

The Orissa Co-operative Societies Rules, 1965

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The Orissa Co-operative Societies Rules, 1965Published vide Notification No. 12486-CF, dated 24th June, 1965, Published vide Orissa Gazette Extraordinary No. 8910, dated 29.6.1965No. 12486-CF - In exercise of the powers conferred by Section 134 of the Cooperative Societies Act, 1962 (Orissa Act 2 of 1963), the State Government do hereby make the following Rules, the same having been published as required under Sub-Section (1) of the said section of the said Act, namely :Chapter-I Preliminary

1. Short title and commencement.

- (i) These rules may be called the Orissa Co-operative Societies Rules, 1965.(ii)They shall come into force at once.

2. Definitions.

- In these rules unless the context otherwise requires-(a)"The Act" means the Orissa Co-operative Societies Act, 1962, and all words and expressions used but not defined herein shall have the meanings respectively assigned to them in the Act;(b)"Arbitrator" means a person appointed under Clause (c) of Sub-Section (1) of Section 70 to dispose of any dispute referred to him;(c)"Auditor" means a person authorised under Section 62 by general or special order of the [Auditor-General] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] to audit the accounts of a Society;(d)"Bonus" means payment made [* * *] [Deleted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] out of the profits of a Society in accordance with Clause (b), (e) or (f) of Sub-Section (2) of Section 56.(e)[***] [Deleted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](f)[***] [Deleted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](g)"Director" means a member of a committee;(h)"Dispute" means any dispute referable [to the Tribunal under Section 67-B or] [Inserted vide A & C Department Notification No. 1807-dated 1.2.1986-See Orissa Gazette Extraordinary No. 137 - dated 5.2.1986.] to the Registrar

under Section 68; [or raised before the Liquidator or started by him on his own motion as the case may be under Section 75;.] [Inserted by Orissa Gazette Extraordinary No. 500 dated 23.4.1997.](i)"Dividend" means the amount paid out of the net profits of a Society to a member in proportion to the paid-up share capital held by him;(j)"Government" means the State Government of Orissa;(k)"Liquidator" means a person appointed by the Registrar under Sub-Section (1) of Section 73 to wind-up the affairs of a Society;(l)"Principal Officer" for the purposes of these rules/shall mean the Auditor-General or any person appointed under Section 3-A of the Act, to assist him; [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](m)"Sale Officer" means a person authorised by a general or special order of the Auditor-General, to recover the dues covered by an order, decision or award under this act;(n)"Chief Executive" means an Officer of a Society who has been specified as such in bye-laws to discharge the functions of the Chief Executive under the provisions of the Act, Rules and the Bye-Laws;](o)"Section" means a Section of the Act;(p)"Schedule" means any Schedule appended to the Act or the rules;] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](q)[the expressions "Scheduled Castes", "Scheduled Tribes" and "other Backward Classes" shall respectively carry the same meaning as assigned to them under orders of the Government, issued from time to time.] [Inserted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

3. Determination of $\frac{1}{2}$, , etc.

- When any rule or Bye-Laws require the determination of one half, one-third or any other fraction of a number and that number is not evenly divisible, by 2, 3 or such other figure as the case may be, the number next above which is evenly divisible by 2, 3 or such other figure, as the case may be, the number next above which is evenly divisible by 2,3 or such other figure shall be taken for original number.

4. Forms.

- The Registrar or the Auditor-General as the case may be may specify the maintenance of forms registers, returns, statements in connection with the organisation, management and affairs of Societies and may modify the same from time to time.

4A. Net profits.

- The "net profits" of a Society shall be the profits after allowing for the following charges, namely : (a) Establishment charges; (b) Contingent charges; (c) Interest payable on loans and deposits; (d) Audit fees; (e) All other usual working charges such as repairs, rent, taxes and the like; (f) Depreciation and irrecoverable book debts if written off from the profits; (g) Capital expenditure, written off either wholly or in part; (h) Capital loss actually incurred and not adjusted against any fund created out of profits; and (i) Such other deductions as the [Auditor-General] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] may direct from time to time.

Chapter-II Registration of Co-Operative Societies

5. Designation of persons appointed to assist the Registrar of Cooperative Societies.

- The persons appointed to assist the Registrar under Sub-Section (1) of Section 3 shall have any of the following designation, namely :-(1)Additional Registrar of Co-operative Societies.(2)Joint Registrar of Co-operative Societies.(3)Deputy Registrar of Co-operative Societies.(4)[* * *] [Deleted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.](5)[* * *] [Deleted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.](6)[* * *] [Deleted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.](7)Assistant Registrar [of Co-operative Societies] [Added by Orissa Gazette Extraordinary No.500, dated 23.4.1997.](8)[* * *] [Deleted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.](9)[* * *] [Deleted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.](10)[* * *] [Deleted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.](11)[Such other designation as the Government may, by notification, specify from time to time;] [Inserted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.]

5A. [Designation of persons appointed to assist the Auditor-General. [Inserted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.]

- The persons appointed to assist the Auditor-General under Sub-Section (1) of Section 3-A shall have any of the following designations, namely :-(1)Additional Auditor-General of Co-operative Societies;(2)Joint Auditor-General of Co-operative Societies;(3)Deputy Auditor-General of Co-operative Societies;(4)Assistant Auditor-General of Co-operative Societies; and(5)Such other designation as the Government may, by notification, specify from time to time;]

6. Application for Registration.

(1)The signature of the applicants on the application for registration of a Society shall be attested by [at least two witnesses of whom one shall be the organiser] [Substituted Orissa Gazette Extraordinary No.500, dated 23.4.1997.](2)The Bye-Laws to be enclosed with the application for registration shall be signed by the [applicants] [Substituted Orissa Gazette Extraordinary No.500, dated 23.4.1997.] as in the case of application or registration.(3)Every applicant for registration of Society shall be accompanied by-(a)a list of persons who have contributed to the share capital together with the amount contributed by each of them and, the entrance fee [* * *] [Deleted by Orissa Gazette Extraordinary No.500, dated 23.4.1997.] paid by them supported by a certificate of the banker;(b)the scheme [showing in detail] [Substituted Orissa Gazette Extraordinary No.500, dated 23.4.1997.] explaining how the working of the Society will be economically sound, and where the scheme envisages the holding of immovable property by the Society, the description of the immovable property proposed to be purchased, acquired or transferred to the Society; and(c)[such other documents and particulars as may be required by the Registrar;] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](4)[Where any person or authority joining in the application for registration of a Society is;(a)a Society, the President of the Society, or the Vice-President, in case the Society does not have a President, or having a President, such President is unable to perform his duties, or the representative, in case such Society does not have a President

or Vice-President or having a President and Vice-President, none of them is able to perform his duties;(b)a local authority or body corporate, the head of such authority or body, as the case may be; or(c)the State or the Central Government, an Officer authorised by such Government, shall sign the application for registration and the bye-laws, on behalf of such society, authority, body corporate or Government;](5)[* * *] [Deleted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](6)The application shall either be sent by registered post or delivered by hand to the Registrar.

6A. [[Inserted by SRO No. 1035-dated 5.10.1979, See Orissa Gazette Extraordinary No 1979 - dated 25.10.1979.]

A Primary Co-operative Society operating in any area declared under Sub-paragraph (2) of Paragraph 6 of the 5th Schedule to the Constitution of India at scheduled area by the President shall not be registered as Large Size Multipurpose Co-operative Society unless its purpose are(a)to provide agricultural credit to the Tribals and others within its area of operation;(b)to provide agricultural inputs to members;(c)to provide credit for collection of minor forest produce to its members;(d)to provide facilities for collection, storage, marketing and processing of agricultural and minor forest produce;(e)to supply essential commodities to the members; and(f)to conduct such other activities for the benefit of Tribals as decided by the State Government from time to time.]

7. Alteration in draft Bye-Laws by Registrar.

- The Registrar may, before registering a Society -(a)call for such information or make such enquiry as he may deem necessary; and(b)make such alteration in the draft Bye-Laws submitted with the application for registration as he may deem fit, provided that before making such alterations the Registrar may give an opportunity to the organiser to be heard.

8. Subject-matter of Bye-Laws.

- Every Co-operative Society shall, subject to the provisions of the Act and the Rules made thereunder, make Bye-Laws in respect of the following matters and may deal with such other matters incidental to the organisation of the Society and the management of its business as may deem necessary -(1)the name and registered address of the Society and its branches, if any;(2)the area of its operation;(3)the subjects of the Society;(4)the purpose to which its funds may be applied;(5)[the qualification for admission and continuance as members and joint members, and the payment, if any, to be made, interest to be accrued and the requirements or obligations to be fulfilled as conditions for exercising the rights of membership.] [Substituted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.](6)the rights and liabilities of membership;(7)[admission of nominal members, their rights and liabilities and conditions for their continuance.] [Substituted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.](8)the nature and extent of the share capital, if any, of the Society and the maximum value of shares which a single member can hold;(9)the manner in which the capital may be raised whether by means of shares, debentures, deposits from members or non-members or otherwise, and the maximum share capital that can be refunded, if

any, in any one year of the Society;(10)the entrance and other fees and fines, if any, to be collected from members;(11)removal and expulsion of members and the payment, if any, to be made to such members;(12)transfer of share or interest of a member;(13)the circumstance under which withdrawal of membership shall be permitted and the procedure to be followed in case of withdrawal for ineligibility and death of members;(14)[qualification, mode of appointment and service conditions of officers and employees of the Society including their powers and duties and the code of conduct for the employees, officers, members and office bearers of the Society;] [Substituted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.](15)the mode of summoning and conducting general meeting, meeting of the committee and the meeting of the Executive Committee or Sub-Committee;(16)powers and duties of the general body, the Committee, Executive Committee and other Committees;(17)powers and duties of the President, Secretary and other officers of the Society;(18)altering abrogating Bye-Laws;(19)the general conduct of business of the Society;(20)the disposal of profits;(21)limits and manner of distribution of dividend, bonus and honorarium;(22)creation and use of reserve and other funds;(23)the mode of custody and investment of funds outside the business of the Society;(24)the custody of books, accounts and securities and the mode of keeping accounts;(25)disputes;(26)the authorisation of an officer or officers to sign documents and to institute and defend suits and other legal proceedings on behalf of the Society;(27)manner of sending notices;(28)framing of subsidiary rule or rules of business;(29)the Bye-Laws of a Society shall provide that, should there be conflict between the Bye-Laws of the Financing Bank or the Apex Bank to which a Society is affiliated and Bye-Laws of the Society, those of the Financing Bank or Apex Society, as the case may be, shall prevail.

9. Registration of Society.

(1)The applicants for the registration of a Society shall select an organiser for communicating with the Registrar in regard to the registration and such organiser shall furnish such information in regard to the proposed Society, on behalf of the applicants as mentioned in Section 6 (1) of the Act, as the Registrar may from time to time require.[(1-a) The applicants while applying for registration of a Society, shall furnish a duplicate set of their application alongwith all enclosures to the Registrar which shall be endorsed to the Apex or Central Society concerned for making consultation referred to in Section 7;] [Inserted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997.](2)[If the Registrar registers a society finally or provisionally, or refuses to register it, he shall issue the certificate of such registration or communicate order of refusal together with the reasons therefor, as the case may be, to the organiser by registered post under acknowledgment due, within seven days of such registration or passing of the order of refusal.] [Substituted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.](3)[If the Registrar is satisfied for registration of the proposed society he will direct the Organiser of the Society to deposit the fees as specified by him from time to time, before issue of the certificate of registration to the society.] [Inserted vide Orissa Gazette Extraordinary No 1133, dated 26.7.2002.]

10.

(1)The certificate of registration or provisional registration, as the case may be, shall be issued in the form set forth in Schedule A and A-1 respectively alongwith a notification of the members and

President of the Preliminary Committee constituted in the manner envisaged under Sub-Section (1-c) of Section 28 of the Act.(2)(i)On the registration, or provisional registration of a Society under Section 7, the bye-laws of the society as registered and the certificate of registration shall be issued under the seal and signature of the Registrar to the;(a)Organiser of the Society;(b)Principal Officer in the area of operation of the Society; and(c)Financing Bank as well as the Apex or Central Society of which the society intends to be a member;(ii)One authenticated copy of the bye-laws and the certificate of registration shall be retained in the office of the Registrar; and(iii)The Bye-Laws alongwith the certificate of registration so issued shall be conclusive evidence of the fact that the said Bye-Laws have been duly registered under the Act.]

11.

[* * *] [Deleted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997.]

12. List of Registered Societies to be maintained in the Office of the Registrar.

- The Registrar shall keep in his office -(1)a register of the names and addresses of all registered Societies; and(2)a register of the Bye-Laws of such Societies with all subsequent amendments thereto, arranged in order in which the amendments are registered.

12A. [Acquisition and disposal of property. [Inserted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.]

(1)A society shall, in the interest of its members, creditors, depositors and its employees, acquire and dispose of property through -(a)a resolution of the Managing Committee passed by the majority members of the Committee in respect of movable property;(b)a resolution of the General Body passed by a majority of its members in respect of immovable property subject to approval of Registrar.(2)The Registrar while approving the proposal referred to under Clause (b) of Sub-rule (1), shall consult with the Financing Bank to which the society is indebted and consider the opinion received from such Bank:Provided that where no opinion is received from such bank within a period of fifteen days from the date of reference by the Registrar, it shall be deemed that such Bank has agreed to the action proposed to be taken by the General Body of the Society.(3)Notwithstanding anything contained in this rule the approval of the Registrar shall not be required in case -(i)the acquisition or disposal of such property is the business carried on by the Society in pursuance of the object for which the Society is organised; and(ii)the property is acquired in a public auction in satisfaction of its dues.]

13. Change of liability.

(1)Every notice to be given by the society under Sub-Section (2) of Section 11 shall [unless otherwise provided in the Bye-Laws] [Inserted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.] be sent by post under certificate of posting or by delivery in person to the address of each of its member

and creditors as recorded in the books of the Society. A copy of such notice shall be exhibited in the notice board of the Society and a copy shall also be sent to the Registrar for exhibition in 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 be sufficient and proper service on all its members and creditors.(2)For the purpose of determining the claims of a member under Clause (b) of Sub-Section (4) of Section 11, the value of a share of a member in a Society shall be ascertained in the manner laid down in Rules 24 and 25.(3)Any member or creditor desiring to exercise his option under Sub-Section (2) of Section 11 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 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 provision of Sub-rule (2). The scheme may also provide for settlement of claims by mutual agreement. [* * *] [Omitted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](4)[* * *] [Omitted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] The Society shall make payment to the members and creditors as provided in Clause (b) of Sub-Section (4) of Section 11 and make a report to that effect to the Registrar along with the approval to amend the Bye-Laws of a Society in the manner provided in Rule 14 for registration of such amendment.

14. Procedure regarding amendment of Bye-Laws.

- The following procedure shall be adopted in regard to amendment to the Bye-Laws of a Society
 -(i)every amendment shall be made only by a resolution passed by not less than two-thirds of the members present at a meeting of the general body of the members of the society at which a quorum shall be present;(ii)no such resolution shall be valid unless due notice of the proper amendment of the Bye-Laws is given in accordance with the Bye-Laws;(iii)every application made to the Registrar for the registration of an amendment shall be signed by the [Chief Executive of the Society] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] if any, and three members of the Committee of which the President shall be one and shall contain the following particulars, namely ;(a)the date of general body meeting at which the amendment was adopted;(b)the number of days provided in the Bye-Laws for notice for convening the general body meeting;(c)the number of days notice given to convene the general body meeting referred to in Clause (a) for purpose of amendment of Bye-Laws;(d)the total number of members of the Society on the dates of such meeting;(e)the number of members present at such meeting;(f)the number of members required to form the quorum; and(g)the number of members who voted for the amendment;(iv)[* * *] [Deleted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](v)the application for registration of the amendment of the Bye-Laws shall be accompanied by a copy of the resolution, making the amendments alongwith five copies of the amendment signed by the same members as referred to in Clause (iii) together with the copy of the existing Bye-Laws;(vi)[when the Registrar registers an amendment of Bye-Laws he shall return to the Society one of the amended Bye-Laws with a certificate or registration of the amendment in the form set forth in Schedule B. The copy of the resolution and one copy of the proposed amendment shall be retained by the Registrar in this office.] [Contained in the Draft Rules.]Copies of the amendment shall be sent to all persons to whom copies of the Bye-Laws are to be sent vide Rule 10.

