.

44. State Co-operative Election Authority.

(1)The Government shall appoint a Government Officer, not below the rank of an Additional Registrar of the Rajasthan State Co-operative Service as the State Co-operative Election Authority on recommendations of a committee consisting of the following :-

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|-------|--|------------------|
| (i) | [The Secretary in-charge of the Co-operative Department, Rajasthan,
[Substituted by Notification No. G.S.R. 53, dated 10.7.2017.] | Chairman |
| (ii) | [The Secretary in-charge of the Department of Personnel, Rajasthan]
[Substituted by Notification No. G.S.R. 53, dated 10.7.2017.] | Member |
| (iii) | Registrar, Co-operative Society, Rajasthan | Member-Secretary |

(2)The general conditions of service of the State Co-operative Election Authority, hereinafter referred to as the Authority, shall be regulated by the respective service rules applicable on him in his parent department.(3)The tenure and other terms specific to the appointment of the Authority shall be as fixed by the Government from time to time on recommendations of the committee specified in sub-rule (1).(4)The Government shall determine the strength of the officers and staff to be appointed to assist the Authority on the recommendations of the committee specified in sub-rule (1).

45. Election for the members of the Committee by the Authority.

[(i) The superintendence, direction and control of the preparation of electoral rolls for and the conduct of elections to the following class of societies shall vest in the State Co-operative Election Authority, hereinafter referred to as the Authority, namely:-(i)all apex level societies;(ii)all central level societies;(iii)primary agricultural credit societies;(iv)farmer service societies;(v)primary land developments banks;(vi)urban co-operative banks;(vii)consumer co-operative societies;(viii)dairy

co-operative societies;(ix)weaver s co-operative societies;(x)housing co-operative societies;(xi)credit co-operative societies;(xii)any other society having a share capital of rupees five lakh or more; and(xiii)such other class of societies as may be notified by the Government for this purpose:Provided that the Authority may also conduct elections in societies other than those mentioned above, where a society requests it to do so or where the society does not conduct the elections in time.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](2)[For the election of members and office bearers of the committee of the co-operative societies mentioned in sub-rule (1), the Authority shall appoint an Election Officer:Provided that no member or employee of the society concerned shall be appointed as an Election Officer.(3)The Elections to the members and the office bearers of the committee of a society mentioned in sub-rule (1) shall be conducted as per the provisions of the Act in the manner specified in this rule and in accordance with the bye-laws of the society.] [Inserted by Notification No. G.S.R. 53, dated 10.7.2017.](4)[[Renumbered '(2)' by Notification No. G.S.R. 53, dated 10.7.2017.] Election to the committee shall be held from amongst the members of the general body and by the members of the general body:Provided that where the bye-laws of the society provide for constitution of a Delegate General Body, elections to the committee shall be held from amongst the members of such Delegate General Body and by the members of the Delegate General Body;(5)[[Renumbered '(3)' by Notification No. G.S.R. 53, dated 10.7.2017.] (i) The Chief Executive Officer of a society shall send a written request to the Authority in accordance with the provisions of the Act and these rules, to conduct elections of the member(s) of the committee specifying the following details in his letter :-(a)The date on which last elections were held,(b)The date on which the term of the existing committee or members thereof, as the case may be, is going to expire,(c)The date of appointment of an Administrator [under section 30 or otherwise] [Substituted 'under section 30' by Notification No. G.S.R. 53, dated 10.7.2017.], if any;(d)In case of a newly registered society, the date of registration of the society,(e)The number of vacancies to be filled through elections,(f)Whether the bye-laws provide for constitution of a Delegate General Body or formation of wards before elections to the committee and action taken in that respect, if any;(g)Other information, as may be important for conduct of the elections;(ii)The Chief Executive Officer shall also quote the clauses of the bye-laws which are of relevance for conduct of elections, appending a complete updated set of the bye-laws to the letter;(iii)The Chief Executive Officer shall render the Election Officer all such information, assistance and facilities as may be required by him under the provisions of the Act, these rules and the instructions issued by the State Co-operative Election Authority under section 37 of the Act.(iv)It will be the duty of the existing committee to ensure that the C.E.O. renders all the information, assistance and facilities to the State Co-operative Election Authority properly and in time.: [Provided that if the bye-laws of the society do not provide a post of Chief Executive Officer, a person working in place of the Chief Executive Officer, as per the bye-laws, shall render all the information, assistance and facilities to the State Co-operative Election Authority.] [Added by Notification No. G.S.R. 53, dated 10.7.2017.](6)[[Renumbered '(4)' by Notification No. G.S.R. 53, dated 10.7.2017.] (i) The Chief Executive Officer shall provide the Election Officer a list of members, as it stood thirty days prior to the date fixed for the poll who are qualified in accordance with the provisions of Act, rules and the bye-laws to vote at the election.(ii)The Election Officer shall publish such list by affixing it to the notice board at the Head Office of the society and all its branches for inviting objections within a week. The list shall specify the admission number, name of the eligible members and in case of individual member, name of father or husband, as the case may be, and address of such

members.(iii)The Election Officer, after considering the objections received within the period specified aforesaid, shall finalise the electoral rolls and publish the same as above not less than seven days prior to the date fixed for the poll. A copy of the electoral rolls shall be supplied by the Election Officer to any member on payment of Rupees Five per folio.(7)[] [Renumbered '(5)' by Notification No. G.S.R. 53, dated 10.7.2017.] [(i) The notice of the election shall be sent by the Election Officer to the members by one or more of the following modes, namely:-(a)by local delivery;(b)by post under certificate of posting;(c)by circulation among the members;(d)by publication through beat of drum; and(e)by publication in a newspaper having circulation in the area of operation of the society;(ii)The notice of the election along with the election programme shall also be affixed on the notice board of the society and at such public places of importance as may be decided by the Election Officer.](iii)the notice shall contain information regarding -(a)the number of vacancies to be filled up by election;(b)any area or constituency that is specified in the bye-laws from which the members are to be elected;(c)the qualification if any, prescribed in the bye-laws for eligibility for membership of the committee;(d)the date on which, the place at which and the hours between which nomination papers shall be filed by member, such date being not less than three clear days before the date fixed for election, and such day not being a public holiday;Explanation. -In this clause 'public holiday' means any day which is a public holiday for the purposes of section 25 of the Negotiable Instruments Act, 1881 (Central Act XXVI of 1881), or any day which has been notified by the Government to be a holiday for the Government Offices in the State.(e)the date on which, the place at which and the hour when the nomination papers shall be scrutinized;(f)the date on which, the place at which and the hours between which candidature may be withdrawn by a candidate, and(g)the date on which, the place at which and the hours between which the polling shall take place.(8)[] [Renumbered '(6)' by Notification No. G.S.R. 53, dated 10.7.2017.] (i) The nomination of a candidate for election shall be in form The form shall, on application be supplied to a member on payment of Rupees Ten by the Election Officer.(ii)Every nomination paper shall be signed by two members, whose names are included in the electoral rolls. One of the members shall sign the Form as proposer and the other as seconder for the nomination. The nomination paper shall also contain a declaration signed by the candidate proposed for election to the effect that he is willing to contest the election:[Provided that no person shall contest election for more than one seat in the committee of a society; and] [Added by Notification No. G.S.R. 53, dated 10.7.2017.](iii)[Every nomination paper accompanied with the security amount mentioned below, shall be presented in person to the Election Officer by the candidate himself or by his proposer or seconder, on the date(s) and between the hours specified in notice referred to in sub-rule (7):- [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](1)Primary Society Rs. 200/-(2)Marketing Society Rs. 500/-(3)Wholesale Bhandar Rs. 500/-(4)Primary Land Development Bank Rs. 1000/-(5)Other Central Society 1000/-(6)Central Co-operative Bank Rs. 2000/-(7)Apex Society Rs. 2500/-](iv)(a)The Election Officer shall enter on the nomination paper its serial number and certify the date and hours at which the nomination paper is received by him and also immediately acknowledge receipt of the nomination paper.(b) Nomination papers received after the date and hours fixed under sub-clause (d) of clause (iii) of sub-rule (5) shall be; rejected.(9)[] [Renumbered '(7)' by Notification No. G.S.R. 53, dated 10.7.2017.] (i) (a) The Election Officer shall take up the scrutiny of the nomination papers at the time fixed under clause (iii) of sub-rule (5). The candidates for election, their proposers or seconders may present themselves at the time of scrutiny.(b)The Election Officer, shall examine the nomination papers and shall decide

all objections which may be made at the time of scrutiny and may either on such objection or on his own motion after such summary enquiry, if any, as he thinks necessary, reject any nomination for valid reasons ; Provided that the nomination of a candidate shall not be rejected merely on the ground of an incorrect description of his name or of the name of his proposer or seconder, or of any other particulars relating to the candidate or his proposer or seconder, as entered in the electoral rolls, if the identity of the candidate, proposer or seconder, as the case may be, is established beyond reasonable doubt. (ii) The Election Officer shall give all reasonable facilities to the contesting candidates or their authorised representative who must be a member of that society to examine all the nomination papers: (iii) The Election officer shall endorse on each nomination paper, his decision accepting or rejecting the same and, if the nomination paper is rejected, he shall record in writing a brief statement of his reasons for such rejection. (10)[] [Renumbered '(8)' by Notification No. G.S.R. 53, dated 10.7.2017.] The list of valid nominations shall be published on the notice board of the Society on the same day on which the scrutiny is completed. (11)[] [Renumbered '(9)' by Notification No. G.S.R. 53, dated 10.7.2017.] (i) Any candidate may withdraw his candidature by notice in writing signed by him and delivered to the Election Officer by the candidate in person within the time as notified under clause (iii) of sub-rule (5). A notice of withdrawal of candidature once given shall be final. (ii) The list of contesting candidates shall be published on the notice board of the society after the time of withdrawal is over, on the same day. (12)[] [Renumbered '(10)' by Notification No. G.S.R. 53, dated 10.7.2017.] If for any area or constituency for which election is to be held, the number of candidates in respect of whom valid nomination papers have been filed does not exceed the number of candidates to be elected for that area or constituency, the candidate for whom valid nominations have been received shall be deemed to have been duly elected for the area or constituency as the case may be and the names of such candidates shall be published on the notice board of the society, after the date and time fixed for withdrawal under clause (iii) of sub-rule (5). (13)[] [Renumbered '(11)' by Notification No. G.S.R. 53, dated 10.7.2017.] If the number of candidates for any area or constituency for which valid nominations have been received exceeds the number to be elected, the Election Officer shall arrange for taking a poll on the date fixed for the purpose and he may appoint one or more polling officers, as may be necessary. In case where there are more than one polling stations, the Election Officer may appoint the Polling Officers for each polling station, if felt necessary. (14)[] [Renumbered '(12)' by Notification No. G.S.R. 53, dated 10.7.2017.] The Election Officer shall provide the Polling Officer with the ballot boxes, ballot papers, copy of the electoral rolls and such other articles as may be necessary for the conduct of the election. The ballot box shall be so constructed that ballot papers can be introduced therein but cannot be taken out therefrom without the box being unlocked: Provided that nothing contained in these rules shall debar the Authority from making use of electronic voting machines and issuing directions for use of such machines in the elections of Co-operative societies, the procedure specified herein notwithstanding. (15)[] [Renumbered '(13)' by Notification No. G.S.R. 53, dated 10.7.2017.] A candidate contesting the election may by a letter to the Election Officer, appoint an agent to represent him at every booth where polling is held. Such letter shall contain the consent in writing of the agent concerned. (16)[] [Renumbered '(14)' by Notification No. G.S.R. 53, dated 10.7.2017.] Immediately before the commencement of the poll, the Election Officer or the Polling Officer as the case may be, shall show the empty ballot box to such persons as may be present at the time and shall then lock it up and place his seal upon it in such manner as to prevent its being opened without breaking the seal. The candidate or his agent may also affix his own seal, if he so desires. (17)[]