**14A. [Procedure for amendment of Bye-Laws under direction by Registrar.
[Inserted by Notification No. SRO 52/70-D. 6.2.1970.]**

(1)Where it appears to the Registrar that amendment of the Bye-Laws of a Society referred to in Sub-Section (12) of the Orissa Co-operative Societies Act, is necessary, he shall indicate the reasons therefor, and issue a notice calling upon the Committee of such Society to convene a general meeting to consider such amendment.(2)The notice referred to in Sub-rule (1) shall specify -(a)the text of Bye-Laws as existing and the Bye-Laws as proposed for amendment, or the new Bye-Laws as proposed to be incorporated, of the existing Bye-Laws which is proposed for deletion;(b)the period within such amendment should be sent to the Registrar for registration after getting it passed by the general meeting.(3)Where [the committee of] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] a Society files an objection to the proposed amendment, such an objection shall be duly considered by the Registrar and if the Committee desires to be heard, it shall be given an opportunity of being heard. The Registrar may, after considering the representation of the Society, register the amendment.]

15. Manner of giving notice of the Resolution under Sub-Section (5) of Section 14.

- When a Society has passed any resolution under Sub-Section (1) or Sub-Section (2) [* * *] [Omitted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] of Section 14 the Society concerned shall give a notice of the resolution to all its members and creditors whose interest will be affected by the amalgamation or transfer of assets and liabilities or division of Societies, in the following manner, namely :(a)a copy of the notice shall unless otherwise provided in the Bye-Law be sent under certificate of posting or delivery in person to each of the members and creditors;(b)a copy of the notice shall be sent to the Registrar;(c)a copy shall be exhibited in the office of the Society.

15A. [Inserted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

(1)The annual reports and accounts of the partnership ventures undertaken, or the new organisation created, if any, out of such partnership of societies, as the case may be, under Section 15-A, shall be placed before the General Body Meetings of each partner Society every year.(2)Only such of the reports and accounts as have been audited and certified by the Auditor-General or a registered Chartered Accountant duly authorised in that behalf by the Auditor-General are to be placed before the General Body under Sub-rule (1) and Sub-section (2) of Section 15-B of the Act.(3)The audit reports and accounts referred to in Sub-rule (2) shall be placed before the General Body within nine months of the closure of the year to which they relate.].Chapter-III Members of The Co-Operative Societies and their Rights and Liabilities

**16. [Persons who may become members under Section 16 (1)(b)(iv).
[Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]**

(1)The following persons may be admitted as members of a Society;(a)any local authority;(b)Orissa State Khadi and Village Industries Board;(c)any other body corporate and(d)any individual;](2)No person shall be admitted as a member of Society unless -(i)he has applied in writing for membership in the form laid down by the Committee [subject to the provision of the Act, Rules and the Bye-Laws] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.];(ii)[his application is accepted by the Committee subject to the provisions of Section 16 and Section 16-A; and [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](iii)he undertakes to accept the responsibility of membership, and fulfils such other conditions as are laid down in the Act, Rules and the Bye-Laws;](iv)in case of a [local authority] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] the Orissa Khadi and Village Industries Board or any other body corporate, the application for membership is accompanied by a resolution of the body concerned authorising it to apply for such membership.

**17. [Information by the member. [Substituted vide Orissa Gazette
Extraordinary No. 500, dated 23.4.1997.]**

(1)Every person at the time of applying for membership and on being admitted to the membership of a Society shall furnish to the Society such information in regard to his/her or its disqualifications, if any, as the case may be, under Sub-Section (1) of Section 16-A and thereafter upon incurring any such disqualification in such form and in such manner as may be laid down by the Committee subject to the provisions of the Act, Rules and the Bye-Laws.(2)Furnishing of any false information under Sub-rule (1) shall be an offence under Clause (b) of Sub-Section (5) of Section 115.]

18.

[* * *] [Deleted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997]

19. Affiliation to State Co-operative Union.

(1)The State Government may declare from time to time requiring any of the following types of Societies to get affiliated to the State Co-operative Union under Section 17 -(i)all Apex Societies;(ii)all Central Co-operative Banks;(iii)all Regional Co-operative Marketing Societies;(iv)wholesale Co-operative Stores;(v)[* * *] [Deleted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997](vi)such other Societies as may be considered fit by the State Government having regard to their income and activities and number and nature of their members.(2)[(i) A Society declared under Sub-rule (1), shall get affiliated to the State Co-operative Union within thirty days of the date of such declaration.(ii)In case a Society fails to affiliate itself accordingly, the Registrar shall, by an order in writing, to be passed within 15 days from the date of expiry of the aforesaid period of thirty days, shall declare it to have become affiliated to and a member of the Union.](3)The order of the Registrar under Sub-rule (2) shall be communicated to the Society by

Registered Post and to the Union.

20. [[Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

(1) Every member of a Society shall fulfil such obligations as are provided in the Act, rules and Bye-Laws. (2) Failure to discharge any such obligation, will disentitle the member concerned from exercising his rights of membership including the right to vote in the affairs of the Society or contest for any office thereunder during the period such failure subsists. (3) The obligations referred to in Sub-rule (1) shall, include, inter alia the following : (i) [* * *] (ii) to avail and render such minimum services to the Society every year, as may be provided in the Bye-Laws; (iii) to abide by such code of conduct as may be formulated by the General Body; (iv) not to undertake or carry on any business as is likely to be prejudicial to the business or interests of the Society; (v) not to withdraw or resign from the membership of the Society within one year of the date of his admission as member; (vi) to undergo Such Co-operative educational courses as may be decided by the Committee; (vii) to furnish such information to the Society as are required under the Act, Rules and the Bye-Laws; (viii) to attend the meetings of the General Body unless any absence in that regard is permitted or condoned by the General Body; and (ix) to abide by the Co-operative Principles in all his dealings with the Society or any other Society.]

21.

[* * *] [Omitted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.]

22. [Manner of exercising vote. [Substituted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997.]

- The representative of the member society who will exercise his vote at any election of another Society in absence of the President and Vice-President of the Society as provided under Clause (a) of the proviso to Sub-Section (1) of Section 21 of the Act, shall be specified by the General Body as soon as may be after the elections to the Managing Committee of the member Society is completed.] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

22A. [Manner of expulsion of members. [Inserted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.]

(1) The General Body may pass a resolution expelling a member under Section 21-A, either on its own motion, or on receipt of a requisition from -(a) at least one tenth of the total number of members thereof; or (b) the Committee. (2) The requisition referred to Clause (a) of Sub-rule (1) shall be placed before the General Body along with grounds for the proposed expulsion through the Committee and the Committee shall, as soon as it receives it and in no case, later than ten days of the date of receipt thereof, call upon the member proposed to be expelled to furnish his representation, if any against the proposed expulsion within such time not exceeding fifteen days as may be specified in the notice to be issued to the member in that behalf. (3) The provision of Sub-rule

(2) in so far it relates to calling upon the member proposed to be expelled to file his representation, if any, shall mutatis mutandis apply to the requisition of the Committee made under Clause (b) of the said sub-rule.(4)The Committee shall place the requisition referred to in Sub-rule (2) before the General Body alongwith the grounds of expulsion and representation of the member concerned, if any, for its consideration and decision.(5)The General Body shall, before passing any resolution on its own motion expelling a member, shall call upon the member concerned in case he is present in the meeting in which the resolution for expulsion is mooted, itself or through the Committee, in case the member is not present to make his representation, if any, against the proposed expulsion, and the Committee shall upon receipt of any direction from the General Body in that behalf, take action as provided under Sub-rule (2) and place the representation, received, if any, from the member concerned in the immediately next meeting of the General Body.(6)The representation received from the member directly or through the Committee, as the case may be, under Sub-rule (2) shall be duly considered by the General Body before it passes a resolution expelling the member.

22B. Restriction on holding of shares by individual members.

- No individual member of a Society shall hold shares in the Society beyond such limits as may be specified in the Bye-Laws subject to the provisions of Section 22.]

23. Disposal of share and interest.

(1)When a member-Society is ordered to be wound up under Section 72, its membership shall cease at once. The value of share or interest in the Society shall be refunded to the member-Society or its Liquidator after adjusting the dues payable, if any. If the dues payable by the member-Society are more than the value of the share or interest it should adjusted and action shall be taken for recovery of the excess.(2)When member is expelled [* * *] [Deleted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997.] the value of his share or interest in the Society shall be paid to him after deducting any dues payable by him to the Society.(3)(i)Subject to the provisions of the Act, the Rules and the Bye-Laws of the Society, a member may withdraw or resign from the Society after giving 3 months notice to the Secretary of the Society of his intention to resign from membership of his Society.(ii)No resignation of a member shall be accepted unless the member has paid in full his duties, if any, to the Society and has also cleared his liability, if any, as surety for any other member.(iii)Any member, whose resignation has been accepted by the Society may demand refund of the share capital held by him. The Society shall, subject to the provision of the rules and Bye-Laws, refund the amount to the said member.(4)(i)A member of Society may nominate in writing any person to whom or to whose credit the share or interest or the value of such share or interest shall, on his death, be paid or transferred under the provision of the Act : Provided such member may from time to time revoke or vary such nomination in writing.(ii)Such nomination shall, in the event of his death, be given effect to by Society provided that -(a)the nomination in writing has been signed by the deceased in the presence of at least two witnesses, attesting the same;(b)the nomination has been registered in the books of the Society kept for the purpose.(iii)The number of persons who may be nominated by a member shall not exceed the number of shares held by him.(iv)When member nominates more than one person in respect of any share held by him he shall as far as practicable specify the amount to be paid or transferred to such nominee in terms of a

whole share.(v)The nominee, heir or legal representative may become a member only if admitted by the Committee.(vi)If the nominee or heir or legal representative does not want to become a member or is refused membership, the value of the share or the interest payable to him shall be paid after adjusting all moneys due from the deceased member.(5)Where a member ceases to be as such under Sub-Section (2) of Section 16-A the value of his share or interest in the Society shall be paid back to him after adjusting all moneys due from him.(6)Until the share or shares are refunded, the dividend shall accrue on it and shall be paid to the member or others as mentioned in Sub-rules (1) to (5) above.(7)The value of the share or interest to be refunded under Sub-rules (1) to (5) above shall be ascertained in the manner provided under Rules 24 and 25.(8)Total refund of share capital by a Society in a Co-operative Year under Sub-rules (1) to (5) above shall not exceed 10 per cent of its total paid-up share capital.

24. Procedure for calculating the value of the share or interest of a member.

(1)Where a Society has to make a refund of the share or interest, the value of the share shall be deemed to be equal to the amount actually paid up the share, provided that where a portion of assets is estimated to be paid in the latest audited balance-sheet and is not covered by funds created out of the profits, the committee may, for the purpose of such payment reduce the value of the share in the same proportion as the aggregate amount of the assets which are not bad, less the amount of outside liabilities bears to be paid-up share capital.(2)Where a transfer of share or interest is to be made, the value of the share or interest shall be deemed to be the sum actually paid by the member for the acquisition of such share or interest.(3)In case the member or his nominee or legal representative is not satisfied with valuation of the Committee, he may file a dispute before the Registrar.

25. Manner of determining value of land.

- [(1) Value of land for the purpose of Section 26 shall be determined by the Committee so however, that the value so determined shall in no case be less than the value determined by the revenue authority in respect of the same land or lands similar to that in the vicinity.] [Substituted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997.](2)Any dispute as to the value of such land shall be referred to the Registrar.

26. [General Body and Meeting thereof. [Substituted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997.]

(1)General Body in relation to a Society shall consist of all members excluding the nominal members in the case of a Primary Society and the President or Vice-President or representative, as the case may be, of member Societies, individual members, deemed members as per provisions of Sub-Section (1-a) of Section 16 of the Act, the Government nominees and the heads of the local authorities or other body corporates, if any, in the case of Central or Apex Societies.(2)Every Society, the area of operation or the membership of which exceeds a revenue sub-division or one thousand members shall have a representative smaller General Body.(3)(a)The representative smaller General Body shall consist of the Government nominees, if any, and the elected representatives of the

individual and non-individual members of the Society respectively :Provided that the total number of members of the representative smaller General Body shall, in no case be less than fifty and more than one hundred.(b)The number of representative to be elected by the individual and non-individual members shall bear such proportions to their total members respectively, as may be decided from time to time by the Committee, so as to ensure equitable representation of all classes of members of the Society.(c)In every case where a Society is required to constitute a representative smaller General Body in accordance with the provisions of Section 27, the Chief Executive of the Society shall hold elections and constitute the said body within four months from the date of coming into force of the Orissa Cooperative Societies (Amendment) Rules, 1997.(d)The voting at the elections shall be by means of secret ballot and polling shall take place simultaneously at such places as may be decided by the Committee having regard to the convenience of the members to exercise their right of voting.(e)The procedure as laid down in Orissa Co-operative Societies (Elections to the Committees) Rules, 1992 relating to the election of members of the Committee shall, apply mutatis and mutandis to the election of representatives to the smaller General Body.(f)The tenure of the representatives to the smaller General Body shall be such as may be fixed by the Committee.(g)A representative to the smaller General Body shall cease to be so, if he ceases or resigns from the membership of the Society or dies or refuses in writing to function as such and upon such cessation another representative shall be elected in his place.(h)The reference to the General Body of a Society wherever occurring in the Act, Rules and the Bye-Laws, shall mean a reference to a representative smaller General Body in every case where such a smaller Body has been constituted for a Society.(4)The Meeting of the General Body of a Society shall be convened by the President or in his absence by the Vice-President or by the Chief Executive under the authority and direction of the President or the Vice-President as the case may be. In the event of non-convening of the General Body meeting by the President or the Vice-President or the Chief Executive of the Society, the Committee may authorise any other member of the Committee to convene such General meeting/meetings by issuing notice.(5)Notice of the meeting of the General Body, stating the place, date and time of the meeting together with a statement of business to be transacted at the meeting, shall be sent to every member of the Society; seven clear days before the date of the meeting in the manner provided in the Bye-Laws.(6)Absence at a meeting due to the non-receipt of the notice by any member shall not invalidate the proceeding of that meeting.]

27. President of General Meeting.

(1)The President or in his absence the Vice-President of the Society, if such an appointment is provided in the Bye-Laws shall preside over the meeting of the General Body. If both are absent the members present shall elect one from amongst themselves to be the President of the meeting.(2)The President shall maintain order in the meeting and shall conduct the proceedings in such manner as may be conducive to expeditious and effective disposal of business. He shall decide all points of orders and his decision upon such points shall be final, subject to their being in conformity with Act, Rules, and Bye-Laws [* * *] [Omitted vide Orissa Gazette Extraordinary No 500, dated 23.4.1997.]. The President may direct any member to withdraw of disorderly conduct and the members so ordered shall immediately withdraw and unless otherwise directed by the President, shall not participate in the deliberations of the meeting and shall not be entitled to vote without the permission of the President. In the event of disorder, he may suspend the meetings and adjourn it to

such date and time he may fix.(3)The President of the meeting may, at his discretion allow, any other person who is not a member of the General Body to be present at the meeting or to participate in the discussion, but such person shall not be entitled to vote.

28. Quorum of General Meeting.

(1)The quorum of a General Meeting shall be fixed in the Bye-Laws. No business shall be transacted at any meeting unless there is quorum.(2)If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned ordinarily to the same day in the next week at the same time and place :Provided that -(i)no quorum shall be necessary at a meeting adjourned in accordance with this Sub-rule; and(ii)[a meeting which has been called [on requisition of members] [Substituted by S.R.O.No. 1127-dated 18.8.1978.] under Sub-Section (1) of Section 30 or a meeting which has been called for amendment of Bye-Laws under Rule 14 shall not be adjourned but dissolved for want of quorum.](3)If at any time during the meeting sufficient members are not present to form quorum the President, on his attention being drawn to this fact, shall adjourn the meeting to such convenient date, time and place he may fix and the business to be transacted at this meeting shall be disposed of in the usual manner at the adjourned meeting even if no quorum is then present.(4)The business to be transacted in the adjourned meeting shall be the same as in the agenda of the' original meeting and fresh notice is necessary for such adjourned meeting.