[Renumbered '(15)' by Notification No. G.S.R. 53, dated 10.7.2017.] The ballot papers shall contain the names of the candidates and the seal of the society.(18)[] [Renumbered '(16)' by Notification No. G.S.R. 53, dated 10.7.2017.] Each polling booth shall contain a separate compartment in which the members can record their votes screened from observation.(19)[] [Renumbered '(17)' by Notification No. G.S.R. 53, dated 10.7.2017.] No ballot papers shall be issued to a member unless the Polling Officer is satisfied that the member concerned is the same person as noted in the list of members furnished to him.(20)[] [Renumbered '(18)' by Notification No. G.S.R. 53, dated 10.7.2017.] On receiving the ballot paper, a member shall forthwith proceed into the polling compartment and affix the seal provided to him for this purpose by the polling officer on the ballot paper against the name or names of the candidate or candidates for whom he desires to vote and put the ballot paper in the ballot box with the utmost secrecy.(21)[] [Renumbered '(19)' by Notification No. G.S.R. 53, dated 10.7.2017.] If owing to the blindness or other physical infirmity a member is unable to mark the ballot paper, the Election Officer or Polling Officer as the case may be, shall ascertain from him the candidate or candidates in whose favour he desires to vote, affix the seal on his behalf and put the ballot paper in the ballot box :Provided that in case of a blind voter, the officer shall affix the seal in presence of an assistant of the voter, if the voter requests so in writing.(22)[] [Renumbered '(20)' by Notification No. G.S.R. 53, dated 10.7.2017.] The counting of votes shall commence immediately after the polling is completed or on the date and time fixed by the Election Officer. Votes shall be counted by or under the supervision of the Election Officer. Each candidate and his authorised agent shall have a right to be present at the time of counting.(23)[] [Renumbered '(21)' by Notification No. G.S.R. 53, dated 10.7.2017.] A ballot paper shall be rejected by the Election Officer : (a) if it bears any mark by which the member who voted can be identified; or (b) if it does not bear the seal of the society; or (c) if the mark indicating the vote thereon is placed in such manner as to make it doubtful to which candidate the vote has been cast.(24)[] [Renumbered '(22)' by Notification No. G.S.R. 53, dated 10.7.2017.] (i) Soon after the counting of votes is over, the Election Officer shall prepare and certify a return setting forth: (a) total number of ballot papers issued; (b) the number of valid votes given to each candidate; (c) the number of ballot paper declared to be invalid or rejected. (ii) On the basis of this return, the candidates who have secured the largest number of valid votes shall be declared elected and their names shall be published on a notice board outside the place of counting and on the notice board of the Society under the signatures of the Election Officer: Provided that, in case of equality of votes polled by two or more candidates lots shall be drawn in such manner as the Election Officer may fix to determine the name or names of the successful candidate or candidates. (iii) [The result of the election shall be attested by the Election Officer.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](25)[] [Renumbered '(23)' by Notification No. G.S.R. 53, dated 10.7.2017.] The Election Officer shall take custody of the ballot papers. Ballot Papers and other records relating to the election shall be secured in a container, which shall be affixed with the seal of the Election Officer and of the candidates who desire to affix their seals. All ballot papers and other election materials so, sealed and secured in a container shall be delivered by the Election Officer to the Deputy/Assistant Registrar having jurisdiction for safe custody and preservation for a period of three months from the date of the poll. They shall be destroyed after the said period of three months under intimation to the authority, if no dispute relating to or in connection with that election is referred to the Registrar.

46. Election of Chairperson, Vice-Chairperson etc. by members of the Committee.

(1) (i) The election of Chairperson, Vice-Chairperson or any other office bearer, by whatever name he is designated in the bye-laws, shall be held by ballot in the manner specified in this rule. (ii) [In societies specified in sub-rule (1) of Rule 45, where the State Cooperative Election Authority is entrusted with conducting elections to the committee and the office bearers of a society, the Authority shall appoint an Election Officer to conduct elections of the office bearers as specified in the bye-laws of the society, in the manner specified in sub-rule (2) to (8) and in all other societies such election shall be conducted as specified in Rule 46-A.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.] (2) [After election of the members of the Committee, the Election Officer shall arrange to conduct elections of the office bearers of the society in accordance with its bye-laws; and] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.] (3) The nomination papers shall be presented to the Election Officer at the meeting in the Form "C". The Election Officer shall decide the objections, if any, which may be made at the time specified therefore, after making such summary enquiry as he thinks necessary, announce the name or names of the eligible candidate or candidates. (4) Where there is not more than one valid nomination for any office, the Election Officer shall declare the candidate in respect of whom the nomination paper has been received, duly elected to such office. (5) Where there is more than one valid nomination for any office, the Election Officer shall forth-with arrange for taking a poll in the manner prescribed in sub-rules (13) to (19) of rule 45. (6) As soon as all the members present have recorded their votes or the time fixed for voting is over the Election Officer shall open the ballot box in the presence of the members, count the votes and announce the results of election declare the candidate elected who have secured highest votes and indicate the number of votes secured by each. In the event of equality of votes polled by two or more candidates, lots shall be drawn in such manner as may be determined by the Election Officer. (7) [Where elections are to be held on a vacant seat of an office bearer accordance with the provisions of the Act and the bye-laws of the society, the procedure mentioned in this rule shall be followed.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.] (8) The ballot papers and other records shall be secured in a container which shall be affixed with the seal of the society and of the candidates who desired to affix their seal and they shall be preserved for three months from the date of election. They shall be destroyed after that period under intimation to the Authority, if no dispute relating to or in connection with the election is referred to the Registrar.

46A. Elections in other societies.

[(1) The elections of the members of the committee in societies other than those specified in sub-rule (1) of Rule 45, shall be conducted in the general meeting of the society. (2) The committee of the society shall, before expiry of its terms, appoint an independent Election Officer, who shall not be a member or an employee of the society, to conduct elections for the next committee and office bearers of the society. (3) A notice as provided in the bye-laws of the society, but in no case less than fifteen days shall be given to all members and the Registrar for the general body meeting in which elections are to be held. (4) The Election Officer shall conduct the election in accordance with the bye-laws : Provided that at the commencement of the meeting for the election, there shall be quorum specified in there rules and bye-laws.] [Substituted by Notification No. G.S.R. 53, dated

10.7.2017.](5)[[Renumbered '(2)' by Notification No. G.S.R. 53, dated 10.7.2017.] The Election of the Chairman, or any other elected Office bearer of a society, by whatever name he is designated in the bye-laws, belonging to a class of society other than those specified in [sub-rule (1) of rule 45] [Substituted 'clause (ii) of sub-rule (1) of rule 46' by Notification No. G.S.R. 53, dated 10.7.2017.] shall be conducted as follows:(a)As soon as the members of the committee have been elected, the Election Officer of the Society shall arrange to convene a meeting of the members of the committee for the purpose of election of the elected office bearers.(b)The meeting shall be presided over by the Election Officer of the society.(c)The Election Officer shall proceed to conduct the election in the manner prescribed in sub-rules (3) to (8) of rule 46:(6)[The proceedings of the meeting and the result of the election shall be recorded in the minutes book of the society and attested by the Election Officer.] [Added by Notification No. G.S.R. 53, dated 10.7.2017.]

Chapter VI

Privileges of Co-operative Societies

47. 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 the 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 instalments in which it is required to be paid and such other incidental matters.(2)Any society, which is authorised under its bye-laws to raise funds by issue of debentures and bonds, 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 and bonds, the face value of each debentures of bonds, the date on which the debentures or bonds are to be redeemed, the rate 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 61, 62, 63 or 64 as the case may be and its bye-laws.

48. 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 upto which any society or class of societies may receive deposits, issue debentures or raise loans from any creditor other than a Central Bank.

49. 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, 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 loan shall not exceed such multiple of owned funds of the borrowing society, as

may be laid down by the Registrar from time to time.(3)It shall be lawful for a society to grant loans without taking security of movable or immovable property, if the purpose for which the loans 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, 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 interest of the societies on the other.(4)The Registrar may recognise a Central Bank as a 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 mobilize local resources for making loans available to the societies in its area. Such loans may be granted for credit worthy purposes, given due importance to the production plans and requirements of various strata of the producers 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 financing Bank, shall be subject to such conditions as may be laid down by the Registrar, including the maximum amount to be advanced and the period of repayment both in regard to total advances to members and societies as also against different types of securities.(6)In the matter of grant of loans to societies by Central Banks or to members by Primary Societies, the Registrar may lay down, 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 utilization of loans and sale or agricultural produce through specified co-operative organization before such finance is granted.(7)The Registrar may 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.(8)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 or special direction that may be issued by the Registrar in this behalf.

50. 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 produced by the member.(2)A consumer society may sell goods on credit to its members and other customers upto the extent of deposits received from them.

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

(1) A declaration to be made under clauses (a) of section 39 shall be in Form "D". (2) A register of such declarations shall be kept by the society in Form "E". (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 continue in force subject to the provisions of clauses (b) and (c) of section 39. (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 39, 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 utilize 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 39, the society shall record or cause to be recorded such particulars of charge in the Record of Rights maintained by the village officer of the village where such property is situated. Such recording of the charge in the Record of Rights of the village shall be treated as a reasonable notice of such charge created under section 39.

52. Deduction from the salary or wages.

(1) On the execution of an agreement under sub-section (1) of section 41, the society may send intimation by registered post or by messenger of the execution of the agreement to the employer or the officer disbursing the salary or wages of the member who has executed the agreement and furnish the said employer or officer with a copy of such agreement certified in the manner specified in rule 106. The employer or the officer disbursing the salary or wages shall on receipt of such intimation from the society, make a note of the agreement in the register maintained by him for the disbursement of salary or wages. (2) A member who has executed such an agreement shall, on every occasion he becomes subject to a new pay disbursing authority whether by reason of change of office or place of employment or otherwise, within a week of his becoming as subject, give intimation of the same to the society. Similarly in case of such change of office or employment the former disbursing authority shall also give intimation of the change of office or place or employment to the society within a week of such change. The society shall Within a fortnight of the receipt of such intimation send intimation by registered post or by messenger of the execution of the agreement to such new pay disbursing authority and furnish the said authority with a copy of such agreement certified in the manner specified in rule 106. The employer or the officer concerned shall, on receipt of such intimation from the society, make a note of the agreement in the register maintained by him for the disbursement of salary or wages. (3) Any amount recovered by an employer or officer disbursing salary or wages from an employee by deduction from his salary or, wages in pursuance of a requisition received from any society or societies, as the case may be, remitted by such employer or officer as the case may be, to the society or societies concerned as soon as possible and in any case within a period of fourteen days from the date of recovery. (4) The cost of remittance to the society or societies of the deductions made under sub-section (2) of section 41 shall be borne by the society or

societies concerned. The employer or the officer disbursing the salary or wages shall furnish to the society or societies as the case may be, alongwith the remittance a statement of recoveries effected from the members and the cost of remittance, if any, of the money to the society or societies in Form "F".(5)Where an amount deducted by the employer or the officer disbursing the salary or wages of the member of a society under sub-section (2) of section 41 is remitted by such employer or officer to a society, the society shall promptly issue to such employer or officer a receipt for the amount so remitted and the receipt given by the society for such amount shall constitute a good and sufficient discharge of the liability of such employer or officer in respect of any claims by such member against such employer or officer.(6)Any amount realised by a society from a member by deduction shall be credited by the society to the account of such member on the date on which the amount was deducted by the employer or the officer disbursing the salary or wages irrespective of the date on which the amount was actually received by such society, the particulars of credit for the amount realised shall forthwith be furnished to be member by the society.(7)The employer or the officer disbursing the salary or wages shall maintain a register showing the recovery and remittance of moneys due to societies in Form 'G'.

53. State aid to societies.

(1) Subject to the provisions of the Act, the Government may grant state aid in any form to a society on the following terms and conditions; namely :-(a)A society receiving state aid shall not pay any dividend or distribute or take any profit in excess of such percentage, rate upon the amount of the capital of the society as the Government may, from time to time, fix : (b)A society receiving state aid shall, with the approval of the Registrar appoint a paid Chief Executive Officer of the society : (c)A society receiving State aid shall be bound : (i)to comply with any general or special order of the Government or the Registrar relating to the working of the society; (ii)to permit to inspect the accounts relating to the society; (iii)tip maintain such accounts and to furnish such statements and returns as the Government or the Registrar may, from time to time, require; and (iv)to comply with any order or conditions issued or imposed by the Government as may in its opinion be necessary or expedient to safeguard its interest.(2)If the society to which State aid has been given in any form, fails to comply with any order made under the Act or the rules framed thereunder or commits any breach of any terms or conditions laid down for the grant of State Aid, or if on inspection of accounts, returns, statements or audit report of such society the Government is of the opinion that the State aid should be withdrawn, the Government may after considering any representation which the society may make within such time as the Government may allow, in this behalf, make an order directing (i)that the balance of any loan outstanding shall be recoverable forthwith; (ii)that the guarantee given shall cease from the date of such orders; (iii)that the full value of any other State aid given and enjoyed till the date of the order shall be payable forthwith and the grant of such State aid beyond such date shall be discontinued.(3)The Government may set out other terms or conditions on which it shall provide State aid to a society.

Chapter VII

Properties and Funds of Co-operative Societies

54. Writing off of bad debts and losses.

All loans including interest thereon and recovery charges in respect thereof which are found irrecoverable and are certified as bad debts, in the audit report of the society released by the Registrar 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. All other dues and accumulated losses or any other loss sustained by the society which cannot be recovered and have been certified as irrecoverable in the audit report may be written off against the Reserve Fund or share capital of the society; Provided that : (i) no bad debts or losses shall 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 Financing 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 Financing Bank and in all other cases, it shall obtain the approval of the Registrar in writing. If the society is a Central Bank, approval of the State Co-operative Bank and the approval of the Registrar shall first be obtained; (iii) 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; (iv) 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.

55. Co-operative Education and Training Fund.

(1) A Co-operative Education Training Fund shall be constituted under and regulated by the Co-operative Education and Training Fund Regulations made by the Registrar, in consultation with the apex Co-operative societies and the Rajasthan State Co-operative Union. (2) The contributions to the fund payable by a society shall be a charge on the funds of the society and shall be recoverable in the manner provided in Section 100 of the Act as arrears of land revenue and the officer of the society willfully failing to comply with the requirement of this rule, shall be personally liable for making good the amount to the fund. The amount so allocated shall be remitted to the fund within two months of the date of allocation of the net profits by the General body of the society. (3) The Co-operative Education and Training Fund Regulations made under sub-rule (1) above shall, among other things, include regulations regarding (i) administration of the fund, (ii) allocation and distribution of fund for Co-operative education and training in order to carry out the working plan prepared under subsection (2) section 111 of the Act; and (iii) distribution amongst various district Cooperative unions and contribution to the National Co-operative Union of India: Provided that such portion of the fund allocated to the Rajasthan State Co-operative Union and district Co-operative unions as decided by the Registrar shall be utilised for education and, training of women Co-operatives.

56. Investment of other funds.

(1) A society may invest any of its funds (other than the reserved fund) in any of the modes specified in section 49 when such funds are not utilised for the business of the society. Explanation.- For the purpose of this sub-rule, "business of 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 securities.(3)Every Society which has invested an amount not less than 10 percent of its working capital in securities shall be required to constitute an investment fluctuation fund. The Registrar may direct that a specified percent 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.(4)A society may, with the previous sanction of the Registrar, invest the whole or any portion of its funds in the purchase or lease of land or in the acquisition, construction or renewal of any building that may be necessary to conduct its business. The amount of the funds invested shall be recouped on such terms as may be determined in each case by the Registrar.(5)The provision of sub-rule (4) shall not apply -(a)to immovable property purchased -(i)by a society at a sale held in execution of a decree obtained by it, for the recovery of any sum due to it; or(ii)by a financing bank at a sale held in execution of a decree obtained by a society financed by it, for the recovery of any sum due to such society or at a sale brought by the liquidator or such society; or(b)to the purchase or lease of lands or purchase, construction or renewal of buildings by a society whose objects according to its bye-laws include such purchase, lease construction or renewal.(6)No recoupment of the amount invested under this rule shall be necessary where the investment is made -(a)by a society from its building fund constituted out of profits;(b)by a society, other than a credit society, in which the share capital raised from the members is intended to build up the special kind of business for which it has been registered.(7)Nothing in this rule shall apply to investment of the reserved fund of a society and such investment shall be governed by rule 57.

57. Object and investment of reserve fund

(1) A reserve fund maintained by a co-operative society shall belong to the society and is intended to meet unforeseen losses. It shall be indivisible and no member shall have any claim to a share in it.(2)A co-operative society shall not investor deposit its reserve fund except in one or more of the modes mentioned in clauses (a) to (b) of section 49 of the Act:Provided that the Registrar may, by general or special order, permit any cooperative society or any class of co-operative societies to invest the reserve fund or a portion thereof in its own business:Provided further that 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 expenditure on the maintenance, repairs and renewal of the buildings of the society with the prior permission of the Registrar and in the case of a Processing Society the Reserve Fund may be utilised in the acquisition, purchase or construction of land, building and machinery:[Provided also that a short term co-operative credit structure society may invest or deposit its funds in any bank or financial institution regulated by the Reserve Bank of India.] [Added by Notification No. G.S.R. 73, dated 19.9.2011.](3)No co-operative 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.(4)The Reserve Fund of a society shall be available, with the sanction of the Registrar, for being utilised for any of the following purposes, subject to the conditions that the amount drawn shall be reimbursed as directed by the Registrar, unless the Registrar, dispenses with such reimbursement in special cases: -(i)to

meet unforeseen losses incurred by the society;(ii)to meet such claims of the creditors of the society as cannot otherwise be met; and(iii)to provide for other financial needs in times of special scarcity.

58. Disposal of reserve fund on winding up of a co-operative society.

(1) On the winding up of a co-operative society, the reserve fund together with other funds constituted by the society in accordance with its bye-laws, shall be applied by the liquidator to the discharge of such liabilities of the society as may remain undischarged out of assets of the society in the following order, namely: -(a)the debts of the society;(b)the paid-up share capital; and(c)the dividend upon paid up share capital at rates not exceeding six percent for any period or periods for which dividend has not been paid; or such dividend upon paid up share capital as will bring the dividend to the maximum rate for any period for which the dividend at a rate lower than the maximum specified has been paid. No dividend shall, however, be paid on share capital, if the bye-laws of the society do not provide for payment of dividend.(2)Any surplus funds remaining after the payments mentioned in sub-rule (1) shall be utilised in the following manner and subject to the following conditions, namely:-(a)In the case of a co-operative society, other than a financing bank - (i) the surplus funds shall be applied to such object of public utility as may be selected by the general body of the dissolved society at a meeting and approved by the Registrar, (ii) if within thirty days after the issue of notice by the liquidator appointed to wind up the affairs of the society, the general body fails to make any selection that is approved by the Registrar, the Registrar may place the surplus funds in liquidation fund created under section 66.(b)In the case of a financing bank, the surplus funds shall be assigned by the Registrar to the reserve fund or funds of any other financing bank or banks to which the societies working in the area in which the financing bank which is being wound up carried on its operations, are affiliated. If there is no financing bank working in such area, the Registrar shall invest the amount in the State Co-operative Bank, until a new financing bank is formed in such area in which case the funds shall be credited to the reserve fund of such financing bank.

59. Maintenance and administration of provident fund.

A society which has established a provident fund for its employees under section 53 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)authority administering the provident fund;(ii)category of employees entitled to contribute to the provident fund;(iii)amount (not exceeding ten per cent of the employee's salary) of contribution to be deducted from the employee's salary;(iv)the rate of contribution (not exceeding the annual contribution made by the employee) to be made by the society;(v)the purpose for which and the extent to which advances may be made against the security of the provident fund and the period after which this could be done and number of monthly installments in which it is to be recouped;(vi)refund of employees' contribution and contribution made by the society;(vii)mode of nomination for payment of the amount of the provident fund in case of employees' death;(viii)mode of investment of the provident fund and payment of interest thereon;(ix)maintenance of accounts in respect of provident fund, drawals and such other matters as may be necessary in such form as may be specified by the Registrar.

60. 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 standards laid down by the Registrar:[Provided that a short term co-operative credit structure society may determine its loan policy and decide individual loan to its members keeping in view the interest of the society and its members.] [Added by Notification No. G.S.R. 73, dated 19.9.2011.](3)A loan in excess of the maximum amount may be granted to a member with the previous sanction of the Central Bank to which the society is affiliated:Provided that, where the amount of loan exceeds twice the maximum limit contained in the bye-laws, prior sanction of the Registrar shall also be obtained.

61. Conditions for borrowing by societies with limited liability.

(1) No society other than those referred to in rule 62 and 63 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 banks and urban banks, shall not except with the previous sanction of the Registrar, incur liabilities exceeding twelve times the total of their paid up share capital, accumulated reserved fund and building fund minus accumulated losses.Explanation.-In calculating the total amount of liability for the purpose 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, or against mortgage of movable property 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 of 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) 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 society but shall be invested in Government Securities which in the case of Central Banks, shall be deposited with the Rajasthan State Cooperative Bank and, in case of other Co-operative Banks, with the Central Banks. No society shall borrow against such securities,

62. Conditions for borrowing of Rajasthan State Co-operative Bank.

Except with the previous sanction of the Registrar, the Rajasthan State Co-operative Bank Limited, 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 over due 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 with the Reserve Bank of India.

The bank shall not borrow against such securities. Explanation.- In calculating the total amount of liability for the purpose 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.

63. Conditions for borrowing of Land Development Banks.

Land Development Banks may incur liabilities., not exceeding in total twenty times the total amount of their paid up share capital, accumulated reserve and building funds minus accumulated losses.

64. Loans and deposits from non-members in unlimited liability society.

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 nonmembers. The maximum liability 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 non-member, which will make its liability to non-members exceed the limit sanctioned by the Registrar.

65. Restrictions 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.

66. Restrictions on grant of loans by a co-operative society against its own shares.

No society shall grant loans or make advances against the security of its own shares.

67. Manner of recalling of loan.

(1) Notwithstanding any thing 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 after consultation with the financing bank, necessary directions to the society. The directions issued by the Registrar in this respect shall be complied with by the society.

68. Maintenance of fluid resources.

(1) Every society accepting deposits and granting cash credits shall maintain fluid resources in such form and according to such standards as may be fixed by the Registrar, from time to time, by general or special order. (2) [The Registrar may, in consultation with the National Bank, specify prudential norms including the Capital to Risk Weighted Assets Ratio for primary agricultural credit societies of the State and it shall be obligatory for all such societies to follow such norms.] [Added by Notification No. G.S.R. 73, dated 19.9.2011.]

69. Appropriation of Profits.

(1) A society earning profits, shall calculate the net profits by deducting from the gross profits for the year, all interests accrued and accruing in, accounts but not realised, establishment charges, interest payable on loans and deposits, audit fees, working expenses including repairs, rent taxes and depreciations and after providing for or writing off bad debts and losses not adjusted against any fund created out of profits. A society may, however, add to the net profits for the year, interest accrued in the preceding years, but actually recovered during the year. The net profits thus arrived at, together with the amount of profits brought forward from the previous year, shall be available for appropriation. Explanation.- Establishment charges shall also include the remuneration, allowances or honoraria paid or to be paid to a member of the society for the services rendered by him to the society. (2) In addition to the sums referred in sub-rule (1), the following sums shall be deducted by a society from its profits before arriving at its profit for the purposes of distributable profits: (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 fulfillment of guarantee given by the Government in respect of loans raised by the society. (ii) Provision considered necessary for depreciation in the value of any security bonds or shares held by society as part of its investments. (iii) Any provision required to be made for the redemption and share capital contributed by Government or by a financial bank.

70. Distribution of net profits.

The net profits of any society as declared by the Registrar in respect of any co-operative year shall be appropriated in the manner set forth in section 48 subject to the following conditions, namely:-(i) For each financial year, the percentage of the net profit as set forth in section 48 shall be carried out to the reserve fund while finalizing the accounts of the society for that particular year. (ii) Every agricultural credit society other than a Land Development Bank or a society the object of which is to grant long-term loans exclusively on the mortgage of immovable properties and every financing bank other than a financial bank, the principal object of which is to provide funds for the grant of long term loans on the mortgage of immovable properties, shall set apart such percentage of its net profits as may be directed by the Registrar from time to time towards an agricultural credit

stabilisation fund to be utilised to enable borrowers to make postponement of repayment of loans on account of famine, drought or such other unforeseen causes. This fund shall not be utilised except with the previous permission of the Registrar.(iii)The payment of dividend on shares to members by a society shall not exceed 10 percent per annum on the paid up value of each share:Provided that the Government or a person authorised by the Government in that behalf may, by general or special order, permit any society or class of societies to pay dividend at a rate exceeding 10 percent:[Provided further that a primary agricultural credit society may dispose off its net profit and pay dividend to its members in accordance with the guidelines issued by the Registrar in consultation with the National Bank.] [Added by Notification No. G.S.R. 73, dated 19.9.2011.](iv)A society may pay, in accordance with its bye-laws bonus to its members, based on the extent of business done by those members with it or on the value of the services rendered by such members to the society, subject to a maximum of 25 percent of the net profits;Provided that a co-operative society shall not utilise any portion of the bonus accruing on the business done by non-members for payment of bonus to members but shall carry the entire amount so accrued to the reserve fund or business losses reserve.(v)A society which employs paid establishment may pay bonus to such employees:Provided that the amount so paid shall not exceed such amount as may be specified in its bye-laws subject to a maximum of two months basic pay.(vi)Subject to the availability of funds, such sum as may be decided upon by the general body calculated at 10 percent of the net profits may be carried to a common good fund for being utilized on any of the object specified in section 2 of the Charitable Endowment Act, 1890 (Central Act VI of 1890) such as medical relief, sanitation, Co-operative propaganda, maintenance of library education and relief to poor.

71. Bonus and Dividend Equalization Fund.

(1) A society may create out of its net profits a fund to be called the Bonus Equalization Fund and a fund to be called the Dividend Equalization Fund.(2)Except otherwise specifically authorised by the Registrar, the funds so created shall be utilized 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 percent of the paid up share capital to the Dividend Equalization Fund until the total amount in such Fund amounts to 9 percent of the paid up share capital.

Chapter VIII

Audit, Inquiry, Inspection, Surcharge

72. Audit Fees.

- [(1) A co-operative society opting to get its audit from the departmental auditors mentioned in sub-clause (ii) of clause (a) of sub-section (5) of section 54 shall pay to the State Government a fee for the audit of its accounts in accordance with the scale of fee fixed by the Registrar with the previous approval of the Government in respect of the class of societies to which it belongs.(2)A society which, under sub-section (2) of section 54, appoints an auditor from the panel of auditors mentioned in sub-clause (i) of clause (a) of sub-section (5) of section 54 or an auditing firm from a panel of auditing firms mentioned in clause (b) of sub-section (5)s of section 54, shall be free to

decide and pay the compensation for audit to its auditors or the auditing firms, as the case may be: Provided that where the society fails to get audited its accounts in time and the Registrar, under the first proviso to sub-section (2) of section 54, appoints auditor(s) from the departmental auditors mentioned in sub-clause (ii) of clause (a) of sub-section (5) of section 54, or where the Registrar, under the third proviso of sub-section (2) of Section 54 appoints auditor(s) from the departmental auditors mentioned in sub-clause (ii) of clause (a) of sub-section (5) of Section 54, the society shall pay to the State Government an audit fee in the same manner as mentioned in sub-rule (1), as if the society had itself appointed the departmental auditors under sub-section (2) of Section 54.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](3)[All fees payable to the Government under this rule] [Substituted 'All fees payable under this rule' by Notification No. G.S.R. 53, dated 10.7.2017.] shall be recoverable in the manner specified in section 102 of the Act.(4)The Registrar may, subject to such conditions as may be laid down by the State Government, remit the whole or any part of the fees payable under sub-rule (1) by a particular society or by a particular class of societies for any year or other specified period by a general or specific order in this behalf.