29. Minutes of General Body Meeting.

(1)Every Society shall cause the minutes of the proceedings of each meeting of it's General Body to be recorded by the Chief Executive of the Society in a book kept for the purpose, duly certified by the President under his hand and seal, to be the Minutes Book of the Society.(2)Every member attending the meeting shall sign in the Minutes Book in token of his attendance at the commencement, or during the course of the meeting.(3)The minutes of a meeting shall be recorded immediately on termination of the meeting. The President of the Meeting shall sign the minutes as a mark of corrections of recording thereof. The minutes so recorded and signed shall, until the contrary is proved, be the evidence of-(a)the proceedings of the meeting; and(b)the fact that the meeting had been duly called and held.(4)Copies of the minutes of each meeting held shall be sent to the Registrar, Auditor-General and the Financing Bank of the Society.

29A. [Special General Meeting. [Inserted by Orissa Gazette Extraordinary No 500, dated 23.4.1997.]

- A requisition for a special general meeting to be convened under Sub-Section (1) of Section 30 shall state the object of the meeting and shall be signed by not less than one-fourth of the total number of members of the Society and shall be sent to the registered office of the Society. In such a meeting no business other than that specified in the notice issued shall be discussed.

29B. Duty and Responsibility towards the General Body.

(1) It shall be the duty and responsibility of the Chief Executive to place before the meeting of the General Body - (a) exhaustive memoranda on each matter in respect of which the General Body is competent to make a review under Sub-Section (2) of Section 29 and such other matters as may be on the agenda of the meeting, and endorse copies thereof to the President and each member of the Committee in advance of the date of the General Body Meeting; (b) all proposals relating to matters specified in Clauses (a), (j), (k), (l) and (o) of Sub-Section (2) of Section 29 received from the members up to two months prior to the date of the meeting of the General Body, along with the considered views of the committee on each such proposal: Provided that no such proposal will be entertained unless it is made in writing to the Chief Executive, under the signature of at least twenty members or one-tenth of the total number of members of the Society whichever is less; (c) a detailed report in respect of each vacancy in the office of member or President of the Committee which has remained vacant for a period of three months or more; and (d) each audit, inspection, inquiry, annual report including the Annual Report of the Auditor-General and directive of the Government, if any, received since the last meeting of the General Body along with a statement of action taken by the Committee thereon. (2) (i) If any operational deficit is found to have been caused due to any failure on the part of a member or President of the Committee of the Society during any review of such deficit by the General Body under Clause (i) of Sub-Section (2) of Section 29, which is not allocable on any member of the Society under the said clause, the General Body may give a directive to the Committee or the Chief Executive whomsoever, it may deem proper to recover such deficit or portions thereof from such member as may be specified in the directive by instituting legal proceedings or advise the Registrar to take such action as the Registrar may deem proper against the Committee or the member or President thereof, under the appropriate provisions of the Act. (ii) The Chief Executive shall comply with the directives forthwith and in no case, later than a period of one month from the date of the meeting of the General Body in which the directive is given. (iii) If any operational deficit is found allocable on any member or members of the Society and is allocated accordingly during any review of such deficit by the General Body under Clause (i) of Sub-Section (2) of Section 29, the deficit allocated shall be deemed to be dues payable to the Society by the member concerned and shall be realised, if not paid by the member within a period of three months from the date of such allocation, by instituting legal proceedings by the Chief Executive within a period of one month from the date of expiry of the aforesaid three months.]

30. Voting in General Meeting.

(1) [All questions at a meeting of the General Body, except the amendment of the Bye-Laws, shall be decided by majority vote of the members present and voting. (2) Subject to the provisions of Section 20, voting shall be - (a) by show of hand in such manner as the person presiding over the meeting may direct unless a poll is demanded by at least one-tenth of the members present at the meeting; (b) by polling of votes to be taken by ballot subject to the provisions of the Bye-Laws, if any, in that regard, in case poll is demanded. (3) After the voting is over in either manner, the President of the meeting shall declare that a resolution has been carried or lost, as the case may be, and thereafter cause an entry to that effect, as well as the number of votes for and against the resolution, in the minutes of the meeting which shall be conclusive proof of the fact that such a resolution has

been carried or not.] [Substituted by Orissa Gazette Extraordinary 500, dated 23.4.1997]

30A. [Election of the Committee Members.] [Inserted by S.R.O.No. 851/70, dated 12.11.1970.]

- (i) The election of the members of the Committee of Society shall be held in the manner specified hereinafter. [(i-a) The Election Officer shall publish the date of the General Body Meeting of the Society for holding election two months prior to the date of such meeting in the newspaper circulated in the area of the concerned Society or by affixing notice in the notice-board of the Society and Its branches, if any.] [Inserted by S.R.O.No. 1127, dated 18.8.1978.] (2) The election shall be held in the General Body Meeting of the Society and the provisions of the Bye-Laws not inconsistent with the Act or Rules may apply. (3) The notice of the General Body Meeting issued by the Election Officer shall contain the following information : (a) the date on which, the place at which and the hours between which the nomination paper shall be filed; (b) the date on which the place at which and hours between which the nomination paper shall be scrutinised; (c) the date on which, the place at which and the hours between which voting, if necessary, shall take place; (d) the place at which and hours between which, the electoral roll can be inspected by any members; (e) the number of vacancies to be filled up by election and the area of the constituency from which members are to be elected. (4) (a) The Secretary or the Executive Officer of the Society shall prepare constituency-wise, a list of members on the roll, with address who are qualified in accordance with the provisions of the Act, Rules and Bye-Laws to participate in the election as it stood thirty days prior to the date fixed for election and publish copies of the list by affixing them to the notice-board at the Head Office of the Society and all its branches, three weeks prior to the date fixed for election. (b) Objections, if any, concerning anything published in the list, may be heard by the Election Officer and decided within seven days of such publication and the final list shall be prepared and published. (c) A copy of the final list published shall be supplied by the Society, to any member on payment of such fees as may be specified by the Registrar. (5) (a) The nomination of the candidate shall be made in the prescribed form as the Schedule D, seven days prior to the date fixed for election. The forms shall, on application be supplied to any member, free of cost by Society. (b) Every nomination paper shall be signed by two members, whose names are included in the final Electoral Roll published for the purpose. One of the members shall sign the form as proposer and the other as seconder for the nomination. (c) The nomination paper shall contain a declaration signed by the candidate proposed for election to the effect that he is willing to stand for election. (d) Every nomination shall be presented to the Election Officer. (6) (a) The Election Officer, who receives the nomination papers shall maintain a register in which all nomination papers shall be entered strictly chronologically as soon as they are received and acknowledged, the receipt thereof if demanded. No nomination paper shall be entertained after the specified date and time. The register will show ; (i) Name of the candidate; (ii) Name of the proposer; (iii) Name of the seconder; (iv) Date and time of receipt of nomination paper; (v) Signature of Election Officer. (b) At the expiry of the time specified for the receipt of the nomination paper, the Election Officer shall draw up a horizontal line under the last nomination paper, received for the constituency or otherwise in the Register and write underneath "Nomination Closed" and fix his signature with date and time. No nomination papers shall be accepted after nomination has been closed. (c) The Election officer shall give all reasonable facilities to the contesting candidate to examine all the nomination papers and raise any objection regarding

the validity of any candidate's nomination within 3 days of the date fixed for filing of nomination papers and furnish proof therefor.(d)At the time of scrutiny the Election Officer shall endorse his decision of acceptance or rejection on the nomination paper and the symbol proposed by the candidate in accordance with the provisions of the Orissa Co-operative Societies Act, Rules and Bye-Laws of the Society, and in case of rejection he shall record in writing the reason for such rejection. The Election Officer is the final authority as regards approval of the symbol or imposition of any other symbol which is binding on candidate concerned.(7)The list of valid nominations shall be published on the Notice Board of the Society and any other place decided by Election Officer immediately after scrutiny and at least 24 hours before the polling.(8)Any candidate may withdraw his candidature by a letter in writing signed by him and deliver to the Election Officer at any time after the presentation of his nomination paper, and before the hours of the time fixed for taking vote, by the candidate in person. Letter of withdrawal of a candidate once given shall be final.(9)Notwithstanding any other provision of the Rules or Bye-Laws of the Society, voting for election shall be by secret ballot.(10)(a)The proceedings of the Election Meeting shall commence by the Election Officer or any person authorised by him after explaining the nature and object of meeting to the assembled voters. He shall maintain order in the meeting and shall see that the election is fairly conducted. For this purpose he may take resort of the polling assistance.(b)The Secretary or the Executive Officer of the Society shall provide the ballot boxes, ballot papers, copy of the final electoral rolls and other articles as may be necessary for conducting the election.(c)Immediately before the commencement of the election, the Election Officer or the person presiding over the meeting shall show the empty box to such person, as may be present at the time and shall lock it up and place his seal upon it in such manner so as to prevent its being opened without breaking the seal and place it in front of him.(d)The ballot paper shall contain the names of the candidates in regional language or English language, alongwith the symbol of the candidate, the seal of the Society concerned and the signature of the Election Officer or the person presiding over the meeting and any other special mark by the Election Officer.(e)There shall be a separate compartment screened from observation in which the members are to record their votes.(f)No ballot paper shall be issued to a member unless the Election Officer or the person presiding over the meeting is satisfied that the member concerned is the same person as noted in the list furnished to him.(g)On receiving the ballot paper a member shall forthwith proceed into the polling compartment, put a mark on the ballot paper against the name or names of the candidate or candidates for whom he desires to vote and insert the ballot papers into the ballot box kept before the Election Officer with the utmost secrecy.(h)If owing to physical infirmity or illiteracy, a member is unable to make the ballot paper, the Election Officer or any person presiding over the meeting shall ascertain from him, the candidate or candidates on whose favour he desires to vote, put the mark on his behalf and insert the ballot paper into ballot box.(i)The Election Officer or any person presiding over the meeting shall close the polling station at the hour appointed in that behalf in the notice, so as to prevent admission thereto or any voter after that hour.(j)No ballot paper shall be issued after the appointed closing hour but any voter who has received his ballot paper before that hour shall be allowed a reasonable opportunity to record his vote.(k)An elector who inadvertently dealt with his ballot paper in such a manner that it cannot be conveniently used as a ballot paper may, on delivering it to the Election Officer or any person presided over the meeting and satisfying him of the inadvertence the letter shall together with its counterfoil be marked as 'cancelled' by the Election Officer or any person presided over the meeting who shall put his signature thereto.(l)The

counting of votes commence as soon as possible after the voting is completed. Votes shall be counted by or under the supervision of the Election Officer. Each candidate has a right to be present at the time of counting.(m)A ballot paper shall be rejected by the Election Officer, if -(i)it bears the mark by which member who votes can be identified; or(ii)it does not bear the seal of the Society; or(iii)it does not bear the signature of the Election Officer or the officer presiding over the meeting or any other special mark given in the ballot paper by the Election Officer; or(iv)the mark indicating the symbol of voting the name or symbol of a candidate is marked in such manner as to make it doubtful to which candidates, the vote has been cast; or(v)it bears no mark at all.(n)(i)The Election Officer shall count the votes and declare the result. Proceeding shall be recorded in the Minute Book of the Society by the Election Officer with a copy to the Registrar, Deputy Registrar or the Assistant Registrars, as the case may be.(ii)Any person other than the Election Officer, acting as Presiding Officer on completion of the polling shall carry the sealed polling box to the Election Officer who shall count the votes and declare result in the manner as above.(iii)The result shall be decided on majority of vote and in case of equality of votes for two or more candidates the result shall be declared by lot, provided that, decision by lot shall be applied only in case of equality of votes for the last seat.(iv)Before declaration of the result the Election Officer shall tally the number of ballot paper issued by him with the number cast, rejected and cancelled and if there is any discrepancy, he shall order for a fresh poll on the same day or on any other day fixed by him.(v)On completion of election, the Election officer shall handover the ballot papers and all other records relating to the election in a secured container to the Secretary or the Executive Officer of the Society which shall be locked and sealed with the seal of the Society, the seal of the Election Officer and the seal of any contesting candidate if he so desires in such a manner so as to prevent it being opened without breaking the seal. The ballot papers shall be destroyed after expiry of the period of three months if no dispute relating to the election is referred to [under the act.] [Substituted by A. & C. Department Notification No. 1807-dated 1.2.1986 - See Orissa Gazette Extraordinary No 137, dated 5.2.1986.]

30B. Election of President.

(1)Immediately after the election of the Committee members and the receipt of the Government nomination, if any, the Election Officer shall arrange to convene a meeting of the Committee for election of the President of the Society, with the assistance of the Secretary or the Executive Officer of the Society.(2)The Election Officer shall preside over the meeting and he shall call for nomination of the candidate for the election of the President of the Society.(3)Every candidate shall be proposed by one member of the Committee and seconded by another in the meeting. The names of all candidates proposed and seconded shall be read out by the Election Officer. Any candidate may withdraw his candidature before the commencement of the poll but not thereafter.(4)if there is only one duly nominated candidate, there shall be no vote and he shall be declared to have been selected.(5)If there are two and more candidates, the votes of the members, present at the meeting shall be taken.(6)The provisions contained in Sub-rules (9) and (10) of Rule 30-A shall mutatis mutandis apply to such election.(7)Other provisions of the Bye-Laws of the Society not inconsistent with the Act or these rules may apply.

30C. Representation of individual members.

(1) Any individual member of Marketing Society to be eligible to be chosen or to continue as a representative of the individual members in the committee of the said Society should have marketed his produces through under Section 28 (2)(b) either directly or through a Primary Credit Society in the following manner: (a) when an individual desired to contest in the election to the Committee of a Marketing Society, he shall file an affidavit duly sworn before a Magistrate, indicating the total extent of acreage of land owned by him in his personal capacity and his interest, if any, in his joint family property, alongwith the class of land in the form to be prescribed by Registrar two months prior to the date of expiry of the committee. Delay in the filing of the affidavit may be condoned by the Election Officer for justifiable reason for a period of 15 days. Any individual member can take copies of this affidavit at his own cost, to be fixed by the Registrar; Explanation. - Class of land means class of lands as defined under Orissa Land Reforms Act, 1960. (b) all the individual members continuing to be the members of the Committee of a Marketing Society at the time of enforcement of the Orissa Co-operative Societies (Second Amendment) Ordinance, 1970, shall file an affidavit within one month of the coming into effect of these rules to the Secretary or to Executive Officer of the Marketing Society in the prescribed form with the details as narrated in Sub-clause (a) above, in pursuance of Sub-secs. (2-a) and (2-b) of Section 28 of the Orissa Co-operative Societies (Second Amendment) Ordinance, 1970; (c) such of the individual members who have filed their affidavits prescribed under Clause (a) are eligible to stand for election from individual members constituency unless otherwise disqualified; (d) the Secretary of the Society shall send a statement to the Election Officer, 15 days prior to the polling date indicating the value of the produce marketed by these, who have filed on affidavit alongwith the attested true copies of their affidavits for the use of the Election Officer at that time of scrutiny; (e) the individual member to be eligible to be selected or to continue as a member of the Committee of a Marketing Society shall have to market or marketed his produces at the following rate in the preceding two Co-operative Years : (i) member owning lands within 5 standard acres, produces worth the value of 2 quintals of paddy; (ii) member owning lands within 5 to 7 half's standard acres; produces worth the value of 9 quintals of paddy of each additional standard acre of land above 5 standard acres; (iii) member owning lands above 7 half standard acres, produces worth the value of 3 quintals of paddy per each additional standard acre of land above 7 one-fourth standard acres. (2) The Registrar shall declare the value of paddy per quintal each Co-operative Year for the purpose. (3) If in a Marketing Society where no individual member is found eligible to be a candidate for the Committee the number of the seats allotted for the individual in the Bye-Laws shall be kept vacant till the next Annual General Body Meeting of the Society when the seats may be filled up if possible. Such vacancy shall not affect the working of the Committee.

31. [Duties and responsibilities of Chief Executive towards the Committee. [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

(1) It shall be the duty and responsibilities of the Chief Executive to place before every meeting of the Committee- (a) all applications for membership and loans, received and remaining undisposed of till the date of the meeting; (b) a statement on the persons against whom any debt or demand of the Society is required to be enforced or legal proceedings instituted or compromised; (c) all notice received in any legal proceedings against the Society alongwith a statement of action taken in

pursuance thereof since the date of the last meeting;(d)all audit, inspection, enquiry reports, requisitions and directives received since the date of the last meeting from any authority under the Act alongwith a statement of action taken for compliance thereto;(e)such statement, reports, return and information as may be required by the Committee relating to matters in respect of which the Committee has power to exercise or a duty to perform under the provision of the Act, Rules and the Bye-Laws.(2)The annual budget of a Society for a Co-operative year shall be prepared by the Committee and approved by the General Body prior to the commencement of the Co-operative year;Provided that no such budget of -(a)a Primary Agricultural Credit Co-operative Society, Service Cooperative Society, Farmers Service Co-operative Society and a Large sized Adivasi Multipurpose Co-operative Society;(b)a Central Co-operative Bank;(c)a Co-operative Agricultural and Rural Development Bank; shall be approved except with the prior concurrence of the respective Central Co-operative Bank in respect of Societies specified in clause (a), and the Orissa State Co-operative Bank in respect of the Bank specified in Clause (b), and the Orissa State Co-operative Agricultural and Rural Development Bank in respect of a Bank specified in Clause (c).(3)The level beyond which an expenditure of a Society will require sanction of its Committee, shall be such, as may be specified in the Bye-Laws.

32. The first General Body meeting of the Society registered provisionally.

- Within three months from the date a Society is registered provisionally or deemed to have been so registered, the President of the preliminary committee shall convene the first General Body Meeting of all the members and place before such meeting a statement of accounts, a report on the activities, if any, undertaken and the business transaction made as permitted by the Registrar while registering the Society provisionally.]

33.

[* * *] [Omitted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

34.

[* * *] [Omitted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

35. [Meeting of the Committee. [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

(1)The meeting of the Committee shall be called by -(i)the President;(ii)the Chief Executive under the authority of the President;(iii)the Chief Executive on the requisition from -(a)the Registrar on the person authorised by him;(b)the Financing Bank of the Society;(c)the Apex Society to which the Society is affiliated and indebted;(d)the two-thirds of the elected members of the Committee.(2)If the meeting of a Committee is not called by the Chief Executive of the Society within the time specified in the requisition made under Sub-rule (1), the Registrar or the person authorised by him shall have the power to call such meeting and such meeting shall be deemed to be a meeting

convened in accordance with the Bye-Laws.]

36. Procedure and notice for the meeting.

(1)The Committee, the Executive Committee or other Sub-Committees, as the case may be, shall meet for the transaction of the business of the Society as often as deemed necessary, provided, however, that the interval in the case of the meeting of the Committee shall not exceed four months.(2)Notice for the meeting of such Committees shall be given in writing to the members of such Committee at least three clear days before the meeting or as longer period as provided in the Bye-Laws, provided that in case of urgency the members of such Committee may meet with the consent of all the members at any time they choose.The Bye-Laws may provide that in case of urgency there may not be sufficient time to convene a meeting, the business may be transacted by circulating papers. Any decision arrived at by circulation shall be placed at the next meeting of the Committee for information or ratification, as the case may be. Should difference of opinion arise in the course of such circulation the matter shall not be decided by circulation but shall be placed before a meeting of the Committee.(3)The notice for the meeting of any Committee shall specify the place, date and hour of the meeting together with a statement of business to be transacted therein, provided that any urgent business though not included in the statement, accompanying the notice may be brought up and considered with the consent of the majority of not less than $\frac{2}{3}$ (two third) of the members present at the meeting.(4)The Bye-Laws may provide quorum for a meeting of the Committee or Sub-Committee which shall not in any case be less than $\frac{1}{3}$ of the total number of members of the Committee.(5)[All question before the Committee shall be decided by a majority of votes and should there be equality of votes, the President or other presiding member shall have a casting vote :Provided that in case of a society which has been assisted by the State or Central Government in any of the manner specified under Sub-Section (1) of Section 31 of the Act, if there is any difference of opinion between nominated and elected members of the Committee, the matter shall be referred by the Committee to the State Government whose decision thereon shall be final and shall be acted upon, as if the same were a decision taken by the Committee.] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](6)The President of the Committee shall cause minutes of each meeting to be recorded in relevant books and sign the same together with - (a)the names and signatures of the members present at each meeting; and (b)all resolutions and proceedings at their meeting.

37. [The Chief Executive. [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

- The Chief Executive of the Society shall be the officer to sue or to be sued on behalf of the Society and all bonds in favour of the Society shall be in the name of the Chief Executive.]

38. Qualification of paid Staff.

(1)The Registrar may lay down the qualification to be possessed by any member of the paid staff of different categories of Societies.(2)Unless specially permitted by the Registrar the Paid-Secretary of

a Society shall be disqualified from becoming a member of the Committee of Society or its Financing Bank -(i)in any contract made with the Society; or(ii)in any sale or purchases made by the Society privately or any action; or(iii)in any contract or transaction of the Society (other than an investment borrowing) involving financial interests.(3)No Society shall appoint or retain in service any person as its paid officer or servant in any category of service without obtaining from him security in such form and according to such standard as the Registrar may fix for such category or service in the Society or for the class of Societies to which it belongs.(4)The Registrar may, by general or special order, exempt any Society or class of Societies or category of service, in any society or class of Societies from the provisions of this rule or relax in respect of any paid officer or servant the provisions of this rule in regard to the form or the standard of security he should furnish.

38A.

No officer of a Society shall have an interest directly or indirectly -(i)in any contracts made with the Society; or(ii)in any sale or purchase made by the Society privately or in any auction; or(iii)in any contract or transaction of the Society (other than an investment or borrowing) involving financial interest.

39. Maintenance and preservation of books and accounts and submission and publication of statements, returns by the Society.

(1)Subject to the control and directions of the State Government, every Society shall maintain and preserve such books, registers and accounts as may be specified by the Registrar and in such forms as the Registrar may direct.(2)Every Society shall submit such reports, statements and returns to the Registrar of each Co-operative Year and for such period in the form specified by him and shall prepare at the close of each Co-operative Year within one month of such time as the Registrar may direct an annual return in the form approved by him.(3)Every Society shall furnish to financing bank or any other Society of which, it is a member, such reports, statements, returns and information as the financing bank or the Society of which it is a member may require.(4)Every Society shall publish its balance sheet for each Co-operative Year as certified by the Registrar with his audit certificate and such of the specified statements as he may direct within one month from the date on which it is received by the Society by displaying it in any conspicuous place in the registered office of the Society and in any branch of it where the business of the Society is carried on.(5)If the Society fails to submit to the Registrar or to the Financing Bank or to any other Society of which it is a member any statement, report or return under Sub-rules (2) and (3) within the time directed by the Registrar or the financing bank or the Society of which it is a member, as the case may be, or if the accounts of the Society are not complete at the time of audit the Registrar or any person authorised by him in this behalf by general or special order may get the report, statement or return prepared or the accounts written at the expenses of the Society. In such cases, it shall be competent for the Registrar to determine with reference to the time involved in the work, the emoluments of the person deputed to do it, the charge which the Society concerned should pay to the Government and to direct its recovery from the Society.

40. Custody of accounts, books and records.

- The books and records of a Society shall be kept in the custody of the [Chief Executive] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] or such other officer as the Committee may authorise.

41. Officer who will maintain Account Books, etc.

- The Committee shall specify which of the officers of the Society shall -(a)keep books of accounts;(b)keep custody of cash and stores;(c)keep other books and registers; and(d)prepare returns and statements;Provided that a person charged with keeping of accounts shall not be in charge of cash except under special or general order of the Registrar.

42. Annual Return of Verification of Stock.

- All distributive and productive Societies shall submit every year to the Registrar in addition to the copies of the statements specified in Rule 39 a statement of verification of the stock on hand at the close of the Co-operative Year, in such form and within such time as a Registrar may direct.

43. [Functions of Apex and Central Societies in respect of its affiliated Societies. [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

(1)The Apex or a Central Society shall perform among others the following functions in respect of its affiliated societies -(i)promote the objectives of its member societies and for this purpose to frame guidelines, regulations and policies in achieving the objectives;(ii)undertake research and evaluation and assist in preparation of prospective development plans of member societies;(iii)promote harmonious relations between member societies;(iv)help member Societies in the settlement of disputes and outstanding matters among themselves and between a Society and its member Societies;(v)represent the interest of member Societies;(vi)undertake business services on behalf of its member Societies;(vii)provide management development service to member Societies;(viii)ensure timely conduct of annual audit and election of members Societies;(ix)assist member Societies in regular conduct of general and board meetings;(x)evolve code of conduct and viability norms for members Societies;(xi)provide legal aid and advice to member societies; and(xii)provide any other services at the request of member Societies.(2)The State Co-operative Union shall in addition to the functions enumerated in Sub-rule (1) perform following functions :(i)maintain the Co-operative education fund created under Section 56-A;(ii)represent the interest and welfare of all types of Societies in the State;(iii)promote new forms of Co-operative enterprises and for this purpose frame model bye-laws and regulations;(iv)undertake experimental project towards the application of Cooperative ideology;(v)liaise on behalf of and amongst Societies; and(vi)serve a Data Bank and Clearing House on Co-operative;].Chapter-V Properties and Funds of the Society

44. Object and Investment of Reserve Fund.

(1)The reserve fund maintained by a Society shall belong to the Society as a whole and is intended to meet unforeseen losses. It shall be indivisible and no members shall have any claim to a share in it.(2)(i)A credit Society shall invest its reserve fund with a Central Cooperative Bank.(ii)A Central Co-operative Bank shall invest its reserve funds with the Orissa State Co-operative Bank Ltd.(iii)A Primary Land Development Bank shall invest its reserve fund with the Orissa State Land Development Bank.(iv)Any other Society shall invest its reserve fund in the manner described in Section 57 :Provided that the Registrar may, by general or special order permit any Co-operative Society or any class of Societies to invest their reserve fund or a portion thereof in different manner.(3)No Society shall draw upon pledge or otherwise employ any part of its resource funds, except with the sanction of Registrar previously obtained.(4)In the event of a Society being liquidated, Reserve Fund may be utilised towards the net outstanding liabilities of the Society and the balance, if any, may be utilised in the manner provided in Section 76.

44A. [Declaration to be made for creating charge under Section 34(2). [Inserted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

- A member who applies to a society for a loan shall make a declaration in Schedule-C creating charge in favour of the society in his land or other immovable property or his interest on any such land or property.]

45. [Co-operative Education Fund. [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

(1)Every society shall remit the sum as specified by the Government under Sub-Section (3) of Section 56 of the Act to the State Co-operative Union towards its contribution to the Co-operative Education Fund within three months from the date of the closure of the Cooperative year. In case a Society has contributed 4 per cent of the net profit and the State Government have specified a sum in excess of the said percentage, every society shall remit the excess sum to the State Co-operative Union within three months from the date of receipt of audit report by the Society.(2)For the purpose of administration of the Co-operative Education Fund, there shall be a Committee consisting of the following five members:

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|---|----------------------|
| (a) President of the State Co-operative Union | ... Chairman |
| (b) One nominee of the Registrar | ... Member |
| (c) One representative of an Apex Society | ... Member |
| (d) One representative of the Central Co-operative Bank | ... Member |
| (e) Secretary of the State Co-operative Union | ... Member-Secretary |

(3)Subject to such direction as the State Government may give from time to time, the funds may be utilised for any or all of the following purposes, namely :(a)education of members, office bearers, employees of the Societies, in Co-operative principle and practice;(b)development of new type of

Societies;(c)improvement of Cooperative Societies;(d)development of Co-operative movement in general;(e)Co-operative publicity;(f)publication of books and journals relating to Co-operative movement;(g)conduct of research, case studies and evaluation in field of Cooperative movement, and(h)award of prize for rendering meritorious service to the cause of Co-operative movement in the State.(4)The funds shall be audited or cause to be audited by the Auditor-General annually within a period of six months from the close of each Cooperative year and copies of the audit report shall be furnished to the Committee constituted under the Sub-rule (2), the Committee of the State Co-operative Union, Registrar and the State Government;]

46. Payment of Dividend.

- No dividend shall be paid by a Society unless such dividend is recommended by the Committee and approved by the General Meeting :Provided that the General Meeting may reduce the rate of dividend recommended by the Committee but shall have no power to increase the same.

47. Restriction on Payment of Bonus.

(1)The payment of bonus in any year under Clause (e) of Sub-Section (2) of Section 56 shall not exceed 3 months basic salary.(2)The payment of bonus in any year under Clause (f) of Sub-Section (2) of Section 56 shall be half of the rate of bonus allowed under Clause (e) thereof.

48. Investment of Funds.

(1)The funds of a Society not utilised in its business operation may be invested in the following manner in addition to those specified in Section 57-(i)with the previous sanction of the Registrar in the purchase or lease of land or in the purchase, construction or renewal of any building that may be necessary to conduct its business, provided however that no sanction of the Registrar will be required, if the expenditure is incurred fully from the building fund, if any, constituted out of profits under Clause (c) of Sub-Section (2), of Section 56;(ii)purchase of immovable property at a sale held in the execution of a decree obtained by Society for the recovery of any sum due to it;(iii)purchase by a financing bank at a sale in the execution of a decree obtained by a Society, financed by it in the recovery of any sum due to such Society or at a sale brought about by the liquidator or such Society;(iv)purchase or lease of land or purchase, construction or renewal of the building of Society whose object according to its Bye-Laws include such purchase, lease, construction or renewal.(2)The amount of the funds so invested shall be recouped on such terms as may be determined in each case by the Registrar. However no recoupment of the amount invested under this rule shall be necessary where the investment is made by a Society from its building fund, constituted out of profit under Section 56 (2)(c).(3)It shall be an offence under Section 115 of the Act, if an officer or member of a Society or of a Committee thereof invests found not utilised in Society's business otherwise than in the manner laid down under Section 57 of the Act or under this Rule.

49. Restriction on Borrowing by Societies.

(1)A Society shall not receive by way of deposits and loans in excess of limit fixed from time to time by the Registrar.(2)A Society with unlimited liability which is a member of the Financing Bank shall not borrow by way of loan or deposits from any non-member other than the State Government without the sanction of the Financing Bank and where the Society is not a member of the Financing Bank without the previous sanction of the Registrar.(3)A Society may accept fixed deposits from members and non-members subject to such restrictions and for such periods as the Registrar may deem fit to impose provided always that efficient management is ensured and that adequate fluid resources are maintained according to the standard laid down by the Registrar under Rule 50.(4)All Societies with limited liability which made adequate provisions for fluid resources according to the standard laid down by the Registrar under Rule 62 may accept savings bank deposits both from members and non-members subject to subsidiary Bye-Laws for deposit by the Society and approved by Registrar.(5)A Society may accept thrift deposits in accordance with the Bye-Laws for the encouragement of thrifts among its members by opening of thrift accounts.(6)No Society shall undertake current deposits account business without the sanction of the Registrar and such sanction shall not be given by the Registrar unless he is satisfied about the stability of the Society and of its provision of adequate fluid resources as prescribed under the Rules.(7)A Society which accepts deposits and loans from members only and has no liability to any person other than the members may receive such deposits and loans in excess of the limit referred to in Sub-rule (1) if the excess amount is deposited in a Bank to which it is affiliated or is invested in Government or other securities specified in Section 20 of the Indian Trusts Act, 1882, provided that the amount so deposited or invested, or any part thereof is not withdrawn or otherwise utilised except for the repayment of the deposits accepted in excess of the aforesaid limit.

50. Maintenance of Fluid Resources.

- Every Society shall maintain fluid resources in such form or according to such standards as may be fixed by the Registrar from time to time, by general or special order.

51. Application for Loan.

(1)An application to a Society for loan shall be in such form as may be required by the Committee and shall state the purpose for which the loan is required.(2)A member applying for a loan shall make such payments as may be specified in the Bye-Laws.(3)A member of Primary Society applying for loan shall furnish a full statement of his -(i)property and debts;(ii)annual income;(iii)annual expenditure including instalment of principal and interest on prior debts; and(iv)surplus available for repayment of the loan applied for.