73. [Procedure for appointment of auditors and for conducting audit. [Substituted by Notification No. G.S.R. 73, dated 19.9.2011.]

(1)It shall be the duty of every co-operative society to get its accounts audited every year under the provisions of the Act.(2)[(2) The Registrar shall prepare, approve and notify a panel of eligible auditors and auditing firms as per the provisions of sub-section (4) and (5) of Section 54, from time to time, for such period as he may specify.(3)The panel to be prepared under sub-rule (2) shall contain the following three parts namely:-(i)Part-A : containing the names of auditors as mentioned in sub-clause (i) of clause (a) of sub-section (5) of Section 54,(ii)Part-B : containing the names of auditing firms as mentioned in clause (b) of sub-section (5) of Section 54, and(iii)Part-C : which shall contain a pool of the eligible departmental auditors as per the norms decided by the Registrar, from time to time and which can also be classified and categorized by the Registrar in a manner decided by him, from time to time.(4)Every society shall appoint an auditor or auditing firm for audit of its accounts for each financial year latest by the end of May following that financial year or up to such time as may be fixed by the Registrar, as per the procedure mentioned in this rule and intimate the Registrar with such appointment. If the society opts for appointment of a departmental auditor, the necessary requisition shall be submitted before the Registrar latest by the end of May following that financial year or upto such time as may be fixed by the Registrar and the Registrar shall, on receipt of such requisition, appoint auditor(s) to audit the accounts of that society from Part-C of the panel specified in sub-rule (3).(5)The decision regarding appointment of an auditor or auditing firm or requisition to appoint departmental auditors in the society shall be taken by the committee of the society and the decision shall be implemented by the Chief Executive Officer or a person working in place of the Chief Executive Officer as per the bye-laws of the society: Provided that no such person or an auditing firm having such person as one of the partners of the firm, shall be appointed to audit the accounts of the society, who, either himself or one of his family members, is associated with the society either as a member of the committee of the society or as an employee of the society.(6)Whereas a society opting to appoint an auditor from Part-A or an auditing firm from Part-B of the panel shall make such appointment directly in the name of the auditor or the auditing firm concerned, as the case may be, under intimation to the Registrar. In case a society opts

for appointment of an auditor from Part-C of the panel, it shall not issue any appointment letter directly in the name of a particular person, but shall always address its requisition to the Registrar or an officer exercising the powers of the Registrar for this purpose, who shall appoint any one of the auditor(s) from the aforesaid Part-C of the panel of departmental auditors to audit the accounts of the society.(7)Where a society fails to intimate the Registrar with the appointment of auditor or auditing firm or to send a requisition to the Registrar for appointing auditors in the society to audit its accounts within the time stipulated therefor in sub-rule (4), the Registrar shall appoint an auditor(s) or auditing firm to audit its accounts from the panel of auditors or auditing firms prepared under sub-rule (2) and on such appointment of auditor(s) or auditing firm by the Registrar, any appointment made or claimed to have been made by the society shall be considered void and the society shall be bound to get its accounts audited by the auditor (s) or auditing firm appointment by the Registrar.(8)Notwithstanding anything contained in sub-rule (4) to (7), the Registrar may, by an order, appoint an auditor(s) or auditing firm(s) to cause accounts of a society or a class of societies to be audited for a particular period, which shall be binding on the society or the class of societies, as the case may be.(9)No auditor or auditing firm shall be appointed to audit accounts of a society continuously for more than two years in continuation.] [Substituted by Notification No. G.S.R. 53, dated 10.7.2017.](10)[[Renumbered '(6)' by Notification No. G.S.R. 53, dated 10.7.2017.] The audit under Section 54 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.[***] [Deleted '(7)' by Notification No. G.S.R. 53, dated 10.7.2017.](11)[[Renumbered '(8)' by Notification No. G.S.R. 53, dated 10.7.2017.] The Registrar may, from time to time specify the form or forms in which the statements or accounts and information shall be prepared for audit by the society.(12)[[Renumbered '(9)' by Notification No. G.S.R. 53, dated 10.7.2017.] 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 account 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 explanations 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 profit and loss account, of the profit or loss, for the co-operative year, or the period covered by the audit, as the case may be:Provided that in case of a short term co-operative structure society, the auditor shall also endorse a copy of the audit report to the Reserve Bank of India and the National Bank along with the Registrar.(13)[[Renumbered '(10)' by Notification No. G.S.R. 53, dated 10.7.2017.] 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 account examined b are in agreement with the books of accounts and returns of the society(14)[[Renumbered '(11)' by Notification No. G.S.R. 53, dated 10.7.2017.] Where any of the matters referred to in [sub-rule (13)] [Substituted 'sub-rule (1)' by Notification No. G.S.R. 53, dated 10.7.2017.] are answered in the

negative or with a qualification, the audit memorandum all specify the reasons for the answer.(15)[Renumbered '(12)' by Notification No. G.S.R. 53, dated 10.7.2017.] The audit memorandum shall also contain schedules 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 realization 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.(16)[Renumbered '(13)' by Notification No. G.S.R. 53, dated 10.7.2017.] The summary of audit memorandum as prepared by auditor shall be read out in the 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.(17)[Renumbered '(14)' by Notification No. G.S.R. 53, dated 10.7.2017.] Where the Registrar is satisfied that an audit memorandum submitted by the auditor does not contain the necessary facts and particulars which are essential for presenting a true and fair picture of society's state of affairs, he may issue directions to the auditor to include the necessary facts in that regard and such directions shall be binding on the society as well as on the auditor;(18)[Renumbered '(15)' by Notification No. G.S.R. 53, dated 10.7.2017.] On completion of his statutory audit, the auditor shall award an audit classification to the society whose accounts he has audited in accordance with the instructions issued by the Registrar from time to time. The Registrar may if he thinks necessary, amend the audit classification for reasons to be recorded in writing.(19)[If it comes to the knowledge of the Registrar that, prima facie, some financial irregularity has occurred in a society, the Registrar may get a special audit of the society conducted for the period during which such irregularity is believed to have taken place. The Registrar may, for conduction the special audit, appoint auditors requiring them to conduct audit for the period mentioned in his order keeping in view such issues as may be specifically mentioned in the order. Such special audit shall have the same effect as of a regular statutory audit.] [Added by Notification No. G.S.R. 53, dated 10.7.2017.](20)[Renumbered '(16)' by Notification No. G.S.R. 53, dated 10.7.2017.] Where a request is received from the Reserve Bank of India to conduct special audit in the Apex Co-operative Bank or a Central Co-operative Bank on the issues and for the period mentioned in such request, the Registrar shall order to appoint auditor(s) to conduct such special audit as required by the Reserve Bank of India and the report of such special audit shall be conveyed to the Reserve Bank of India as well as [to the concerned Bank and the Registrar] [Substituted 'to the concerned Bank' by Notification No. G.S.R. 53, dated 10.7.2017.]. The report shall have the same effect as of a regular statutory audit.]

74. Requisition of the Apex or Central Society for inquiry.

An Apex or Central Society duly authorised by a resolution of its committee, may submit a requisition to the Registrar to hold an inquiry under section 55 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.

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

(1) An order authorizing inquiry under section 56 or inspection [under section 55-A and 56] [Substituted 'under section 55' by Notification No. G.S.R. 53, dated 10.7.2017.] shall, among other things, contain the following :- (a) the name of the person authorized 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 or the financing bank, as the case may be; (d) any other matter relating to the inquiry or inspection. (2) A copy of every order authorising inquiry under section 55 shall be supplied to the apex or central 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) 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 or the financing bank authorising the inspection, if he is satisfied, grant such extension of time of 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 hold 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) the persons 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 or to the financing bank, as the case may be, on all the points mentioned in the order referred to in sub-rule (1). The reports shall contain his findings and the reasons therefore supported by such documentary or other evidence as recorded by him during the course of his inquiry or inspection. (6) The person authorised to conduct the inquiry shall also specify in his report the cost of the inquiry together with reasons and recommend to the Registrar the manner in which the entire cost or a part thereof may be apportioned, amongst the society, the society to which the society concerned is affiliated, the members or the creditor, demanding an inquiry or the officers or former officers of the society. 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. (7) The costs of the inquiry apportioned by the Registrar under sub-rule (6) shall be recovered as arrears of Land Revenue. The Registrar may direct that such costs or any part thereof shall be paid in the first instance from the funds of the society and then recovered and repaid to the society or the creditor, as the case may be.

76. Procedure for assessing surcharge under section 57

(1) On receipt of a report referred to in section 57 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 organization or management of a society or any deceased, past or present officer or employee 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 or has made any payment contrary to the Act, these rules or bye-laws.(2)On the completion of the further inquiries under sub-rule (1), where necessary, the Registrar 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 in his or their defence within fifteen days of the date of issue of the notice.(3)On receipt of the statement referred to in sub-rule (2), the Registrar, 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 or their statements in defence and to indicate the documentary or oral evidence which he would like to produce. The Registrar may permit production of other documentary or oral evidence, if considered necessary, subsequently.(5)The Registrar 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), the Registrar 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 day fixed for hearing under sub-rule (5) the Registrar 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 may also provide in his order for the payment of the cost of the proceeding under this rule or any part of such cost as he thinks just.(8)The Registrar shall furnish a copy of his order, under sub-rule (6) to the party concerned within ten days of the date on which he makes his final order.(9)If during the course of proceedings under this rule, the Registrar is satisfied that a person whose conduct has been inquired into under sub-section (I) of section 57, is not responsible for the acts of misapplication, retention misfeasance or breach of trust he may pass an order to drop the case against him, and if he is also of the opinion that some other person is responsible for the same he shall send a note to this effect in detail to the competent authority within ten days to initiate further appropriate action in this regard. If he himself is the competent authority he shall himself initiate action immediately.

Chapter IX

Settlement of Dispute

77. Reference of dispute.

(1) A reference of a dispute under section 58 of the Act shall be made in writing to Registrar in Form "H". 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.(2)Where on receipt of a reference under sub-rule (1), the Registrar, decides under clause (c) of sub-section (1) of section 60 of the Act to refer it for disposal by an arbitrator, the reference shall be made to the arbitrator appointed by the Registrar, who shall either be a serving or a retired

officer or employee of the Rajasthan State or Subordinate Co-operative Services or any other serving officer of the Rajasthan State Services or any other legal expert conversant with the working of the concerned Co-operative society.

78. Procedure for hearing and decision of dispute.

(1) Where any dispute is referred to any person or arbitrator under clauses (b) and (c) of sub-section (1) of section 60 for decision and is not decided by him within three months or such further period as the Registrar may allow, the Registrar may withdraw the dispute from him and decide the dispute himself or refer it again to another person or arbitrator. (2) The Registrar, the arbitrator or other person deciding the dispute shall record 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 the parties, a decision or award, as the case may be, shall be given in accordance with justice, equity and good conscience by such Registrar, arbitrator or other person. The decision or award given shall be reduced to writing. Such decision or award shall be pronounced either at once or on some future date of which due notice shall be given to the parties. (3) When any party duly summoned to attend the proceeding fails to appear, the dispute may be decided ex parte. (4) Any award made or decisions given or order passed by arbitrator or other person authorised under section 60, shall be sent by him with all the papers and proceedings of the dispute to the Registrar within 15 days from the date on which it is made, given or passed.

79. Summons, Notices and fixing of dates, place etc. in connection with the disputes.

(1) The Registrar, the arbitrator, or any other person authorised in this behalf 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 witness if any, and (ii) the production of all books and documents relating to the matter in dispute. (2) Summons or notices issued by Registrar or the arbitrator or the person authorised may be served through the Tehsildar or any employee of the Co-operative Department or an apex or a central primary society or through the Chairman or Secretary of the society or by registered post with acknowledgement due. Every person or society to whom summons or notices are sent for service shall be bound to serve them within a reasonable time. (3) The officers serving a summons or notice shall, in all cases in which summons or notice have been served, endorsed or annexed 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, notice, as the case may be, 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 the notice. (4) The officer issuing the summons or notice may examine the serving officer on oath or cause him to be so examined by the Tehsildar 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.

80. Payment of expenses of decision of disputes.

(1) Where the dispute has been referred to the Registrar or Arbitrator or to any person under section 60, the Registrar may require the party or parties referring the dispute, to deposit in advance such sum as may, in his opinion, be necessary to meet the expenses including payment of fees to the Registrar or any person or the arbitrator. (2) The Registrar or the arbitrator or any person, shall have power to order the fees and expenses for determining the disputes, to be paid by the society out of its funds or by such party or parties to the dispute, as he may think fit, according to the scale laid down by the Registrar, after looking into account, the amount deposited under sub-rule (1). (3) The Registrar, may by general or special order specify the scale of fees and expenses to be paid to him or the arbitrator or any person.