52. Security for Loans.

- For every loan a Member shall furnish such security as may be required under the Bye-Laws or by the Committee.

53. Period of Repayment and Restrictions on issue of Loans.

(1)The period of repayment of a loan for a Financing Bank of Credit Society shall be such as may be provided in the Bye-Laws as in no case shall it exceed 5 years except in the case of the Land Development Bank or a Society the object of which is to grant long term loans exclusively on the mortgage of immovable properties.(2)The Registrar shall have power to fix by a special or general order in writing how much of the maximum lending limit of the Financing Bank or a Credit Society other than a Mortgage Bank or a Society the object of which is to grant long term loans exclusively on the mortgage of immovable properties, shall be made available for the grant of short term loans and loans repayment after one year but within five years, as the case may be, from the date of grant of the loans.Notes - In this rule, the term "Short-term loans" means a loan repayable from the sale price of the next harvest as soon as it is released but not exceeding fifteen months.(3)Instalment for the repayment of loan which as granted to a member of Primary Credit Society shall not be in excess of the annual surplus income of the applicant estimated by the Committee under Clause (iv) of Sub-rule (3) of Rule 51.(4)No extension of the period for which a loan is advanced shall be granted except on sufficient cause shown on application of the borrower and with the consent of the sureties or guarantees and in case of a Primary Society affiliated to a Financing Bank, such extension shall be with the consent of the Financing Bank.(5)In any Society where a share capital is contributed by members, a loan shall be granted to a member in proportion to the share capital paid by him which shall be fixed in Bye-Law :Provided that these proportions for any Society or class of Societies may be increased or decreased as may be decided by the Registrar.(6)Every Credit Society of unlimited liability shall, from time to time, fix in a general meeting, the maximum liability a member may incur. The maximum limit so fixed shall be subject to revision of the Registrar or some person authorised by him or the Financing Bank who may reduce it or impose such conditions as may be considered necessary. No loan shall be granted to any individual member of a Society which shall bring his total debts to Society exceeding the maximum amount so fixed.(7)No loan shall be made by a Society to any person other than a member provided that with the prior sanction of the Registrar a Society may make deposits with another Society which is not a member subject to such conditions as the Registrar may specify.(8)Save with the prior sanction of the Registrar and subject to such registration as he may impose, no Financing Bank shall lend money to its individual members except against fixed deposits or trustee securities.(9)No cash-credit shall be given by any Society other than a bank to another Society without the prior sanction of the Registrar.(10)No distributive Society shall sell its goods to persons other than members except as provided in the Bye-Laws.(11)No Society shall lend money to its members only on the security of movable property except with the previous, general or special order of the Registrar or an officer specially empowered by him in this behalf.(12)In no case, Society shall grant loan or make advance against security of its own shares.Notes - The provision of Sub-rule (1) of Rule 53 of the Orissa Co-operative Societies Rules. 1965 shall apply to the Orissa State Co-operative Bank Ltd. and all the Central Co-operative Banks Ltd. as notified below-In Sub-rule (1) of Rule 53 of the said rules for the word and figure "5 years" the word and figure "15 years" shall be substituted vide O.P.G. Ill No. 16 of 24.4.1977.

54. Members to furnish information as to their financial position and alienation of their immovable properties and creditors of members to furnish statements of their claims.

(1) A full, true and accurate statement of his assets and liabilities shall be furnished by -(a) an applicant for membership of credit Society with unlimited liability along with his application; (b) a member of a Society which has one of its objects the advance of loan to its members, when applying for a loan or when required to do so by the Registrar or a person authorised by the Registrar, in this behalf by a general or special order by the financing Bank of which the Society is a member; (c) a person joining as surety in the application of member for a loan from a Society. (2) A member of a Society which has one of its objects the advance of loans to its member, shall before the completion of each such transaction, furnish to the Society, full, true and accurate information regarding any sale, mortgage or transfer in any form whatsoever of his immovable property or any proportion or share thereof and regarding any loan proposed to be incurred from any person other than the Society on the security of such property or otherwise including the amount and the object of such loan.

55. Restriction on transaction with non-members.

- Subject to the provisions of Sections 58 and 59 of the Act and the Rules made thereunder, no Society shall have transaction with persons other than members provided that a Society may have transaction with non-members on strictly ready money basis if the Bye-Laws provided for such transaction.

56. Frame Regulations for Provident Funds.

- A Society may, with the prior approval of the Registrar frame, regulations for provident funds of death-cum-retirement benefits for its employee. Chapter-VI Audit, Inspection, Enquiry and Surcharge

57. [Audit. [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.]

- The Auditor General, in case the Society has been assisted by the State Government in any manner specified in Sub-Section (1) of Section 31 of the Act, shall cause audit of the accounts of such society, by one or more departmental auditors authorised by him in that behalf. Explanation. - 'Departmental Auditor' shall mean persons who are appointed by whatever designation for the purpose of audit of accounts of the society, in the pay roll of the State Government and functioning under the administrative control of the Auditor-General.]

58. Auditor.

(1)The audit under Section 62 shall in all cases extend back to the last date of the previous audit shall be carried out up to the last date of the Co-operative Year immediately preceding the audit or where the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] so directs in the case of any particular Society or class of Societies, such other date as may be specified by [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.](2)Unless the Registrar directs otherwise the audit of a Society as provided in Section 62 of the Act shall be conducted in the registered office of the Society.(3)The officers and employees of the Society shall give the Auditor all assistance necessary for the conduct and completion of the audit and for this purpose in particular, prepare such statements and take such action with regard to the verification or examination of its accounts and stocks as he may be required.(4)The Auditor appointed under Sub-Section (1) of Section 62 shall have the right to attend the annual general meeting of the Society and to explain any matter appearing in the audit report.(5)[In case of any special audit, re-audit or concurrent audit of the accounts of a society in pursuance of Clause (ii) of Sub-Section (1) of Section 62, the provisions of the Act, and Rules as applicable to audit of accounts of the Society, shall apply for such special audit, re-audit or concurrent audit, as the case may be.] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.]

58A. [Communication, consideration and compliance to the Audit Report. [Inserted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.]

(1)Preparation of report of every audit conducted under Section 62 of the Act shall be completed and the report furnished by the Auditor to the Auditor-General, within a period of one month from the date of. physical completion of the audit, which may be extended from time to time by the Auditor-General for reasons to be recorded in writing, so however that the aggregate period does not exceed three months from the date of completion of audit in any case ;Provided that nothing in this sub-rule shall apply to any concurrent audit done on day-to-day basis, in which case such reports shall be finalised on such basis as may be directed by the Auditor-General ;Provided further that every Auditor conducting audit on behalf of the Auditor-General shall forthwith endorse copies of all objection memos and compliance received thereto, as and when filed with, or received from the society along with his finding, if any, thereon, to the Auditor-General, who shall take those into account for giving such directions to the society as he may deem proper.(2)The Auditor-General shall communicate copies of the audit report, containing the statement of receipts and charges, the balance sheet, profit and loss account and the statement of net profits of the Society as finalised and certified by him, along with such directions to the society as he may subject to the provision of the Act, the Rules and the Bye-laws deem proper to the Society and the society to which it is affiliated and the Registrar or the person exercising the powers of Registrar in respect of the society, as the case may be.(3)The Committee of the Society, on receiving the audit report shall consider it and furnish compliance thereto to the Auditor-General, within one month from the date of receipt of the same or such further time as may be allowed by the Auditor-General and on its failure to furnish such compliance, the Auditor-General may place a requisition for taking action under the Act, the Rules and Bye-Laws, as he may deem proper, with the Registrar or the person exercising the powers

of Registrar in respect of the society, as the case may be.(4)Requisitions received under Sub-rule (3) shall not be called in question in any manner by the Registrar, who shall take such action as may be required therein and admissible for him to take under the Act and the Rules.]

59. Auditor's Report.

- The Auditor shall submit to the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No 500, Dated 23.4.1997.] an audit report together with the statements of accounts audited. The report shall include a statement of -(a)every transaction which appears to the Auditor to be contrary to law or to the rules or Bye-Laws of the Society;(b)every sum which ought to have been put has not been brought into account;(c)the amount of deficiency or loss, which appears to have been incurred by the breach of trust, wilful negligence or misappropriation of fraudulent retention of any money or property of any person;(d)any transaction which appears to him to require further investigation;(e)any of the assets, which appears to be bad;(f)any other matter directed by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No 500, Dated 23.4.1997.];(g)whether or not the Auditor has obtained all information and explanation which he required;(h)whether or not in his opinion the balance sheet and the profit and loss account referred to in the report are drawn up in conformity with the Act;(i)whether or not such balance sheet exhibits a true and correct account of the state of Society's affairs according to the best of his information and the explanation given to him as shown by the books of the Society;(j)whether in his opinion books and accounts have been kept by the Society as required under the Act, the Rules and the Bye-Laws;(k)whether there has been any material impropriety or irregularity in the expenditure or in the realisation of money due to the Society; and[(k-1) whether or not any irregularities in the term of the Act, rules and bye-laws has been discovered in the constitution, functioning and business affecting the financial position or otherwise of the Society;] [Inserted vide Orissa Gazette Extraordinary No 500, Dated 23.4.1997.](l)where any of the matters referred to in Clauses (h), (i), (j) or (k) is answered in the negative or affirmative with any remarks, the report shall state the reason for such answer with facts and figures in support of such reason.

60. Cost of Audit.

- [(1) Every society shall pay to the State Government a fee for the audit of its accounts for each Co-operative Year in accordance with the scale fixed by the State Government :Provided that the State Government may by a general or special order exempt a society or a class of society, wholly or partly from payment of such fees for any Co-operative Year or for any specific period.] [Substituted vide Orissa Gazette Extraordinary No 500, Dated 23.4.1997.](2)The fee shall be payable by the Society within such period after the completion of its audit as the [Government] [Substituted vide Orissa Gazette Extraordinary No 500, Dated 23.4.1997.] may direct.

61. Examination of monetary transaction.

- The Auditor shall examine the monetary transactions of Society in so far as may be necessary for the purpose of ascertaining whether there has been any material impropriety or irregularity in the expenditure or in the realisation of money due to the Society and whether any transactions infringe

any provisions of the Act, Rules or Bye-Laws or any direction of the Committee in case of difference of opinion between the Auditor and the Society in regard to the propriety of any of its monetary transactions, the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No 500, Dated 23.4.1997.] shall decide the matter and his decision shall be final.

62. Form of Audit Statements.

- The statements of accounts shall be prepared by the Auditor in such form as the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No 500, Dated 23.4.1997.] may approve.

63. Audit of Liquidated Society.

- The accounts of a liquidated Society shall be audited in the same manner as those of other Societies according to the Acts and Rules.

64. Bad and Doubtful debts.

- The [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] shall issue directions regarding treatment of certain assets as bad and doubtful assets.

65. [Writing off of bad assets. [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

- Any asset considered bad and irrecoverable may be written off by the General body of the society subject to any direction of the Auditor-General in that regard ;Provided that before taking any action to write off any asset considered bad, all possible steps shall be taken by the Committee in accordance with the provisions of the Act and rules for recovery of the said asset.]

66. Inspection by a Financing Bank or Apex or Central Society.

- An inspection under Sub-Section (3) of Section 64 by the Financing Bank,or Apex Society or Central Society may be conducted by an officer or an employee approved by the Registrar of such Bank or Society.

67. Access of Inspecting Officer under Section 64 to Societies books and records and other powers.

(1)The Registrar or the person authorised by him under Sub-section (1) of Section 64 and the officer or any member of the paid staff of the Financing Bank or the Apex Society or the Central Society who are authorised to inspect the Societies under Clause (a) or (b) [* * *] [Omitted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] of Sub-section (3) of Section 64 of the Act shall have the following powers namely :(a)he shall, at all reasonable times, have free access to the books, accounts, documents, securities, cash and other properties belonging to or in the custody of the

Society and may summon any person in possession or responsible for the custody of any such books, accounts, documents, securities, cash or other properties, to produce the same at any place at the head-quarters of the Society of any branch thereof;(b)he may summon any officer, [office bearer] [Inserted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.], member or employee to appear before him at the registered office of the Society, or any branch thereof and may examine such person; and(c)(i)he may notwithstanding any rule or Bye-Laws specifying the period of notice for a meeting of the Committee of the Society, require the officers [or the office bearers] [Inserted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] of the Society to call a meeting of the Committee at such time and place at the head quarters of the Society or any branch thereof and to consider such matters as may be directed by him and where the officers [or the office bearers] [Inserted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] of the Society refuse or fail to call such a meeting he shall have power to call it himself :Provided that no such meeting shall be called without giving notice of at least five days prior to the date of the meeting;(ii)a meeting called under Sub-clause (i) shall, for all purposes, be deemed to be a meeting called under the Bye-Laws of the Society and its proceedings shall be regulated by such Bye-Laws.(2)Every person who is or has at any time been an officer [office bearers] [Inserted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] or employee of the Society and every member and past member of the Society shall furnish such information in regard to the transaction and working of the Society as the Registrar or the inspecting officer referred to in Sub-rule (1) above may require.

68. Enquiry.

- No officer below the rank of an Assistant Registrar shall pass an order of suspension under Clause (b) of Sub-section (3) of Section 65.

69. Cost of Enquiry.

- No expenditure from the funds of any Society shall be incurred for the purpose of defraying any costs in support of an appeal preferred by any person other than the Society against an order under Section 66.

70. Procedure of Surcharge.

- [(1) Where a surcharge proceeding is initiated under Section 67 of the Act, the Auditor-General or the person authorised by him shall issue a notice to the person concerned furnishing him with particulars of payment made contrary to Act, rules and bye-laws or the deficiency caused in the assets of the society by breach of trust wilful negligence or otherwise, or the sum or property belonging to the society misappropriated, fraudulently or unauthorisedly retained by him and the extent of his liability involved therein, and calling upon him to put a statement in his defence within fifteen days of date of issue of the notice.] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.](2)Notice under Sub-rule (1) shall be accompanied by copy of the relevant portion of the audit report, enquiry report of liquidator's report, as the case may be.(3)The person concerned shall furnish along with his statement a list of document and witness which he would like to produce.(4)The [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated

23.4.1997.] or the person authorised by him may allow the person concerned to look into the relevant records of the Society, if required for furnishing an explanation.(5)The [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] or the person authorised by him shall receive and record such evidence as may be necessary and relevant.(6)The [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] or the person authorised by him may thereupon record a decision.(7)The [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] or the person authorised by him also provide in his decision, for the payment of costs of the proceedings under this Rule or any part of such costs, as he may think just.(8)The [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.] or the person authorised by him shall furnish a copy of the decision under Sub-rule (6) of the party concerned within 7 days from the date of decision.Chapter-VII Procedure for Settlement of Disputes

71. Reference of dispute to Registrar.

- A reference to the Registrar of any dispute under Section 68 of the Act shall be in writing and shall be accompanied by-(a)a statement of the subject-matter or the dispute referred to in the form specified by the Registrar;(b)a statement of the claim in the form specified by the Registrar;(c)copy of the ledger account in respect of money suit, if any;(d)such other statement or records as may be required by the Registrar.

72. Verification of Pleadings.

(a)Every pleading shall be verified at the foot by the party or by one of the parties pleading or some other person proved to the satisfaction of Registrar or other officers hearing the dispute to be acquainted with the fact of case.(b)The verification shall be signed by the person making it and shall state the date on which and the place at which it was signed.

73. Written statement.

- The defendant may, at or before the first hearing or within such time as the Registrar or other officers hearing the dispute may permit a written statement of his defence.

74. Limitation.

(1)A dispute relating to the election of a member or on office of the Committee of a Society shall be referred to the Registrar within two months from the date on which the election, with reference to which the dispute arose was held.(2)[* * *] [Omitted vide Orissa Gazette Extraordinary No. 500, Dated 23.4.1997.]

75. Payment of fee for filing of disputes.

(1) Disputes involving claims for money - A fee of [Rs. 4.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] for the first Rs. 100 or fraction thereof the claim [Rs. 1.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] paise for each subsequent Rs. 100 or fraction thereof subject to a maximum of [Rs. 200.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.]. (2) Disputes relating to non-monetary claims - A fee of [Rs. 100.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] on each plaint relating to non-monetary disputes. The fee may be paid by way of affixing of Court-fee stamp or may be deposited in the Treasury or Sub-Treasury in advance under proper head and the Treasury Challan shall be attached to the plaint. The fee is not refundable in case the dispute is withdrawn on compromise in the course of hearing.

76. Appointment of guardian.

- The Registrar, the Arbitrator or other person invested with powers to decide the dispute may, in the absence or in the case of a natural guardian to act as such appoint any person to be the guardian or next friend of a minor as and when any occasion arises and further direct that the cost to be incurred by such a guardian or next friend in the performance of his duties as such shall be borne by any one or more of parties to the dispute.

77. Procedure for settlement of dispute.

(1) In these proceedings the Registrar or the person or the Arbitrator to whom the dispute is transferred or referred for disposal under Clauses (a), (b) or (c) of Sub-section (1) of Section 70, as the case may be, shall fix the date, hour and the place of hearing of the dispute and issue summons or notices in the manner laid down in Rule 150 to the parties concerned in the form specified by the Registrar at least seven days before the date fixed for hearing of the dispute. (2) Where a dispute has been instituted in the name of a wrong person, where all the defendants have not been included, the Registrar or the person invested by the State Government with the powers in that behalf or the Arbitrator deciding the dispute may, at any stage of the hearing of the dispute, is satisfied, that the mistake was bona fide, order any other person to be substituted or added as a plaintiff or a defendant upon such terms as he thinks just.

78. Award or decision.

(1) The Registrar, the Arbitrator or any other person deciding the dispute shall record a brief memorandum of the evidence of the parties and witness and upon the evidence so recorded and after 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, enquiry and good conscience by such Registrar, Arbitrator or other person. The decision or award shall contain the number of the reference, the names and description of the parties and particulars of the disputes and shall specify clearly the relief granted, the amount decreed, the future interest allowed, if any, and the costs

awarded, if any, and shall be signed and pronounced in the presence of parties or communicated by certificate of posting. If no award or decision is pronounced immediately after the conclusion of the hearing of the dispute, the Registrar or other person deciding the dispute shall fix the date and place for the delivery of the award and shall, except for reasons to be recorded in writing, deliver the award on the date so fixed.

79. Appearance of parties and consequence of non-appearance.

(1)When neither party appears when the case of dispute hereinafter referred to as 'case' is called on for hearing, the case shall be dismissed.(2)[Where the defendant appears and the plaintiff does not appear when the case is called on for hearing, the case shall be dismissed unless the defendant admits the claim or part thereof in which case a decree shall be passed against the defendant upon such admission, and where only a part of the claim has been admitted the case shall be dismissed so far it relates to the reminder.] [Substituted by S.R.O. No. 1127 dated 18.8.1978.](3)When a case is dismissed for non-appearance of the plaintiff, he may apply to set aside the dismissal on showing sufficient cause for his previous non-appearance.(4)When the plaintiff appears and defendant does not appear when the case is called on for hearing, the hearing may proceed ex parte if it is proved that the summons were duly served on the defendant.(5)When a case is adjourned for hearing ex parte, and the defendant at or before such hearing, appears and assigns good cause for the previous non-appearance he may, upon such terms as to cost or otherwise, be heard in answer to the case as if he had appeared on the day fixed for his appearance.(6)When in any case in which a decree is passed ex parte against a defendant he may apply for an order to set aside and upon his satisfying that he was prevented by sufficient cause from appearing when the case was called on for hearing an order setting aside the decree as against him upon such terms as to costs or otherwise shall be passed and shall be appointed for proceeding with the case.

80. Disposal of Records.

(1)The original records of the proceedings after the decision or award has been delivered shall be kept in such place and in such manner as the Registrar may direct.(2)Any document or record tendered by a party in any dispute may, on application be returned to the party after the disposal of appeal, if any, or after the period of appeal is over.

81. Certified copies.

- A copy of the decision or award shall, on application be given to a party by the Registrar or any person authorised by the Registrar duly certified, on payment of fee of [Rs. 2.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] for each hundred words or a part thereof.

82. Cost of Award.

(1)The Registrar or an Arbitrator or a person deciding a dispute under Section 70 shall have power

to order the expenses incurred in determining such dispute to be paid out of the funds of the Society or by such party or parties to the dispute as he may think fit.(2)The expenses or the cost awarded under Sub-rule (1) of this rule shall be according to a scale as laid down by the Registrar :Provided that in the monetary claim, such expenses or cost shall not exceed 2 per cent of the awarded amount.

82A. [Reference of dispute to Tribunal. [Inserted vide A & C Department Notification No. 1807-D. 1.2.1986 - See Orissa Gazette Extraordinary No. 137, dated 5.2.1986.]

(1)Reference of every dispute under Section 67-B shall be in writing and be presented to the member or the concerned member, where the Tribunal consists of two members, of the Tribunal or to such officer as such member or, as the case may be, the concerned member appoints in this behalf.(2)The plaint of the dispute shall contain a statement of the subject-matter of the dispute and the relief claimed and the grounds therefor.(3)Provisions of Rules 72, 73, 74(1), 75(2), 77, 78, 79, 80, 81, and 82 shall mutatis mutandis apply in respect of a dispute referred to the Tribunal under Section 67-B.]

82B. [Reference of dispute to the liquidator. [Inserted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

(1)Reference of every dispute under Sub-section (4) of Section 75 shall be in writing and be presented to the liquidator.(2)The plaint of the dispute shall contain a statement of the subject-matter of the dispute and the relief claimed and the grounds therefor.(3)The provisions of Rules 72, 73 74(1), 75, 76, 77, 78, 79, 80, 81 and 82 shall mutatis mutandis apply in respect of a dispute referred to or initiated by the liquidator under Sub-section (4) of Section 75.]Chapter-VIII Winding Up and Dissolution of Societies

83. Winding up of Societies and appointment of Liquidator.

- The order under Sub-section (1), Section 72 and the appointment of a Liquidator, if any, under Section 73(1) or his removal shall be published in Orissa Gazette and shall be communicated by registered post to the Society and to the Financing Bank, if any, of which the Society is a member.

84. Funds for proceedings in liquidation.

- To enable the liquidator to proceed with liquidation proceedings, the Financing Agency of a Society, which is liquidated may make funds available to the liquidator as per his requirements. In case of difference of opinion between the financing agency and his liquidator, the matter shall be referred to the Registrar whose decision shall be final.

85. Remuneration to liquidator.

- The remuneration payable to the liquidator, establishments and other charges shall be payable in priority of other claims from the assets of the Society.

86. Duties of the liquidator.

- [(1) Liquidator on his appointment shall take over charge of the books of accounts, documents and all the properties, assets and actionable claims to which the society is entitled and shall take such steps as he may deem necessary and expedient to prevent loss or deterioration of or damage to such property, assets, claims and assets of the society, and give notice of his appointment as such, publishing by such means as the Registrar may direct, requiring all the persons either indebted to the society to tender account thereof and pay the same, or in possession or custody of any property of the society to deliver it, or having any claim against the society to write to him with particulars thereof, within the time specified thereunder which shall not exceed in any case a period of 2 months from the date of such publication.] [Substituted vide Orissa Gazette Extraordinary No. 500 dated 23.4.1997.](2)The liquidator after taking over charge shall prepare an up-to-date list of(a)members;(b)past members with date of their withdrawal who are subject to liability under Section 25; and(c)deceased members, with dates of their decease, names of their legal heirs who represent their estate who are subject to liabilities under Section 25.(3)Draw up final balance sheet as it stands on the date of the order of winding up.(4)The Liquidator shall keep such books and accounts may from time to time be laid down by the Registrar who may at any time cause such books and accounts to be audited [* * *] [Deleted vide Orissa Gazette Extraordinary No. 500 dated 23.4.1997.](5)[The liquidator may distribute the profits earned by the society prior to the date of liquidation in accordance with the provisions of the act, rules and bye-laws after discharging liabilities.] [Substituted vide Orissa Gazette Extraordinary No. 500 dated 23.4.1997.](6)The liquidator shall, after setting the assets and liabilities of the Society as these stood on the date of order of winding up, proceed next to determine the contribution to be made by such of its members, heirs or legal representatives of deceased members or by any [present or past officers or office bearers] [Substituted vide Orissa Gazette Extraordinary No. 500 dated 23.4.1997.] to the assets of the Society under Clauses (b) and (c) of Sub-Section (2) of Section 75 of the Act. Should necessity arise, however, he may also frame subsidiary order or orders or regarding such contribution and such orders shall be enforceable in the same manner as the original orders themselves.(7)The Registrar may issue instruction laying down the principles on which and the manner in which the contribution shall be determined and the Liquidator shall act according to these instructions.

87. Reports and returns to be submitted by the Liquidator.

- The Liquidator shall submit to the Registrar such reports and returns in such form and in such manner showing the progress of the Liquidation of the Society as the Registrar may require from time to time.

88. Meeting of members and creditors.

- The Liquidator may at any time call meeting of members or the creditors or joint meetings of the members and creditors and such meeting shall be called, be held and conducted at such time and place and in such manner as the Liquidator thinks fit.

89. Banking account of the liquidator.

(1) All funds in the charge of the Liquidator shall be deposited in a bank and shall stand in his name. All payments out of the aforesaid account shall be made by the Liquidator by cheques or withdrawal orders signed by him and shall be accounted for in the record maintained in the office of the Liquidator. (2) The Liquidator may empower any person by general or special order in writing to make collection and to grant valid receipts in this behalf, and such amount shall be paid immediately to the account of the Liquidator.

90. Final report of Liquidator.

(1) After the Liquidation Proceedings of a Society have been closed, the Liquidator shall submit a final report to the Registrar. (2) On receipt of the final report from the Liquidator, the Registrar shall terminate the Liquidation proceedings by cancelling either the registration or order for the winding up of the society. (3) The order of the Registrar under Sub-Section (2) shall be published in the Orissa Gazette and shall be communicated to the Financing Bank and the Society.

91. Termination of Liquidation Proceedings.

- The Liquidation Proceedings of a Society shall be closed within a period of three years from the date of the order of winding up, unless the period is extended by the Registrar. Explanation - In the case of a Society which is under Liquidation at the commencement of these rules, the order for the winding up the Society shall be deemed to have been passed, on the date on which these rules came into operation.

92. Limitation.

- After the expiry of 3 years from the date of final report under Section 75(3), no responsibility shall rest on the Liquidator or the Registrar or the Financing Bank or the person to whom the custody of the documents have been committed by reason of the same not being forthcoming to any person claiming to the interested therein.

93. Disposal of Surplus Assets.

(1) The Registrar may place the surplus funds on deposit or otherwise with a Financing Bank working in the area of operation. (2) It shall be competent to the Registrar to constitute a Trust to carry out such objects as is decided by him and to appoint the Trustee or Trustees, as the case may

be, shall execute a deed in such form as the Registrar may from time to time prescribe. A Trust created under this sub-rule shall be governed by the provisions of the Indian Trusts Act, 1882.

94. Disposal of Undischarged Liability.

(1) If any liability cannot be discharged by the Liquidator owing to the whereabouts of the claimants not being known or for any other cause, the amount covered by such undischarged liability may be deposited in the Financing Bank and shall be available for meeting the claims of the person or persons concerned, within a period of three years from the date of deposit. (2) If no claimant comes forward to receive his claim within the said period such claim shall be extinguished and the amount of deposit shall become available to the Liquidator for payment to creditors, if the Liquidation Proceedings are not closed and if Liquidation Proceedings closed it will be treated as surplus available under Section 76 of the Act.

95. Guarantee Funds.

(1) It shall be competent for the State Government to constitute one or more guarantee funds on such terms and conditions as it may deem fit for the purpose of meeting losses that might arise as a result of loan to be made by the Land Development Banks on title to immovable property subsequently found to be defective or for any other purpose for which, in the opinion of the State Government, it is necessary to provide for or create separate guarantee funds. (2) The State Land Development Bank and Land Development Bank shall contribute to such funds as such rates as may be decided by the State Government from time to time and the constitution maintenance, utilisation of such funds shall be governed by such rules as may be made by the State Government in this behalf.

96. Debentures to be declared as Trust Securities.

- Save as otherwise provided in the Indian Trusts Act, 1882, the State Government may declare that the debentures guaranteed by the State Government under Section 83 shall be deemed to be included among the securities enumerated under Section 20 of the said Act.

96A. [[Inserted by S.R.O. No. 1053-dated 15.10.1979, See Orissa Gazette Extraordinary No. 1979, dated 25.10.1979.]

Declaration to be made creating a charge in favour of Bank -(2) A member who applies to the Bank for a loan shall make a declaration in Schedule E creating a charge in favour of the land or his interest therein.]

96B.

[* * *] [Deleted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]

96C. [[Procedure for furnishing copies of instruments executed by the Land Development Banks to the registering authority.] [Inserted by SRO No. 52/70-dated 6.2.1970.]

- Copies of instrument referred to under Clause (a) of Sub-Section (1) of Section 98 of the Act duly certified by the Secretary of the Land Development Banks and attested by a person authorised by the Trustee for this purpose, by general or special order, shall be sent by the Land Development Banks to the Registering Officer concerned within a period of three months from the date of execution of the instrument by registered post or by hand delivery.]Chapter-X Execution of Order, Decrees and Awards

97. Execution of decree and award.

- The Civil Court or Collectors, to which a decision or award or any order is sent for the execution shall, on the application of the person in whose favour the same was passed or of the Principal officer of the Co-operative Department of the area, return such decision, award or order to such person or Principal Officer, as the case may be, with a certificate showing the extent of satisfaction obtained where the decree has been executed in part and what part of the decree remains unsatisfied.

98. Procedure in execution decree, or decision, award of contribution order.

(1)Any decree-holder requiring the provisions of Clause (c) of Sub-Section (1) of Section 103 of the Act to be applied, shall apply to the Principal Officer of the Co-operative Department having jurisdiction over the area in which the cause of action arose and shall deposit necessary costs on a scale prescribed by the [Auditor-General] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] from time to time :Provided that the [Auditor-General] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] by an order in writing exempt a non-borrowing liquidated Society having no funds from payment of cost, prescribed under this Rule.(2)If the defaulter resides or the property be proceeded against is situated or held outside the jurisdiction of the Principal Officer shall transfer the application to the Principal Officer of the area within whose jurisdiction the defaulter resides or such property is situated or held, after verifying the correctness of the particulars set forth in the application with the records, if any, of his office.(3)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 representatives were the defaulter or defaulters.(4)Where the decree is executed against such legal representative, he shall be liable only to the extent of the property of the deceased which has come to his hands and has not been duly disposed and for the purpose of ascertaining such liability, the Principal Officer of the area executing the decree may, on his own motion or on the application of the decree-holder, compel such legal representative to produce such accounts as he thinks fit.(5)Property in the hands of a son of other descendant who is liable under Hindu Law for the payment of the debt of deceased ancestor in respect of which a decree has been passed, shall be deemed to be property of the deceased which has come to the hands of the son or

other descendant as his legal representative.

99. Procedure on receipt of application by the Principal Officer.

(1)The application shall be made in the form specified by the [Auditor-General] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] and shall be signed by the decree-holder. The decree-holder may indicate whether he wishes to proceed in the first instance against the immovable property or to secure the attachment of movable property.(2)On receipt of the application, the Principal Officer of the area, shall verify the correctness and genuineness of the particulars set forth in the application with the records, if any, in his office and prepare and sign a demand notice in writing in duplicate in the form prescribed by the [Auditor-General] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] setting forth the name of the defaulter, the amount due including the expenses, if any, and the betta to be paid to the person who shall serve the demand notice and forward to a Sales Officer to effect service in the manner hereinafter prescribed. If the defaulter resides or the property situated or held outside the jurisdiction of the Principal Officer of the area to whom the application is made, the Principal Officer of the area within whose jurisdiction the defaulter resides, or such property is situated or held on receipt of the application by transfer as provided under Sub-rule (2) of Rule 98 shall sign the demand notice and shall forward it to his Sales Officer to effect service.(3)Unless the decree-holder has expressed a desire that proceedings shall be taken in a particular order as laid down in Sub-rule (1), execution shall ordinarily be taken in the following manner -(a)movable property of the defaulter shall be first proceeded against but this shall not preclude the immovable property being proceeded against simultaneously in the case of necessity;(b)if there is no movable property or if the sale proceeds of the movable property or properties attached and sold are insufficient to meet the demand of the decree-holder the immovable property mortgaged to the decree-holder or other immovable property belonging to the defaulter may be proceeded against.