80A. [Registrar's power to wind up a society. [Inserted by Notification No. G.S.R. 73, dated 19.9.2011.]

(1) The Registrar may issue orders to wind up a society in circumstances mentioned in sub-Section (1) of the Section 61: Provided that where an advice of the Reserve Bank of India is received for winding up of the Apex Co-operative Bank or a Central Co-operative Bank, the Registrar shall appoint a liquidator within one month of receiving such advice. (2) Notwithstanding anything contained in sub-rule (1), the Registrar shall order to wind up a primary agriculture credit society or its federation or association, who fails to comply with the provisions of sub-Section (4) of Section 5 of the Act.]

Chapter X

Winding up and dissolution of societies

81. Procedure to be adopted by liquidator.

Where a liquidator has been appointed under sub-section (1) of section 63, the following procedure shall be adopted, 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 order is issued under section 61 the liquidator shall take over the custody and control of all the property, effects and actionable claims and books, records, cash and other documents pertaining to the business of the society and continue to hold custody and control thereof. (3) The liquidator shall publish by such means as he may think proper a notice requiring all claims against the society to be submitted to him within two months of the publication of such notice. All liabilities recorded in the account books of such society shall be deemed ipso-facto to have been duly submitted to him under this clause. (4) [If there is some such immovable property in the society, which may be utilised either for the benefit of the co-operative movement or for some other purpose of wider public interest, the liquidator shall send a report of the Registrar, specifying details of the property and the possible use to which the property can be put to in his opinion. If the Registrar is satisfied that the Property can be used for the betterment of the co-operative movement or for some other purpose of wider public interest, he may direct the

liquidator to, - (i) transfer the property to a co-operative society having Government share capital and a Government Officer as the Chief Executive Officer, which is identified for this purpose by the Registrar with the approval of the Government, on such terms and conditions, as he may decide, for use towards betterment of the co-operative movement and to create necessary infrastructure to facilitate development of the cooperative sector in the State : Provided that in case it is found that the property transferred to a society is not being used for the purpose for which it was entrusted to it, the Registrar shall be competent to transfer the property to another society, as identified by him for the aforesaid purpose as above, in the interest of the co-operative movement of the State or surrender it to the Government for creating some facility of public use; or (ii) surrender the property to the Government for creating some facility of public use. (5) Where an immovable property, such as a community centre, is being used by the local residents of the area for their general welfare and community activities, the liquidator shall send a report to the Registrar, specifying details of the property and the actual use being made by the local residents of the area. Where the Registrar is satisfied that it is in the public interest to allow the property for use of the local residents as before, he may, after seeking permission of the Government to that effect, direct the liquidator to transfer the property to a co-operative society of such residents, which they may form exclusively to maintain such common facility: Provided that the property shall be transferred to such society only on the condition that the society so formed, shall neither amend their bye-laws to take up any other activity except to maintain the property for use of the residents as per the registered bye-laws of the society nor shall the property be alienated or put to any other use except for the registered objective of the society: Provided further that in case, it is found that the property entrusted to the society of the residents for community activities, is being used for an activity other than the community activities for which it was entrusted to the society, the Registrar shall be competent to transfer the property to another society in the interest of the co-operative movement of the State as provided in sub-rule (4) or surrender it to the Government for creating some facility of public use. [Inserted by Notification No. G.S.R. 53, dated 10.7.2017.] (6) [Renumbered '(4)' by Notification No. G.S.R. 53, dated 10.7.2017.] The liquidator shall, after settling the assets and liabilities of the society as they stood on the date on which the order under section 61 for its winding up was made proceed next to determine the contribution to be made by each of its members, past members, or by the estates of nominees, heirs or legal representatives of deceased members or by any officers or former officers, to the assets of the society under clause (b) and (e) of sub-section (2) of section 64. If, however, necessity arises, he may also frame a subsidiary order or orders regarding such contributions and such orders and the original orders shall be enforceable under section 100. (7) [Renumbered '(5)' by Notification No. G.S.R. 53, dated 10.7.2017.] The liquidator shall submit a quarterly report and 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) [Renumbered '(6)' by Notification No. G.S.R. 53, dated 10.7.2017.] 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) [Renumbered '(7)' by Notification No. G.S.R. 53, dated 10.7.2017.] All funds in the charge of the liquidator shall be deposited in the Government treasury or in the post office savings bank or in a financing bank or with such other bank or person as may be approved by the Registrar and shall stand in the name of the liquidator. (10) [Renumbered '(8)' by Notification No. G.S.R. 53, dated 10.7.2017.] The remuneration of the liquidator fixed under sub section (1) of section 63 shall be included in the costs of winding up which shall be payable out of the assets of the society in

priority to all other claims.(11)[Renumbered '(9)' by Notification No. G.S.R. 53, dated 10.7.2017.] The liquidator shall have power to make call for meetings of members of the society from time to time.(12)[Renumbered '(10)' by Notification No. G.S.R. 53, dated 10.7.2017.] The liquidator shall keep such books and accounts as may from time to time be required by the Registrar, who may at any time cause such books and account to be audited.(13)[Renumbered '(11)' by Notification No. G.S.R. 53, dated 10.7.2017.] The liquidator may submit an application to the Registrar, for revival of the society if in his own opinion such revival has a reasonable chance of success. The Registrar may pass orders as he may deem proper under sub-section (2) of section 61.(14)[Renumbered '(12)' by Notification No. G.S.R. 53, dated 10.7.2017.] At the conclusion of the winding up a general meeting of the society shall be called at which the liquidator or any person authorised by him by general or special order in writing in this behalf shall summarize the result of his proceedings and shall take a vote as to the disposal of any surplus funds in the manner prescribed in sub-rule (2) of rule 58: Provided that where general meeting can not be called despite the best efforts of the liquidator, he shall record the reasons thereof in his final report and deposit the surplus funds in the liquidation fund.(15)[Renumbered '(13)' by Notification No. G.S.R. 53, dated 10.7.2017.] If any liability cannot be discharged by the liquidator owing to the where about of claimants not being known or for any other cause the amount covered by such undischarged liability may be deposited in a financing bank and shall be available for meeting the claims of the person or persons concerned. On the expiry of three years from the date of deposits of such amount, the Registrar may, on his own motion or on the application of the financing bank, pass an order directing that the said amount shall be utilized as provided in sub-rule (2) of rule 67: Provided that no such order shall be passed by the Registrar unless he has published a notice of his intention to pass such order by beat of drum in the village or villages comprised within the area of operation of the society or by publication in the official Gazette or by any other means which he may consider suitable and a period of thirty days has expired from the date of such publication.(16)[Renumbered '(14)' by Notification No. G.S.R. 53, dated 10.7.2017.] A liquidator may at any time, be removed by the Registrar and he shall on such removal be bound to hand over all the properties effects and actionable claims and books records cash and other documents relating to the society ordered to be wound up to such persons as the Registrar may direct.(17)[Renumbered '(15)' by Notification No. G.S.R. 53, dated 10.7.2017.] As soon as may be after the affairs of the society for which a liquidator has been appointed under section 63 have been wound up and an order cancelling the registration is made under sub-section (4) of section 14, the liquidator shall forward all the books and records of the wound up society and all his own papers and proceedings, to the Registrar together with an account of his expenses, showing how the balance has been disposed of, and attaching the receipt of the person whom it was handed over.(18)[Renumbered '(16)' by Notification No. G.S.R. 53, dated 10.7.2017.] All the books and records of a society whose registration has been cancelled and the proceedings of liquidation may be weeded out by the Registrar after the expiry of two years from the date of the order cancelling the registration of the society.

82. 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 on any debt due from the society upto the date of the Registrar's order for winding up. The rate at which interest shall be paid, shall be in the case of the Rajasthan State Co-operative Bank or a

Financing Bank permitted by the Registrar to finance societies, the contract -ate 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.

Chapter XI

Land Development Banks

83. Procedure for submission and consideration of applications for loans from Land Development Banks.

(1) All applications for loans from a Land Development Bank shall be made in the form prescribed by the State Land Development Bank with the approval of the Registrar. The form shall among other things contain a list of documents which are required to be submitted for purposes of dealing with the application. (2) Every Land Development Bank shall keep sufficient stock of printed copies of the forms of loan applications and shall supply them to the intending borrower on payment of such fee as may be specified, from time to time, by the State Land Development Bank. (3) Every Land Development Bank shall specify, from time to time the name, designation and address of the officer (hereinafter in this chapter referred to as "receiving officer"), who shall receive all loan applications from the intending borrowers. (4) The application together with copies of necessary documents and the amount of all fees specified by the State Land Development Bank with the approval of the Registrar and deposit equivalent to the value of one share of the Bank, shall be submitted by the applicant to the Receiving Officer. (5) On receipt of an application for loan, the Receiving Officer shall put his initials on the application and mention his designation and the date of receipt of the application. (6) After an application for loan has been received, the Receiving Officer shall verify whether it contains all the necessary particulars and is accompanied by the necessary documents. If any details are lacking, he shall get the application completed by the applicant. (7) Each application shall be entered in the chronological order in the register of applications for loans from the Land Development Bank to be maintained by the Receiving Officer and shall be dealt with in the same order. (8) Immediately after the application is entered in the register of applications for loans from the Land Development Bank, the Receiving Officer shall forward it to the Deputy/Assistant Registrar of Co-operative Societies with in whose jurisdiction the land in respect of which the application is made is situated, being the person prescribed for the purposes of sub-section (1) of section 74 of the Act, hereinafter in this chapter referred to as the Public Enquiry Officer'. The Public Enquiry Officer shall give at least eight days, public notice in Form "I" calling upon all persons interested to present their objections to the loan, if any, The notice shall also be given by beat of drum and shall be affixed at the Chopal of the village where the applicant resides and in the limits of which the land or lands proposed to be improved or offered as security for the loan is or are situated. A copy of the notice shall be exhibited in the head office and relevant branch office, if any, of the Land Development Bank concerned and in the office, if any of the person giving the notice. If any person, interested fails to appear as stated or as required by the aforesaid notice, the questions at

issue will be decided in their absence and such persons will have no claim whatsoever against the property for which the loan applied for will be sanctioned till such time as the loan together with interest thereon or any other dues arising out of the loan are paid in full by the loanee.(9)The Public Enquiry Officer shall consider every objection submitted under sub-section (1) of section 74 and then forward the applications within two days of their disposal to the Land Development Bank concerned. In case the Public Enquiry Officer is unable to forward the application within two days, he shall make a report to the Registrar, stating thereunder the reasons therefor and he shall, thereafter act in accordance with such directions as may be issued to him by the Registrar.(10)The Land Development Bank may appoint an enquiry officer (hereinafter in this Chapter referred to as "the Enquiry Officer") to enquire into the applications. The Enquiry Officer shall make inquiry by actually visiting the land in which the improvement is proposed to be effected and the lands and other property offered as security. He shall conduct his enquiry in accordance with the form to be prescribed by the State Land Development Bank, with the approval of the Registrar.(11)The Enquiry Officer may make such other enquiries as may be necessary and shall value the lands according to such formula as may be laid down by the State Land Development Bank, with the approval of the Registrar, from time to time, estimate the repaying capacity of the applicant and examine the feasibility and the utility of the proposed improvement. He shall then submit his report stating what amount of loan may be granted to the applicant against what security and for what purpose and the period within which it may be recovered from him. The Enquiry Officer shall complete his enquiry within fifteen days of the date of the receipt of the application by him. If the Enquiry Officer is unable to complete his enquiry within fifteen days, he shall make a report to the Registrar stating therein the reasons therefor and he shall thereafter act in accordance with such directions as may be issued to him by the Registrar.(12)After completion of the enquiry, the application together with his report shall be submitted by the Enquiry Officer to the Land Development Bank together with the following certificates:-(a)Certificate regarding outstanding Government dues.(b)Any other relevant certificate.(13)On receipt of the report of the Enquiry Officer under sub-rule (12), the Land Development Bank shall satisfy itself that the enquiry has been properly conducted. If there are any deficiencies, the Bank shall get them completed immediately.(14)The Land Development Bank may then undertake such further scrutiny as may be necessary and either pass final orders to the extent as may be empowered by the State Land Development Bank or recommend to the State Land Development Bank within 30 days. Decision shall be communicated to the applicant within 7 days thereafter, The State Land Development Bank may also undertake such further scrutiny as may be necessary and pass final orders within 30 days of the receipt of the application. In case the final orders are not passed within 30 days, the Land Development Bank or the State Land Development Bank as the case may be, make a report to the Registrar stating therein the reasons thereof and shall thereafter act in accordance with such directions as may be issued to it by the Registrar.(15)All the applications received by the Land Development Bank shall be disposed of by the Bank within a maximum period of four months. If the Bank is unable to dispose of an application for loan within the period of four months, it shall make a report to the Registrar stating therein the reasons thereof and the Bank shall thereafter act in accordance with such directions as may be issued to it by the Registrar.(16)In the case of rejection of application for loans, the reasons thereof shall be communicated by the Bank to the applicant, when the loan has been sanctioned, the Bank shall lay down the terms and conditions regarding grant of the loan, regarding payment of installments, submission of report on the progress of improvement of land and release of subsequent

installments. The applicant shall be asked by the Land Development Bank to remain-present at the head office or branch office of the Bank on such date to be fixed, first for execution of the mortgage deed and the next date for receiving loan or the first installment thereof. The later date shall not ordinarily be later than 15 days from the date of communication of sanction of loan to applicant.(17)The applicant, while receiving the amount of the loan or the first installment of the loan, shall purchase shares of the bank to such extent as may be required under the bye-laws of the Bank. The Land Development Bank shall issue a receipt to the applicant giving full particulars of the amounts paid by him from time to time.(18)Failure to comply with any time limits specified in this rule shall not in any manner affect the validity of the sanction of the loans by Land Development Bank or by the State Land Development Bank.

84. Registration of copies of Instruments under section 78.

Copies of instruments referred to in section 78, duly certified by the Branch Manager/Secretary of the Land Development Bank, shall be sent by the Land Development Bank to the Registering officer concerned with in a period of three months from the date of execution of the instruments by registered post or by hand delivery.

85. Authority to Land Development Bank to exercise power under section 89.

The authorisation for the purpose of clause (a) of the proviso to sub-section (1) of section 89 shall be granted to the Land Development Bank by the Registrar after hearing the objection, if any of the mortgagor or mortgagors concerned.

86. Appointment of Receiver and his powers under section 89.

(1) The State Land Development Bank may, on the application of a Land Development Bank and under circumstances in which the power of sale conferred by section 89 can be exercised appoint any person in writing to be a Receiver of the produce and income of the mortgaged property or any part thereof and such Receiver shall be entitled either to take possession of the property or collect its produce and income as the case may be, to retain out of any money realised by him, his expenses of management including his remuneration, if any, as fixed by the State Land Development Bank and to apply the balance in accordance with the provisions for sub-section (8) of section 69-A of the Transfer of Property Act, 1882.(2)A receiver appointed under sub-rule (1) may, for sufficient cause and on application made by the mortgagor, be removed by the State Land Development Bank.(3)A vacancy in the office of the Receiver may be filled up by the State Land Development Bank.(4)Nothing in this rule shall empower the State Land Development Bank to appoint a Receiver where the mortgaged property is already in the possession of a Receiver appointed by civil court.

87. Appointment, qualifications and powers and function of a Sale Officer under section 89.

A Land Development Bank may, from time to time, by a resolution of its committee, appoint any of its officers or any other person as Sale Officer, with the approval of the Registrar, for the purpose of effecting sale of mortgaged property under section 89. Such Sale Officer shall exercise the same powers and functions as are conferred upon Recovery Officer and Sale Officer under these Rules.

88. Procedure for distraint and sale of the produce of the mortgaged land and sale of mortgaged property.

The procedure laid down in rule 94 shall mutatis mutandis apply for the distraint and sale of the produce of the mortgaged land and the sale of mortgaged property under section 88 and 89: Provided that, in the case of sale of mortgaged property, the notice of demand for the payment of mortgaged money or part thereof, as the case may be, as also the notice for the sale of the mortgaged property in the event of the payment not being made within the time allowed, shall be served upon the mortgagor or each of the mortgagors and also upon the following persons, namely:-(i) Any person who has any interest in or charge upon, the property mortgaged, or in or upon the right to redeem the same, so far as is known to the Bank; (ii) Any surety for the payment of the mortgaged debt or any part thereof; and (iii) Any creditor of the mortgagor who has in a suit for administration of his estate obtained decree for sale of mortgaged property. The time allowed for payment of the mortgage money or part thereof in the demand notice referred to above, shall be not less than three months after the service of the notice.

89. Circumstances under which the State Land Development Bank or the Trustee may take action under section 89

(1) If a Land Development Bank fails to take action against the defaulter under section 85 or 88 or sub-section (1) of section 89, the State Land Development Bank may call upon the former to take necessary action within a period of seven days and report compliance. If no report of compliance is received, the State Land Development Bank may itself take necessary action as indicated in the aforesaid section and sub-section. (2) Where necessary action is not taken against the defaulter by the Land Development Bank or by the State Land Development Bank, the Trustee may call upon them to take necessary action within seven days and report compliance. If no such report of compliance is received, the Trustee may himself take the necessary action.

90. Submission of report for confirmation of sale under section 90.

(1) When the sale of the mortgaged property has been effected by a Land Development Bank under section 89 and the purchase amount has been received from the purchaser, the Bank shall submit a report of the sale immediately to the State Land Development Bank and the Registrar as required by sub-section (1) of section 90. (2) When the sale of the mortgaged property has been effected by the State Land Development Bank or the Trustee under section 89 and the purchase amount has been received from the purchaser, the State Land Development Bank or the Trustee, as the case may be, shall submit a report of sale immediately to the Registrar as required under sub-section (2) of section 90. (3) The report referred to in sub-rules (1) and (2) shall contain amongst other details, the

following :- (a) brief account of the circumstances which rendered the sale necessary; (b) full details showing how the provision of clauses (a), (b) and (c) of the proviso to sub-section (1) of section 89 have been complied with; (c) full details showing how the procedure laid down in rule 94 for holding the sale of immovable property has been followed; (d) name of the Sale Officer; (e) place of sale; (f) date of sale; (g) description of property sold; (h) name of purchaser and his address; (i) value realized; (j) cost of sale; and (k) date of receipt of purchase money from the purchaser. (4) The State Land Development Bank or the Registrar may call for any clarification deemed necessary from the Land Development Bank and satisfy itself or himself that the sale has properly been conducted and the Land Development Bank shall furnish the same forthwith. Similarly, the Registrar may call for any clarification from the State Land Development Bank or the Trustee for the same purpose and such clarification shall be furnished forthwith by the State Land Development Bank or the Trustee as the case may be.

91. Certificate of purchase.

The certificate to be granted by a Development Bank under sub-section (1) of section 92 shall be in Form "J".

92. Sale of immovable property purchased by a Land Development Bank.

(1) The Land Development Bank or the State Land Development Bank which has purchased any immovable property sold under Chapter XII of the Act shall, unless otherwise directed by the Trustee, use its best endeavour to sell the property as early as possible to the best advantage of the Bank. The sale shall be effected by public auction within a period of six months from the date of purchase or within such further period as may be permitted by the Trustee. (2) The date and the place of such public auction shall previously be notified not less than thirty days by - (a) advertising the sale of property with full details in one or more local newspapers. (b) proclamation of sale by beat of drum in the village where the property is situated. (c) publication of sale notice at - (i) the village Chopal, Panchayat and a conspicuous place of the village, (ii) the office of the Tehsildar concerned, (iii) the office of the Land Development Bank, and its concerned branch, and (iv) the principal office of the concerned Deputy/Assistant Registrar. The sale shall be subject to confirmation by the Registrar.

93. Certain provisions of Rule 94 apply to sale of immovable property under Chapter XII of the Act.

(1) the provisions of clauses (c), (f), (g), (h), (i), (j) and (k) of sub-rule (11) and of sub-rule (12), (13) and (14) of Rule 94 shall mutatis mutandis apply to the sale of immovable property under Chapter XII of the Act. (2) The expenses incidental to such sale or attempted sale shall be calculated in accordance with the scale laid down in that behalf by the Registrar, from time to time. CHARTER XII Execution of awards, decrees, orders and decisions

94. Procedure in execution of awards etc.

(1) Any decree holder or any person specially authorised by the Registrar in this behalf hereinafter referred to as applicant requiring the provisions of clause (c) sub section (1) of section 100 to be applied, shall apply to the Recovery Officer within whose jurisdiction the defaulter resides or the property of the defaulter is situated: Provided that the Recovery Officer shall initiate the recovery process first against the original loanee and where he is satisfied that it is either impossible or very difficult to recover the debt or demand from the original loanee for the reason to be recorded in writing, he may proceed against the person who has executed guarantee for repayment of such debt or demand. (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 such fee as may be specified by general or special order by the Registrar. The applicant may indicate whether he wishes to proceed against the immovable property mortgaged to the decree holder 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 98 the Recovery Officer shall verify the correctness and genuineness of the particulars set forth in the application with the record, if any in the office of the Registrar and prepare a demand notice in writing in duplicate in the form specified by the 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 proceedings should be taken in a particular order as laid down in sub-rule (2), 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) For the seizure and sale of movable property, the following Procedure shall be observed :-(a) The Sale Officer shall, after giving previous notice to the applicant, proceed to the place, village, town or city as the case may be, 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 be not at once paid the sales 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 amount due is not previously discharged. If defaulter is absent, the Sale Officer shall serve the demand notice on some adult member of the 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 distressed 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 livestock, the applicant shall be responsible for providing the necessary food therefor. The Sale Officer may, at the instance of the defaulter or of any person claiming an interest in such property, leave it in the village, city or town as the case may be or place where it was attached, in the charge of such

defaulter or such persons, if he enters into a bond in the form specified by the Registrar with one or more sufficient securities 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 value of property distrained shall as nearly as possible be proportionate to the sum due against 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 Sale 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 the due season and stored in proper place until sold. In the later 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 effect distrained, and he shall provide the necessary food for the cattle or live-stock, 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, go-down, out-houses or other building and he may also enter any 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 believe that the property of a defaulter is lodged within a dwelling house the outer door of which is closed 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 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 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 customs or usage cannot appear in public, enter the zenana 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 to the day of, sale cause proclamation of time and place of the intended sale to be made by beat of drum in the village, city or town as the case may be, in which the defaulter resides and in such other place or places as the Sale Officer may consider necessary to give due publicity to the sale. No sale shall take place until after the expiration of the period of 15 days from the date on which the sale notice has been served or affixed in the manner laid down in clause (a):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 15 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 highest bid where the price offered appears to be unduly low or for other adequate reasons. Where the property is sold for more than the amount due, the excess amount, after deducting the interest and the expense of process and the other charges, shall be paid to the defaulter:Provided further that the Recovery

Office 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 longer period than 7 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 holding the sale shall appoint, and the purchaser shall not be permitted to carry away any part of the property until he has paid for it in full. Where the purchaser fails in the payment of purchase money, the property shall be re-sold.(l)Where it is proved to the satisfaction of any civil court of competent jurisdiction that any property, which has been distrained under these rules has been forcibly or clandestinely removed by any person, the court may order forth with such property to be restored to the Sale Officer.(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.(6)Where the movable property to be attached is the salary or allowance or wages of a Public Officer or a Railway servant or a servant of local authority or a firm or a company, co-operative society, the Recovery Officer may, on receiving a report from the Sale Officer, order that the amount shall subject to the provisions of section 60 of the Code of Civil Procedure, 1908 (Central Act V of 1908), be with-held from such salary or allowance or wages either in one payment or by monthly installments 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 with hold and remit to sale officer the amount due under the order or 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 instrument not deposited in a 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 of dividend becoming payable thereon may be held subject to the further demands of 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 be 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 60 of the Act or by an arbitrator or any person, then by the order of the Registrar.(ii)where the Registrar makes an order under clause (i), he 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 reasonably 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 judgment debtor bound by the decree attached; and no payment or adjustment of the attached decree made by the judgment debtor in contravention of such order after receipt of notice thereof, either through the Recovery Officer or otherwise, shall be recognized 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 a 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 or 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 with drawable, the Recovery Officer shall arrange for its sale through a broker where the share is with drawable, its value shall be paid to the Recovery Officer or the party referred to in clause (c). The person concerned shall place it in the hands of the 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) 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 record of settlement or survey, the specification of such boundaries or number and the specification of the defaulters share or interest in such property to the best of the belief on 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) shall contain the name of the 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 the 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) 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 defaulters 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 the Tehsil office at least thirty days before the date fixed for the sale and also by beat of drum in the village, city or town as the case may be (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 specifying as fairly and accurately as possible:-(f)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, and(iv)every 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)When any immovable property is sold under these rules, the sale shall be subject to the prior encumbrances on the property, if any. The applicant shall, when the amount for the realization of which the sale is held exceeds Rs. 1000, 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 direction 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 Sale Officer to decline to accept the highest bid where the price offer appears 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 reason for such adjournment. Where a sale is so adjourned for a longer period than 7 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, city or town as the case may be, 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 also that, in cases where an encumbrance certificate is not obtainable owing to the destruction of the concerned records, and affidavit from the village Patwari in regard to the encumbrances known to him supported by a 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 percent 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) the Sale Officer shall dispense with the requirements of this clause.(h)The remainder of the purchase money and the amount required for the stamps 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 the 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 amounts to be paid under this clause, the 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, 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. Every resale of immovable property in default of payment of the amounts mentioned in clause (h) within the period allowed for such payment, shall be made after the issue of a fresh proclamation in the manner and for the period therein before 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 forth with 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 owing such property or holding an 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 the 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, deposited 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 the sale, shall be accepted.(iii)If a person applied under sub-rule (14) 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 be