100. Seizure and sale of movable property.

- In the seizure and sale of movable property, the following procedure shall be observed -The Sales Officer shall after giving previous notice to the decree-holder proceed to the place where the defaulter resides or the property to be distrained is situated, and serve the demand notice upon the defaulter, if he is present. If the amount due together with 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 the place, day and hour on which the distraint property will be brought to sale, if the amounts due are not previously discharged. If the defaulter is absent the Sales Officer shall serve the demand notice on some authorised member of his family or on his authorised agent or when such service cannot, be effected, shall affix a copy, of the demand notice on some conspicuous part of his residence. He shall then proceed to make the distress and shall fix the list of the property attached on the usual place of residence of the defaulter, endorsing therein the place where the property may be lodged or kept and intimation of the place, day and hour of sale.

101. Custody of distrained property.

(1)After the distress is made, the Sales Officer may arrange for the custody of the property attached with decree-holder or otherwise. The Sales Officer shall not make use of the goods or effects distrained.If the Sales Officer requires the decree-holder to undertake the custody of the property, shall be bound to do so and loss incurred owing to his negligence shall be made good by the decree-holder. If the attached property is live-stock, the decree-holder shall be responsible for providing necessary food for the live-stock. The Sales Officer at the instance of the defaulter or of any person claiming an interest in such property, leave it in the village or place where it was attached, in the charge of such defaulter or person, if he enters into a bond in the form prescribed by the [Auditor-General] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] with one or more sufficient sureties for the production of the property when called for:Provided that if in the opinion of the Sales Officer, the attached property cannot be kept in the village or locality where attachment is made for lack of suitable place or satisfactory surety or for failure of decree-holder to provide necessary funds or to take custody of the property attached or for any other reason the Sales Officer shall withdraw the attachment order.(2)It shall be an offence under Section 115 of the Act if the custodian of the property fails to produce the property when called for.(3)Where any person has become liable as custodian or surety for production of the property when called for, the decree or order may be executed against him to the extent to which he has rendered himself personally liable and such person shall be deemed to be a party to the decree or order:Provided that such notice, as the Principal Officer of the area in each case thinks sufficient, has been given to the surety of the custodian.

102. Time of distress.

- The distress shall be made after sunrise and before sunset, not any other time.

103. Distrained crops how dealt with.

- The decree levied shall not be extensive, that is to say, the property distrained shall be as nearly as possible proportionate to the sum due by the defaulter together with interest and all expenses incidental to the detection and sale -(1)If crops ungathered products of the land belonging to a defaulter attached, the Sales Officer may cause them to be sold when fit for reaping, or gathering or at his option may cause them to be reaped or gathered in due season and stored in proper places, until sold. Subject to such conditions as may be imposed by the Sales Officer the defaulter may tend out, gather and store the produce and do any other act necessary for maturing or preserving. If the defaulter fails to do all or any of the aforesaid acts, the Sales Officer may require the decree-holder to undertake to do such acts and the decree-holder shall be bound to do so and any loss incurred due to his negligence shall be made good by the decree-holder and in default the attachment shall be withdrawn. In all such cases, the expenses of reaping or gathering and storing such crops or products as determined by the Sales Officer 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.Note - (i) Agriculture produce attached as a growing crop shall not be deemed to have ceased under attachment or to require attachment merely because it has been served from the soil;(ii)crops which are perishable and do

not admit of being stored may be sold before they are cut and gathered.(2)If by the service of the demand notice, it is intended to attach a growing crop and if considerable time must elapse before the crop is likely to be fit or to be cut or gathered the Principal Officer of the area may suspend the service of the demand notice for such time as he thinks fit and may, in his discretion make an order prohibiting the removal of the crop pending the service of the demand notice.

104. Power of Entry.

- It shall be lawful for the Sales Officer to force open any stall, stable, cow-house, granary, godown, out-house or other buildings or premises and he may also 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 that it shall not be lawful for the Sales Officer to enter any dwelling house or premises or to attach any property or to put his seal to any door or place or break open any apartments, in dwelling house on premises appropriated to women which, by the usage of the country are considered private, except as hereinafter provided.

105. Power of Sales Officer to force upon doors in the presence of Police Officer.

(1)Where the Sales Officer may have reason to believe that the property of a defaulter is lodged within a dwelling house the outer door of which may be shut or within any apartments appropriated to women which may by usage of the country are considered private in case where the defaulter or any other occupant refuses or in any way prevents access to the dwelling house the Sales Officer shall represent the fact to the Officer-in-charge of the nearest Police station.(2)On such representation the Officer in charge of the said station, shall send a Police Officer to the spot in the presence of whom the Sales Officer may force open the outer door of such dwelling house.(3)The Sales Officer may also in the presence of the Police Officer, after due notice given for the removal of women within an apartment and after allowing reasonable time and furnishing means, for their removal in a suitable manner if they be women of rank who according to the custom of the country, cannot appear in public, enter the said 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 apartment after which they shall be left free to the former occupants.

106. Proclamation of time, place of sale and of property to be sold.

(1)The Sales Officer shall, on the day of sale cause proclamation of the time and place of the intended sale to be made by beat of drum or other customary mode in the village in which the defaulter resides or the attached property is kept or in such other place or places, as the Sales Officer may consider necessary to give due publicity to the sale.(2)No sale shall take place until after the expiration of 15 days from the date on which the sale notice has been served or affixed in the manner prescribed in Rule 100 without the consent in writing of the defaulter given in the presence of two witnesses :Provided that where the property seized is subject to speedy and natural decay or when the expenses of keeping it in custody are likely to exceed its value the Sales Officer may sell it at any

time without the consent of the defaulter before the expiry of the said period of 15 days, unless the amount due is sooner paid.

107. Sale how conducted.

- At the appointed time the property shall be put up 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 the reasons to be recorded by him in writing.

108. Adjournment of sale.

- The Principal Officer of the area or the Sale Officer, may, in his discretion, adjourn the sale to a specified day and our, recording his reasons for such adjournments. Where a sale is so adjourned for a longer period than 15 days or where there is a series of short adjournments each less than fifteen days, which taken together in the aggregate amount to more than 15 days a fresh proclamation under Clause (1) of Rule 106 shall be made, unless, the defaulter consents to waive it in writing in presence of two witnesses.

109. Payment or purchase of distrained property.

- The property shall be paid for in cash at the time of sale or as soon as thereafter, as the 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.

110. Resale of property in case of default.

- Where the purchaser fails in the payment of purchase money, the property shall be resold forthwith.

111. Fraudulent removal of property distrained.

- Where a property which has been distrained under those rules has been forcibly or clandestinely removed by any person, any Civil Court of competent jurisdiction on being satisfied that such property has been forcibly or clandestinely removed, may order forthwith that the property shall be delivered or restored to the Sales Officer and the cost obtaining such relief from the Civil Court shall be borne and the cost obtaining such relief from the Civil Court shall be borne by the decree-holder.

112. Withdrawal of distress on tender of money due.

(1) If at any time before the sale takes place, 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 not proceed with the

sale and shall cancel the order of attachment and release the property forthwith.(2)If such amount is paid to be Principal Officer of the area or the decree-holder, the sale shall not be stopped unless proof is given to the satisfaction of the Sales Officer that the said amount has been actually paid.

113. What properties are exempted from attachment.

- The movable properties mentioned as exempted from attachment in the proviso to Section 60 of the Code of Civil Procedure, 1908 subject to such rights conferred under Secs. 34 and 107 of the Act, shall not be liable for attachment or sale under these rules.

114. Attachment of salary, allowance or wages.

(1)Where the movable property to be attached is the salary or allowance or wages of Public Officer or of a servant of the railway or local authority or a firm or a company whether the defaulter or the Disbursing Officer is or is not within the jurisdiction of the Principal Officer, the Principal Officer of the area may, on receiving a report from the Sale Officer, order that the amount shall, subject to the provisions of Section 107 of the Act, be withheld from such salary or allowance or wages either in one payment or by monthly instalments as the said Principal officer of the area may direct, and upon notice of the order, the officer or other person, whose duty is to disburse such salary or allowance or wages shall withhold and remit to the Principal Officer of the area or decree-holder the amount due under the order or the monthly instalment, as the case may be.(2)Where the attachable portion of such salary or allowance is already being withheld or remitted in pursuance of a previous or unsatisfied order of attachment the officer or other person whose duty is to disburse such salary or allowance or wages shall forthwith return the subsequent order to the Principal Officer of the area issuing it, with a full statement of all the particulars of the existing attachment.(3)It shall be an offence under Section 115 of the Act, if any Disbursing Officer fails to carry out the provisions under Sub-rules (1) and (2) of Rule 114.

115. Attachment of share of interest in movables.

(1)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-owner, 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.(2)Attachment of negotiable instrument - When the property to be attached is a negotiable instrument not deposited in a court, not 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 Principal Officer of the area, ordering the attachment and be held subject to his further orders.(3)Attachment of property in custody of Court or Public Officer - When the property to be attached is in the custody of any Court or Public Officer, the attachment shall be made by a notice to such Court or officer, requesting that such property and any interest or dividend becoming payable thereon may be held subject to the further orders of the Principal Officer of the area by whom the notice is issued :Provided that, where such property is in the custody of a Court or in the Principal Officer other than the Principal Officer issuing the notice, any question of the title or priorities arising between the decree-holder 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 determined by such Court or by such Principal Officer of the area. Explanation - In this Sub-rule "Public Officer" includes a Liquidator appointed under Section 73 of the Act.

116. Attachment of decree.

(1) Where the property to be attached is a decree either for the payment of money or for sale in enforcement or a mortgage or charge the attachment shall be made -(a) [If the decree sought to be attached was passed by any authority under the Act, then by the order of the Principal Officer of the area concerned; [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] (b) if the decree sought to be attached was passed by a Court and has not been sent for execution to any other Court then by the issue to such Court of a notice by the Principal Officer of the area concerned, requesting such Court to stay the execution of the decree unless and until -(i) the notice is cancelled; or (ii) the holder the decree sought to be executed, or the judgement-debtor applies to the Court receiving such notice, to execute its own decree; and (c) if the decree sought to be attached is pending execution in a Court which did not pass the same then by the Principal Officer of the area seeking to attach such decree in execution, sending the notice referred to in Clause (b) to such Court, whereupon the provision of the Court had passed the decree and the said notice had been sent to it in pursuance of the said clause.] (2) Where the Principal Officer of the area makes an order under Clause (a) of Sub-rule (1) or when a Court receives an application under Sub-clause (ii) of Clause (b) of Sub-rule (1) such Principal Officer or Court shall, on the application of the decree-holder who has attached the decree or his defaulter, proceed to execute the attached decree and apply the proceeds in satisfaction of the decree sought to be executed. (3) The holder of decree sought to be executed by the attachment of another decree of the nature specified in Clause (1) 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 lawful for the holder thereof. (4) Where the property to be attached in execution of decree is a decree other than a decree of the nature referred to in Sub-rule (1) the attachment shall be made by the issue of a notice by the Principal Officer of the area to the holder of such decree, prohibiting him from transferring or charging the same in any way and where such decree has been passed by any other Court or by [and authority under the Act] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] or the Principal Officer of the area also by sending to such Court or to the Principal Officer of area concerned, as the case may be, a notice to abstain from executing the decree sought to be attached until such notice is cancelled by the Court or the Principal Officer from which it was sent. (5) The holder of a decree attached under this Sub-rule shall give the Court or the Principal Officer of the area executing the decree such information and aid as may reasonably be required. (6) On the application of the holder of a decree sought to be executed by the attachment of another decree the Principal Officer of the area making an order or attachment under this sub-rule shall give notice of such order to the judgement-debtor bound by the decree attached and no payment of adjustment of the attached decree made by the judgement-debtor in contravention of such order after receipt of notice thereof; either through the said Principal Officer or otherwise, shall be recognised so long as the attachment remains in force.

117. Attachment of debt, share of other property not in possession of defaulter.

(1)Where the movable property to be attached is -(a)a debt due to the defaulter in question;(b)a share in the capital of 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 Principal Officer of the area prohibiting -(i)in the case of the debt the creditor from recovering the debt and the debtor from making payment thereof;(ii)in the case of 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;(iii)in the case of any other movable property except as aforesaid the person in possession of it from giving over to that defaulter.(2)A copy of such order shall be affixed on some conspicuous part of the notice of the Principal Officer and another copy shall be sent in the case of the debt to the debtor. In the case of share or deposit to the proper officer of the corporation and in the case of the other movable property except as aforesaid to the person in possession of such property. As soon as the debt referred to in Clause (a) or referred to in Clause (b) matures the Principal Officer may direct the person, concerned to pay the amount to him or the party concerned. Where the share is not withdrawable, the said Principal Officer shall arrange for its sale through a broker, where share is withdrawable, its value shall be paid to the Principal Officer or to the party concerned as soon as it becomes payable. In the case of movable property referred to in Clause (a) of Sub-rule (1) the person concerned shall place it in the hands of the said Principal Officer as is becomes deliverable to the defaulter.

118. Procedure for attachment and sale of the immovable property.

- 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.

119. Description of immovable property to be proceeded against.

- The application presented under Rule 99 for attachment and sale or without attachment of immovable property 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 and the specification of such of the defaulter's share or interest in such property, to be the best of the behalf of the decree-holder so far as he has been able to ascertain it.

120. Mode of service of demand notice.

- The demand notice issued by the Principal Officer of the area under Rule 99 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 male members 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 his last known residence, or 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 Principal Officer of the area is satisfied that defaulter with intent to defeat or delay the execution proceedings against him is about to dispose of the whole or any part of his property, the demand notice issued by the Principal Officer of the area under Rule 99 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.

121. Procedure when defaulter neglects to pay.

- 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 sale or sale without attachment, as the case may be, the immovable property noted in the application for execution in the following manner.

122. Mode of attachment.

- When the attachment is required before sale, the Sale Officer, if possible, cause a notice of attachment to be served on the defaulter personally where personal service not possible, the notice shall be affixed on some conspicuous part of the defaulter's last known residence, if any. The fact of attachment shall also be proclaimed by beat of drum or other customary mode at some place on or adjacent to such property and at such other place or places as the Principal Officer may consider necessary to give a due publicity to the sale. The attachment notice shall set forth that unless the amount with interest and expenses be paid within the date therein mentioned to the Principal Officer of the area. Where the Sale Officer so directs the attachment may also be notified in the Gazette.

123. Proclamation before Sale.

- Proclamation of sale shall be published by affixing a notice in the office of the Principal Officer of the area at least 30 days before the date fixed for the sale and also by beat of drum or other customary mode in the said village on the date previous to the date of sale and on the date of the sale prior to the commencement of the sale. A copy of the proclamation may also be sent to the nearest Revenue Officer having jurisdiction over the village for affixing the same in the Notice Board. The proclamation shall state the time and place of sale and specify as fairly and as accurately as possible - (i) the property to be sold; (ii) any liability to which the property is subject; (iii) the amount of the recovery of which the sale is ordered; and (iv) any other particulars which the Sale Officer considers material for a purchaser to know in order to judge of the nature and value of the property.