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, and it shall be conclusive evidence of the fact of the purchase in all courts and tribunals, where it may be necessary to prove it and no proof of the sale or signature of the Recovery Officer shall be necessary unless the authority before whom it is produced has reason to doubt its genuineness.(vi)An order made under this sub-rule shall be final, and shall not be liable to be questioned in any suit or other legal proceedings.(15)Where any lawful purchaser of immovable property is resisted and prevented by any person other than a person (not being the defaulter) claiming in good faith to be in possession of the property on his own account from obtaining possession of the immovable property purchased, any court of competent jurisdiction on application, and production of the certificate of sale provided for by sub-rule (14) shall cause the proper process to be issued for the purpose of putting such purchaser in possession in the same manner as if the immovable property purchaser had been decreed to the purchaser by a decision of the court.(16)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.(17)Persons employed in serving notice or in other process under these rules shall be entitled to batta at such rates as may, from time to time, be fixed by the Recovery Officer.(18)Where the cost and charges incurred in connection with attachment and sale of movable property or the attachment and sale or 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.(19)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 persons making the payment and the subject matter in respect of which the payment is made.(20)(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 advertised 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 be the property in dispute, but, subject to the result of such suit, if any, the order shall be final.(21)(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 resale 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 provision 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 sale, sell for a higher price than at the first sale, the defaulting purchaser at the first sale, shall have no claim to the difference or increase.(22)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.(23)(a)Where the Sale Officer attaches or has attached under these rules, any property not in the custody of any court, which is already under attachment made in execution of a decree of any court, such court shall receive and realize such property and shall determine claims thereto and any objections to the attachment thereof; Provided that, where the property is under attachment in the execution of decree of more courts than one, the court which shall receive or realize such property and shall determine any claim thereto and any objection to the attachment thereof shall be the court of the highest grade, or where there is no difference in grade between such courts, the court under whose decree the property was first attached.(b)Where assets are held by the Sale Officer and before the receipt of such assets, demand notices in pursuance of applications for execution of decree against the same defaulter have been received from more than one decree holder and the decree holders have not obtained satisfaction, the assets after deducting the costs of realization, shall be rateably distributed by the Sale Officer among (all) such applicants in the manner provided in section 73 of the Code of Civil Procedure, 1908.(24)Where a defaulter dies before the decree has been fully satisfied an application under sub-rule (1) may be made against the legal representative of the deceased and thereupon all the provisions of this rule shall, apply as if such legal representative was the defaulter.(25)Where, in connection with the proceedings on an application under section 100 of the Act, and person requires the issue of any process or objects to any process issued or objects to any order passed, he shall pay such fee as may be specified by the Registrar in this behalf.

95. Mode of making attachment before award or order

:- (1) Attachment of property under section 101 of the Act shall be made in the manner provided in rule 94.(2)Where a claim is preferred to property attached under sub-rule (1), such claim shall be investigated in the manner and by the authority specified in rule 94.(3)Where a direction is made for the attachment of any property under sub-rule (1), the Recovery Officer shall order the attachment to be withdrawn -(a)when the party concerned furnishes the security required, together with security for the costs of the attachment; or(b)when the liquidator determines under clause (b) of sub-section (2) of section 64 of the Act that no contribution is payable by the party concerned; or(c)when the Registrar passes an order under sub-section (1) of section 57 that the party concerned need not repay or restore any money or property or contribute any sum to the assets of the society by way of compensation; or(d)when the dispute referred to in sub-section (1) of section 60 has been decided against the party at whose instance the attachment was made;(e)when the order passed under section 107 or any other provision of the Act sets aside the order of attachment.(4)Where

property is under attachment by virtue of the provisions of this rule and a decree is subsequently passed against the person whose property is attached, it shall not be necessary upon an application for execution of such decree to apply for reattachment of the property.

96. Procedure for the custody of property attached under section 101.

(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 subordinate or of a Receiver, if one is appointed under sub-rule (2) 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 expenses 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 101 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. (3) (i) 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. (ii) 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, and where the property is land paying revenue to the Government, also in the office of the Collector of the district and in the office of the Tehsildar or any other Revenue Officer within whose jurisdiction the property is situated.

97. Issue of proclamation prohibiting private transfer of property.

The Registrar or any person authorized by him in this behalf, when acting under section 100 shall, at the time of signing a certificate affecting any property, issue a proclamation in form "K" and in the case of immovable property shall also forward a copy of the proclamation of the Tehsildar within whose jurisdiction the property is situated, who shall cause an entry about such certificate to be made in the Record of Rights.

98. Execution of awards or orders in special cases.

Subject to the provision of section 100, the Registrar may, by an order in writing specially authorize an officer of the Co-operative Department or any officer of an Apex or Central Society, 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.

99. Transfer of property which cannot be sold.

(1) When in execution of an order sought to be executed under section 100 any property cannot be

sold for want of buyers, if such property is in the possession of the defaulter or of 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 any person authorized by him in this behalf under clause (a) or (b) of the said section, the officer conducting the execution shall as soon as practicable report the fact to the Court or the Collector 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), 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 Collector or the Registrar, submit an application in writing to the Court, the Collector 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), 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 in the property, about the intended transfer.(4)On receipt of such 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 100, may within one month from the date of the receipt of such notice, deposit with the Court or the Collector 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 Collector 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), the Court or the Collector 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 "L".(6)The certificate granted under sub-rule (5) 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 Collector 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 100.(8)The transfer of the property under sub-rule (5) shall be effected as follows:(i)In the case of movable property :-(a)Where the property is in the possession of the defaulter himself or has been taken possession of on behalf of the Court or the Collector 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 and 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 defaulter subsequent to the issue of a certificate under section 100, the court or the Collector 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 100, the Court or the Collector 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 sale 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) before a 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) to the village patwari for information and entry in the Record of Rights.(12)The society to which property is transferred under sub-rule (5) 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-rule (5) shall use its best endeavor 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 always given to the defaulter who originally owned the property. The sale shall be subject to confirmation by the Registrar. The proceeds of the sale shall 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) and to the payment of the arrears due by the defaulter under the order in execution, and the surplus (if any), shall then be paid to the defaulter.(14)Until the property is sold, the society to which the property is transferred under sub-rule (5) shall use its best endeavors to lease it or to make any other use that can be made of it so as to derive the largest possible income from the property.(15)When the society to which property is transferred under sub-rule (5) has realized all its dues, under the order in execution of which the property was transferred, from the proceed of management of the property, the property, if unsold, shall be restored to the defaulter.

100. Procedure for recovery of sums due to Government.

All sums due from a co-operative society or from an officer or member or past member of a co-operative society as such to the government including any costs awarded to the government under any provision of this Act may, on a certificate issued by the Registrar in this behalf, be recovered in the same manner as arrears of land revenue.

Chapter XIII

Appeals, Revision and Review

101. Procedure for presentation to and disposal of appeals by Government and Registrar under section 104.

(1) (a) 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 hour or sent to it by

registered post. When the appeal is presented on behalf of a society, a copy of the resolution of the Committee of the society in respect of appeal and authorising the officer to sign and present the said appeal, shall also accompany the memorandum of appeal. (b) An appeal to the State Government under the Act may be heard by such officer or officers, as may be specified by the Government. (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 with a certified copy of the order against which the appeal is preferred. (4) Every appeal shall, (i) be either type-written or hand-writing in ink legibly; (ii) specify the name and the 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) give the date of the order appealed against; (v) clearly state the grounds on which the appeal is made and; (vi) state precisely the relief which the appellant claims. (5) On receipt of the appeal, the appellate authority shall endorse on it the date of its receipt by it. The appellate authority shall, as soon as possible, examine it and satisfy itself that :-(i) the person presenting it has the authority to do so; (ii) it is made within the prescribed time; and (iii) 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 provisions of this rule, 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 as to why it should not be dismissed as time barred by the 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 appellant 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 appellate authority shall after considering the record and hearing the appellant or his agent, if present, 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 judgment 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.

102. The condition of service and procedure for selection of chairman and members of the Rajasthan State Co-operative Tribunal.

(1) The terms and conditions of service and salary and allowances of the Chairman and the member of the Rajasthan State Co-operative Tribunal as referred to in sub-section (3) and (4) of section 105, respectively, shall be regulated by the respective rules applicable to the members on them in their parent department. (2) The terms and conditions of the service and salary and allowances, if any, of the member as referred to the sub-section (5) of section 105, shall be decided by the Government from time to time. (3) The Chairman and the member as referred to in

sub-section (3) and (4) of section 105, shall be selected and appointed by the Rajasthan High Court and the Government respectively.(4)The member as referred to in sub-section (5) of section 105, shall be appointed by the Government on the recommendation of a committee consisting of the following:-

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| (a) The Principal Secretary/Secretary to the Government,Co-operative Department, Rajasthan | Chairman |
| (b) The Principal Secretary/Secretary to the Government,Department of Personnel, Rajasthan | Member |
| (c) Representative of Law Secretary, Government of Rajasthan(Notbelow the rank of J.L.R.) | Member |
| (d) Registrar, Co-operative Society, Rajasthan | Member-Secretary |

102A. [Powers of Registrar to rescind certain resolutions. [Added by Notification No. G.S.R. 53, dated 10.7.2017.]

(1)If the Registrar is of the opinion that a resolution passed at the general body meeting or the committee of a co-operative society is opposed to the objects of the society or is prejudicial in the interest of the society or its members at large, or is against the provision of the Act, the rules or the bylaws of the society or is otherwise in excess of the powers of the society, he may, after giving the society an opportunity of being heard, rescind the resolution.(2)Pending the hearing under sub-rule (1), the Registrar may pass such interlocutory orders, as he may consider necessary in the interest of the society or its members.]

Chapter xiv

Miscellaneous.

103. Account and other books to be maintained by societies.

(1) Every society shall keep and maintain the following accounts and books for the purpose of recording the business transacted by it:-(a)Minutes books for recording the proceedings of the committee and of the general body of members.(b)Register of applications for membership, containing the name and address of the applicant, the date of receipt of application the number of shares applied for and in case of refusal, the date of communication of the decision refusing admission to the applicant.(c)Register of members showing the serial number, name and address of each member, the date of admission, the number of share or shares taken by him, the name or names of nominee appointed by such member, witness to such nomination and the date of cessation of membership.(d)Register of shares showing the name and address of each member, the number of share or shares taken by him and the amount paid by him towards such shares and the amount of share capital, if any refunded to him together with the date of each such payment and refund, the number of share or shares transferred and the name of transferee with the date of such transfer.(e)Cash book, showing daily receipts and expenditure, and the balance at the end of each

day of transactions.(f)Receipt book, containing forms in duplicate, one of each set to be issued for money received by the society and the other to serve as counterfoil.(g)Voucher file, containing all vouchers for contingent expenditure incurred by the society, numbered serially and filed chronologically.(h)Ledger of borrowings, showing deposits and other borrowing of all kinds.(i)In the case of societies issuing Loans -(1)Loan ledger, showing the number and date of disbursement of each loan issued to members, the amount of loan, the purpose for which it is granted and the date or dates or repayment, distinguishing principal and interest.(2)Liability register showing the indebtedness of each member to the society whether on account of loans taken directly by him or on account of loans for which he stands as surety.(j)In the case of a society with unlimited liability, property statement of members showing the assets and liabilities of each individual member on the date of his admission with full details of the property including the survey number of the lands, the statement being revised as often as may be necessary and in any case at least once in three years and such statements being entered in a register in a stitched volume.(k)In the case of a society, the working capital of which exceeds twenty thousand rupees, general ledger showing receipts and disbursements and the outstandings under various heads from day-to-day.(l)In the case of a society to which rule 68 applies, register of fluid resources showing the immediate liabilities of the society and the extent of fluid resources available to meet them.(m)Monthly register of receipts and disbursements.(n)Register of dividend.(o)Register debentures and bonds (where capital is raised by debentures and bonds).(p)Stock register.(q)Property register.(r)Plant and machinery register in case of processing and producers society etc.(s)Register of audit objections and their rectification.(t)In case of a consumer or a marketing society, a separate liability register in terms of value for each salesman and godownkeeper or any other employee engaged in sales or transfer of goods, by whatever designation he is known, showing liability created against him by each invoice, order or any other document through which stocks are received by him for the purpose of sale or transfer of goods, including stocks received under sales promotion schemes of any kind, if any, liability reduced because of amount deposited by him in the accounts of the society, transfer of goods and perishing, breakage, expiry or depreciation etc. of goods, as permitted under norms prevalent in the society and balance of liability after each entry in terms of value.(u)Such other accounts and books as may be required by the Registrar from time to time.(2)The Chief Executive Officer, by whatever name he is known of the society shall be responsible for the custody of the registers prescribed under these rules, bye laws and other record of the society.

104. Maintenance of register of names etc. of co-operative societies.

The Registrar or the authority competent to register a society shall maintain -(1)a register of the names and addresses of all co-operative societies registered under the Act, and(2)a record of the bye-laws of each co-operative society, with all subsequent amendments thereto, arranged in the order in which the amendments are registered.

105. Power of Registrar to direct accounts and books to be written up.

The Registrar may, by order in writing, direct any co-operative society to get any or all the accounts and books required to be kept by it under rule 103 written up to such date, in such form and within such time as he may direct. In case of failure by any society to do so, the Registrar may

depute an officer subordinate to him to write up the accounts and books. In such cases, it shall be competent for the Registrar to determine, with reference to the time involved in the work and the emoluments of the officer deputed to it, the charges which the society concerned should pay to the State Government and to direct its recovery from the society.

106. Certifying copies of entries in books.

(1) For the purposes specified in section 114, a copy of an entry in the books of a co-operative society regularly kept in the course of its business shall be certified :-(a)by the Chairman or the Chief Executive Officer of the Society and shall also bear the society's seal, or(b)by the liquidator where an order has been passed under section 63, appointing a liquidator of the society, or(c)by an Administrator where an order has been passed under section 30, appointing administrator of the society.(2)The charges to be levied for the supply of such certified copies shall not exceed the amounts specified in rule 112.

107. Statement and returns to be furnished by Societies.

(1) Every Co-operative society shall prepare for each co-operative year -(a)a statement showing the receipts and disbursements for the year,(b)a profit and loss account.(c)a balance sheet, and(d)such other statements or returns as may be specified by the Registrar.(2)Every co-operative society shall submit to the Registrar annually, within such time as he may direct a copy of the statements specified in sub-rule (1). After the Registrar or auditor has verified the statements and granted his audit certificate, the society shall publish the audit certificate and such of the other statements as he may direct in the manner specified by him and the audit certificate shall so far as practicable be granted within one year from the date of receipt of the statements specified in sub rule (1).(3)Every Co-operative society shall, in addition to the annual statements specified in sub-rule (1) also submit to the Registrar any statement or return in such form, within such time, and for such period as the Registrar may specify.(4)In case of failure by any society to submit any statement or return specified in sub-rule (1) or (3) within the time directed by him, the Registrar may depute an officer to prepare the necessary statement or return. The members of the committee and other officers of the society shall furnish to such officer entrusted with the work, all information necessary for preparing the return or returns. In such cases, it shall be competent for Registrar to determine with, reference to the time involved in the work and emoluments of the officer deputed to do it, the charges which the society concerned should pay to Government and to direct its recovery from the society as arrears of land revenue.

108. Mode of service of summons or notices.

(1) Every summon or notice issued under the Act or these rules shall be in writing and shall bear seal, if any, of the officer by whom it is issued and shall be signed by such officer or by any person authorised by him in writing in that behalf. The summons or notices shall require the person summoned to appear before the said officer at a stated time and place, and shall specify whether his attendance is required for the purpose of giving evidence or to produce a document or for both purposes; and any particular document, the production of which is required shall be described in

the summons with reasonable accuracy.(2)Summons or notices issued under the Act or these rules may be served through a Tehsildar or any employee of the Co-operative Department or of an apex or Central or Primary Society or through the Chairman or the Chief Executive Officer of the society or by registered post with acknowledgement due. Every person or society to whom summons or notices are sent for service shall be bound to serve them within a week.(3)Any person may be summoned to produce a document without being summoned to give evidence, and any person summoned merely to produce a document shall be deemed to have complied with the summons if he causes such document to be produced, instead of attending personally to produce the same.(4)The service of summons or notices under the Act or these rules on any person, may be effected in any of the following manners:-(a)by giving or tendering it in person; or(b)if such person is not found, by leaving it at his last known place of abode, or business or by giving or tendering it to some adult member of his family; or(c)if the address of such person is known to the Registrar or other authorised person, by sending it to him by registered post with acknowledged due; or(d)if none of the means aforesaid is available, by affixing it in some conspicuous part of his last known place of abode or business;(e)by publishing in a newspaper having good circulation in the area.(5)Where the serving office delivers or tenders a copy of the summons or notices to the defendant personally or to an agent or other person on his behalf, he shall require the signature of the person to whom the copy is so delivered or tendered as an acknowledgement of service endorsed on the original summons or notices.(6)The serving officer shall in all cases in which the summons or notices have been served under sub-rule (5), endorse or annex, or cause to be endorsed or annexed, on or to the original summons or notices a return stating the time when and the manner in which the summons or notices were 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 notices.(7)Where the defendant to be summoned is a public officer or is the servant of a local authority or of a society, the officer issuing the summons may, if it appears that the summons may be conveniently so served, send it by registered post acknowledgement due for service on the party to be summoned to the head of the office in which he is employed together with a copy to be retained by the defendant.

109. Communication or order, decision or award.

Any order, decision or award required to be communicated under the Act or these rules, unless otherwise specifically provided in the Act or these rules, be posted to the last address, of the party as given by the party under certificate of posting and under intimation to the society with instructions to display a copy thereof on its notice board.

110. Inspection of Documents.

A member of the society may inspect the following documents in the office of the Registrar on payment of a fee of rupee five for each occasion and may obtain certified copies thereof, on payment of the following fees:-

- | | |
|---|-----------------------------------|
| (i) application for registration of a society | Rs. 2 per every 200 words or less |
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(ii) certificate of registration	Rs. 10 Each
(iii) bye-laws of societies	Rs. 2 per every 200 words or less
(iv) amendment of bye-laws of society	Rs. 2 per every 200 words or less
(v) order of cancellation of the registration of a society	Rs. 2 per every 200 words or less
(vi) audit memorandum of society	Rs. 2 per every 200 words or less
(vii) annual balance sheet	Rs. 2 per every 200 words or less
(viii) order surcharge under section 57	Rs. 2 per every 200 words or less
(ix) order of super session of a committee or removal of any member thereof	Rs. 2 per every 200 words or less
(x) order referring a dispute or decision	Rs. 2 per every 200 words or less
(xi) any other order against which an appeal is provided	Rs. 2 per every 200 words or less

Provided, the document privileged under section 123, 124, 129, and 131 of the Indian Evidence Act shall not be open to inspection.

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

(1) A member of a society requiring a copy of any of the documents under sub-section (2) of section 113, may apply to the society for the same. Every such application shall be accompanied by a fee of rupees two for each folio. 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), 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 to true copies by any person mentioned in the rule 106.

112. Repeal and Savings.

The Rajasthan Co-operative Societies Rules, 1966, are hereby repealed; Provided that such repeal shall not affect, any order made, action taken, effects, consequences of any thing done or suffered thereunder or any right, title, privilege, obligations or liability acquired, accrued or incurred thereunder or inquiry, verification or proceedings in respect thereof made. Notifications Under Rules Under Rule 3

1. [Notification No. F.4(41) Coop/75, dt. 9-10-1975].

In exercise of the powers conferred by clause (nn) of Section 2 of the Rajasthan Co-operative Societies Act, 1965 (Rajasthan Act 13 of 1965) as amended by the Rajasthan Co-operative Societies (Amendment) Ordinance 1975, the State Government hereby specifies the following persons as belonging to weaker sections of the people, for the purpose of the said Act, namely: (1) Landless agricultural labourers, that is to say, persons who do not held any land whose principal means of livelihood is manual labour on agricultural land; (2) Rural artisans, that is to say, persons who do not held any land and whose principal means of livelihood is production or repair of traditional tools, implements and other articles or things used for agricultural or for purposes ancillary there to and persons who normally earn their livelihood by practicing a craft either by their own labour or by the labour of the members of their family in a rural area; (3) Marginal farmers, that is to say, agriculturists who held land as Khatedar or ghair-khatedar tenants and cultivate it personally and also persons who cultivate land as sub tenants or share croppers, provided that the land so held and cultivated by them does not, in area exceed the following limits: (a) 0.33 hectare of land under assured irrigation capable of growing at least two crops in a year; (b) 0.50 hectare of land under assured irrigation capable of growing at least one crop in a year; (c) 1 hectare of land in fertile zone, semi-fertile zone or hilly zone; (d) 2.67 hectare of land in semi-desert zone; and (e) 3.67 hectare of land in desert zone; (4) Small farmers, that is to say persons referred to in clause (3) above and who held land exceeding the area specified in relation to their class but not exceeding double the area thereof; (5) Members of the Scheduled Tribes as specified in part 111 of the Constitution (Scheduled Tribes) Order, 1950; (6) Members of the Scheduled Castes as specified in part XIV of the Constitution (Scheduled Caste) order, 1950; (7) Denotified Tribes, Nomadic Tribes and Semi-Nomadic Tribes as specified in Social Welfare Department order No.F.1 (2) (S) S.W/63 dated 24th February, 1964, and (8) Other backward classes as notified or recognised as such by the Social Welfare Department of the State. Explanation for the purpose of this notification: (a) "agriculturist" means a person who earns his livelihood wholly or partly from (i) agriculture, or (ii) rent from agricultural land, in case he belongs to any of the categories of persons mentioned in clauses (a) to (h) of sub-section (1) of section 46 of the Rajasthan Tenancy Act, 1955 (Rajasthan Act 3 of 1955) (b) "land under assured irrigation capable of growing at least two crops or one crop in a year" and the expression "zone" shall have the same meanings as are given to these expressions by or under the Rajasthan Imposition of Ceilings on Agricultural Holdings Act, 1973 (Rajasthan Act 11 of 1973); and (c) "land" means the land as defined in the Rajasthan Tenancy Act, 1955 (Rajasthan Act 3 of 1955). Directorate of Social Welfare, Rajasthan, Jaipur List of Denotified Tribes, Nomadic Tribes and Semi-Nomadic Tribes as approved vide Government in Social Welfare Department vide Government Order No.F.1(F)(2) SW/ 63 dated 24-2-1964. Denotified Tribes:

1. Baori, 2. Kanjar, 3. Sansi, 4. Bagri (Bawaria), 5. Mogia, 6. Nut, 7. Naik, 8. Multani, 9. Bhat.

Nomadic And Semi Nomadic Tribes (A) Nomadic Tribes:

1. Baldias (Banjaras), 2. Pardhis, 3. Dorabaris, 4. Gadia Lohars, 5. Iranis, 6. Jogi Kalbelia, 7. Jogi Kanphata, 8. Dhurpalta (Kulphaltas), 9. Shikilgar, 10. Ghisadia.

(B)Semi Nomadic Tribes:

1. Sarangiwala-Bhoas, 2. Rabaris, 3. Ratha, 4. Mangalias, 5. Bhayas, 6. Kanhais, 7. Janglus, 8. Kalukus, 9. Jhangs, 10. Sindhus, 11. Jogis (Other than those included in Nomadic Tribes.) (i) Girinatha, (ii) Ajaipals, (iii) Agamnaths, (iv) Namanatha, (v) Jalandhars, (vi) Masants, Ramaswamies, 13. Bharaddi-Jadhavas.

Notifications Under Rajasthan Co-Operative Societies Act, 2001

2. [Notification No. F.12(15)/Coop/2000/P-2, dt. 7-7-2003].

In supersession of all previous Notifications, the State Government, in exercise of its powers conferred by Section 4 of the Rajasthan Co-operative Societies Act, 2001 (Rajasthan Act No. 16 of 2002), hereby appoints (i)the officers specified in column 1 of Schedule hereto annexed to assist the Registrar, and(ii)confers on them, the powers of the Registrar respectively specified against them in column 2 of the said schedule.

Schedule

S.No.	Officer	Powers
1	Addl. Registrar, Co-operative Societies at Head Quarter.	All powers of the Registrar under the Act.
2	Addl. Registrar, (Appeals) Jodhpur.	All powers of the Registrar under Sections 104 & 107 of the Act.
3	Chief Auditor	All powers of the Registrar under Sections 31, 54, 57 and 101 of the Act.
4	Joint Registrars, Co-operative Societies at Head Quarter.	All powers of the Registrar under the Act, not being powers under Sections 104 and 107 of the Act.
5	Joint Registrars, Co-operative Societies at Zones	All powers of the Registrar under the Act, for the societies having their registered office within their respective Zones but not powers-(i) as they relate to the matters and affairs of the Apex Societies and,(ii) under Sections 104 and 107 of the Act.
6	Project Director (Monitoring) and Project	All powers of the Registrar under the Act, not being powers under Sections 104 and 107 of the Act.

	Director (Processing)	
7	Deputy Registrar, Co-operative Societies at Head Quarter and T.A. to the Registrar (Head Quarter)	All powers of the Registrar under the Act, within their respective jurisdiction but not powers-(i) as they relate to the matters and affairs of the Apex Societies and, (ii) under Sections 104 and 107 of the Act.
8	Dy./Asst. Registrars, Co-operative Societies at Units.	(i) All powers of the Registrar under the Act in so far as they relate to the primary societies and agriculture marketing societies having their registered office in the unit, but not powers under Sections 104 & 107 of the Act. (ii) Powers under Sections 31, 55 and 115 of the Act in so far as they relate to central societies having their registered office in the unit.
9	Dy. Chief Auditor at Head Quarter.	All powers of the Registrar under Sections 31, 54, 57, 101 of the Act (not being the powers in so far as they relate to matters and affairs of Apex Societies).
10	Dy. Chief Auditor (Dairy)	All powers of the Registrar under Sections 31, 54, 57, 101 of the Act for dairy societies, not being the powers in so far as they relate to matters and affairs of Apex Societies.
11	Regional Audit Officer at Zones	All powers of the Registrar under Sections 31, 54, 57, 101 of the Act. (not being the powers in so far as they relate to matters and affairs of Apex Societies).
12	Special Auditors, Co-operative Societies at Head Quarter/Units.	All powers of the Registrar under Sections 31, 54, 57, 101 of the Act. (not being the powers in so far as they relate to matters and affairs of Apex Societies and Central Co-operative Banks) within their respective jurisdiction.