124. Sale to be by public auction.

(1) When any immovable property is sold under the rules the sale shall be subject to the prior encumbrances of the property, if any. The sale shall be by public auction to the highest bidder provided that it shall be upon to the Sale Officer to decline to accept highest bid where the price offered appears to be unduly low or for other reasons to be recorded in writing and provided also that the Principal Officer or the Sale Officer may in his discretion, adjourn the sale to a specified day and hour, recording his reasons for such adjournment. Where a sale is so adjourned for a longer period than 15 days or where there is a service of short adjournments which taken in aggregate, amount to more than 15 days, a fresh proclamation under Rule 123 shall be made unless the defaulter consents to waive it in writing in the presence of two witnesses. The time of sale shall be fixed by the Principal Officer and the sale shall be held after the expiry of not less than 30 days calculated from the date on which notice of the proclamation was affixed in the office of the Principal Officer and the place of sale shall be the village where the property to be sold is situated or such adjoining prominent place of public resort as may be fixed by the Principal Officer of the area. (2) The Sale Officer shall have the power to divide the property into lots if he thinks it necessary in the interests of the defaulter or the decree-holder. Where the property is divided into lots for purpose of being sold separately, it shall not be necessary to make a separate proclamation for each lot. When in the proclamation of sale, the separate lots are mentioned and the order of sale of each lot is mentioned, the Sale Officer shall not vary the lots in the sale and shall not make any departure in the order of the sale in the lots unless the decree-holder and defaulter give their consent in writing in the presence of two witnesses.

125. Deposit by purchaser and sale on default.

(1) On every sale of immovable property, the person declared to be the purchaser shall pay immediately after such declaration a deposit of 20 per cent on the amount of the purchase money to the Sale Officer, and in default of such deposit, the property shall forthwith be resold: Provided that where the decree-holder is the purchaser and is entitled to set off the purchase money under Rule 129, the Sale Officer shall dispense with the requirements of this rule. (2) The money so received under Sub-rule (1) shall be deposited in the manner prescribed by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997].

126. Time for payment of the balance of the purchase money.

- The remainder of the purchase money and the amount required for the general stamp for certificate under para 5 of the Schedule of the Act shall be paid within 15 (fifteen) days from the date of sale: Provided that the time for payment of the cost of the stamp may, for good and sufficient reason, be excluded at the discretion of the Principal Officer upto thirty days from the date of sale: Provided further that in calculating the amounts to be paid under the rule, the purchaser shall have the advantage of any set off to which he may be entitled under Rule 129.

127. Procedure in default of payment.

- In default of payment within the period mentioned in the last preceding rule the deposit may, if the Principal Officer thinks fit after defraying expenses of the sale, be forfeited to the Government and the defaulting purchaser shall forfeit all claims of the property or to any part of the sum for which it may subsequently be sold :Provided that when there is no re-sale under Rule 128 or where after the default by purchaser the defaulter pays the money due, the forfeiture of the deposit money referred to shall not be made.

128. Re-sale.

(1)Every re-sale of immovable property in default of payment of the amount mentioned in Rule 126 within the period allowed for such payment shall be made after the issue of fresh proclamation in the manner and for the period herein prescribed for sale.(2)Any deficiency of price which may happen on re-sale held under Rule 110 or Rule 125 or Rule 128 by reason of purchaser's default and all expenses attending such re-sale shall be certified by the Sale Officer to the Principal Officer of the area and shall, at the instance of either the decree-holder or the defaulter, be recoverable from the defaulting purchaser under the provisions of the rule. The cost if any incidental to such recovery, shall also be borne by the defaulting purchaser.(3)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.(4)The decree-holder is not bound to proceed against the defaulting purchaser and he may recover the amount due by proceeding against the defaulter.

129. Amount of decree shall be taken as payment.

- Where a decree-holder purchases, 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.

130. Release of property on payment of amount due.

(1)If at any time before sale takes place 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, and puts in an application under Para (1) of the Schedule of the Act, the Sale Officer shall not proceed with the sale and shall forthwith, release the property after cancelling the order of attachment where the property has been attached.(2)If more persons than one come forward to make deposit and apply under Para (1) of the Schedule of the Act, the application of the first depositor to the Officer authorised to set aside the sale, shall alone be accepted.

131. Private alienation of property after attachment.

- When any attachment has been made under these Rules, any private transfer or delivery of the property attached or of any interest therein and any payment to the defaulter of any dividend or other moneys contrary to such attachment, shall be void as against all claims enforceable under the attachment. Explanation - For the purpose of this sub-rule claims enforceable under an attachment includes claims for the rateable distribution of assets under Rule 137.

132. Person serving process summons to be paid batta.

- Persons employed in serving notices or other process under these rules shall be entitled to batta at such rates as may from time to time be fixed by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.],

133. Disposal of deposit money.

- The sale proceeds shall be applied in manner provided in that Act. The amount deposited under Rule 98 (1) shall be returned to the applicant except where the cost and charges incurred in connection with attachment and sale of immovable property or the attachment and sale or sales without attachment of immovable property, exceeds the sale proceeds in which cases such excess shall be deducted from the amount deposited and the balance, if any, shall be returned to the applicant.

134. Receipts of payments of amounts due.

- Every person making a payment towards any money due for the recovery of which application has been made under the rule, shall be entitled to a receipt for the amount, signed by the Sale Officer or the other officer empowered by the Principal Officer, by general or special order in that behalf, and such receipt as prescribed by [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] shall state the name of the person making the payment and the subject matter in respect of which the payment is made.

135. Investigation of claims and objection to attachment of property.

(1) Where any claim is preferred in respect of any objection is made to the attachment of any property attached under this Chapter on the ground that such property is not liable to such attachment, the Sale Officer shall investigate the claim or objection and dispose of it on the merits : Provided that no such investigation shall be made when the Sale Officer considers for reasons recorded in writing the claim or objection is frivolous to cause unnecessary delay. (2) Where the property to which the claim or objection relates has been advertised for sale, the Sale Officer may postpone the sale pending investigation of the claim or objection : Provided that if the property attached is of a perishable nature, the Sale Officer shall forthwith sell the property giving notice to the claimant or the object or to present himself at the sale and the sale proceeds shall be kept in

custody of the Sale Officer.(3)The claimant or objector mentioned in Sub-rule (2) shall adduce satisfactory evidence to show that at the time of attachment, he had some interest in, or was possessed of the property attached.(4)Where, upon the said investigation, the Sale Officer is satisfied that for the reasons stated in the claim or objection, such property was not at the date of the attachment, in the possession of the defaulter or of some person in trust for him or in the occupancy of a tenant or other person paying rent to him, or that being in the possession of the defaulter at the said date it was so in his possession, not on his own account or his own property but on account of or in trust for some other persons, or partly on his account and partly on account of some other persons, the Sale Officer shall make an order releasing the property, wholly or to such extent as he thinks fit, for attachment. Where the Sale Officer is satisfied that the property was at the said date, in the possession of the defaulter as his own property and not on account of any other person, or was in possession of some other person in trust for him or in the occupancy of a tenant or other person paying rent to him, the Sale Officer shall disallow the claim and the party against whom an order is made may institute a suit in an appropriate Court within six months from the date of the order, to establish the right claims to the property in dispute, but subject to the result of such suit, if any, the order shall be conclusive.

136. Determination attachment.

- Where any property has been attached in execution of a decree, but by reason of the decree-holder's default, the Principal Officer of the area is unable to proceed further with the application or for any sufficient reason adjourn the proceedings to a future date, upon the dismissal of such application the attachment shall cease.

137. Attachment in execution of decree of Civil Court and rateable distribution of assets.

(1)Where the Sale Officer attaches or has attached under this rule any property, which is not in the custody of any Court but is already under attachment made in the execution of a decree of a Court, such Court shall receive and realise such property and shall determine claims there and any objection to the attachment thereof :Provided that where the property is under attachment in the execution of decrees of more Court than one Court, which shall receive or realise such property and shall determine any claim thereto and any objection to the attachment thereof shall be the Court of the higher grade or where there is no difference in grade between such Court, the Court under whose decree the property was first attached.(2)Where assets are held by the Sale Officer and before the receipt of such assets demand notices in pursuance of application for execution of decrees against the same defaulter have been received from more than one decree-holder and the decree-holder have not obtained satisfaction, the assets after deducting the costs of realisation shall be rateably distributed by the Sale Officer among all such decree-holders in the manner provided in Section 73 of the Code of Civil Procedure, 1908.

138. Procedure for recovery of sums due to Governments.

(1) In regard to the sums payable to Government the Principal Officer of the area in whose jurisdiction the cause of action arose; may of his own motion take any steps which he may deem necessary in matter of such recovery in accordance with the Act and Rules thereunder without any applications having been made to him in that behalf under Rule 98 and Rule 99. (2) It shall not be necessary to deposit any sum by way of costs as required by Sub-rule (1) of Rule 98. (3) It shall not be necessary for the Sales Officer to give the decree-holder previous notice as required by Rule 109 of the intention to serve the demand notice on the defaulter and in default of payment to distrain his property, nor shall the provisions of that rule which empowers the Sale Officer to require the decree-holder to undertake the custody of the distrained property, apply. (4) It shall not be necessary to send a copy of the attachment notice to the decree-holder as required by Rule 122. (5) It shall not be necessary to give notice of the proclamation of sale to the decree-holder as required under Rule 123. (6) The payments required to be made under para (1) of the Schedule of this Act shall be made to the Sale Officer on behalf of the Government.

139. Conditional attachment of property.

(1) An application under Section 105 shall contain - (a) [Satisfactory evidence in support of the contention that the party is about to dispose of the whole or any part of his or its property or the property which is the subject matter of dispute or legal proceeding under Sections 67, 68 or 75 of the Act, from the local jurisdiction of the Registrar, Auditor-General or the liquidator, as the case may be, with an intent to defeat or delay or obstruct the enforcement or execution of an order, decision or award that may be made or passed against him under the Act.] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] (b) full details of the property to be attached, its estimated value and the claim of the Society. (2) Attachment shall be made in the form as prescribed by the Registrar and in the manner provided in the Rules. (3) Where a direction is made for attachment of any property under Section 105 of the Act, the [Auditor-General or the liquidator as the case may be] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] shall order attachment to be withdrawn (a) when the party concerned furnishes the security required together with security for the cost of the attachment; or (b) [when the Liquidator under Section 75 determines that no contribution is payable by the party concerned or decides against the party at whose instance attachment was made.] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] (c) when the [Auditor-General or any person authorised by him passes an order under] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] the Act that the party concerned need not repay or restore any money or property 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 70 of the Act has been decided against the party at whose instance the attachment was made. (4) Attachment made under Section 105 shall not affect the right existing prior to the attachment of persons who are not parties to the proceedings in connection with which the attachment was made nor bar any person holding a decree against the person whose property is attached from applying for the sale of the property under attachment in execution of such decree. (5) 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 or order to apply for re-attachment of the property.(6)Any order of attachment passed under Section 105 may be discharged or varied or set aside by the [authority who has passed order of such attachment] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] on his own motion or on the application made to him by any party affected by such order after giving the party or parties concerned an opportunity of being heard.Special Procedure for Land Development Banks

140. Procedure under Section 90 (1).

- No application under Sub-Section (1) of Section 90 of the Act shall be received unless the applicant deposits the necessary costs of distraint and sale on a scale prescribed by [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.].(2)The application shall be in such form as may be prescribed by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] and shall be signed by a person duly authorised by the Board or Committee of the State Land Development Bank or Land Development Bank. On receipt of the application, the Principal Officer of the Co-operative Department having jurisdiction over the area in which the land is situated shall, if satisfied that the particulars set forth in the application are correct, prepare a demand notice in duplicate, in the form laid down by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] setting forth the name of the defaulter, the amount due together with interest and forward the same to the Sale Officer.

141. Application for sale and manner of sale.

(1)Upon the expiry of three months from the date of notice under Clause (a) of Sub-Section (2), of Section 91, if the sum due under the mortgage has not been paid, the State Land Development Bank or the Land Development Bank or any person authorised by it in this behalf may, after considering any objection made within that period by any person entitled to such notice apply to the Principal Officer of the Co-operative Department of area to sell the mortgaged property or any part thereof and such officer shall, after giving notice in writing to all the persons referred to in Sub-Section (2) of Section 91, direct the Sale Officer authorised in this behalf to sell such property by public auction in the manner prescribed and report the result thereof to the Bank.(2)The applicant shall apply to the Principal Officer of the Co-operative Department who has jurisdiction over the area in which the properties sought to be sold are situated and shall deposit costs on a scale prescribed by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.]. The application shall be in such form as may be prescribed by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] and shall be signed by the applicant or where the applicant is the Board or Committee of the State Land Development Bank or Land Development Bank a person duly authorised by the Board or Committee and shall-(i)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 of survey the specification of such boundaries or numbers;(ii)show the names of all person having interest in the property as laid down in Clause (a) of Sub-Section (2) of Section 91 of the Act;(iii)contain a report regarding the manner of service of notice under Clause (a) of Sub-Section (2) of Section 91 of the Act;(iv)specify the amount due for recovery including interest, expenses incurred in the service of

the notice referred to in Sub-Section (2) of Section 91 of the Act;(v)enclose the mortgage bond where power of sale without the intervention of the Court is expressly conferred on the State Rural Development Bank.(3)On receipt of the application, the Principal Officer shall give notice in writing by Registered Post to all the persons named in the application, that he intends to sell property giving such particulars of property to be sold, if the amount claimed by the bank including expenses incurred by it in the service of the notice is not paid within a time to be allowed by him.(4)Sale - If before the expiration of the time allowed in the notice issued under Sub-rule (3) the amount specified in such notice is not paid, the Principal Officer may authorise any officer subordinate to him to act as Sale Officer and conduct sales on his behalf.(5)Publication of Proclamation - The Sale Officer shall thereupon issue proclamation of sale by affixing a notice in the office of the Principal Officer, at least 30 days before the date fixed for the sale and also by beat of drum or other customary mode in the village where mortgaged property to be sold, is situated on two consecutive days previous to the date of sale and on the date of the sale prior to the commencement of the sale. A copy of the proclamation may also be sent to the nearest Revenue Officer having jurisdiction over the village for affixing the same in their Notice Board. A copy of the proclamation shall be given to all the parties named in the application. A copy of the proclamation shall also be got affixed on a conspicuous part of the office of the Bank. The proclamation shall state the time and place of sale and specify as fairly proclamation shall state the time and place of sale and specify as fairly and accurately as possible -(a)the property to be sold;(b)the amount for the recovery of which the sale is ordered;(c)every other matter which the Sale Officer considers material for the purchaser to know in order to judge the nature and value of the property.(6)Manner of sale - The sale shall be by public auction to the highest bidder provided that it shall be open to the Sale Officer to decline to accept the highest bid who, when the price offered, appears to be unduly low or for other reasons, to be recorded by him in writing and provided also that 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 adjourned for a longer period than 15 days or where there is a series of short adjournment which taken together in the aggregate amount to more than 15 days, a fresh proclamation under Sub-rue (5) shall be made unless the mortgagors consent to waive it in writing in the presence of two witnesses. The time and place of sale shall be fixed by the Principal Officer and the sale shall be held after expiry of not less than 30 days calculated from the date on which notice of the proclamation was affixed in the office of the Principal Officer of the area and the place of sale shall be the village, where the property is situated or such adjoining prominent place of public resort as may be fixed by the Sales Officer.(7)The Sales Officer shall have the power to divide a property in the lots as he thinks it necessary in the interests of the debtor or the Bank.(8)On every sale of property, the person declared to be the purchaser, shall pay immediately after such declaration, a deposit of 20 per cent on the amount of the purchase money to the Sale Officer and in default to pay such deposit the property shall forthwith be sold again by public auction. The money so received shall be deposited in the manner prescribed by the [Auditor-General] [Substituted vide Orissa Gazette Extraordinary No. 500, dated 23.4.1997.] ;Provided that where the Bank is the purchaser and is entitled to set off the purchase money under Sub-rule (12) the Sale Officer shall dispense with the requirements of this Rule.(9)The remainder of the purchase money and the amount required for the general stamp for the certificate under para 2 of the Schedule to the Act shall be paid within 15 days from the date of sale :Provided that the time for the payment of the cost of the stamp may, for good and sufficient reasons, be extended at the discretion of the Principal Officer up to thirty days from the date of sale

:Provided further that in calculating amounts to be paid under this clause he may be entitled under Sub-rule (12). (10) In default of payment of the remainder within the period mentioned in the last preceding clause, the deposit may, if the Sale Officer thinks fit, after defraying 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 be subsequently sold :Provided that when there is no re-sale under Sub-rule (1) or where after the default by the purchaser the defaulter pays the money due, the forfeiture of the deposit money referred to, shall not be made. (11) Every re-sale of immovable property in default of payment of the amounts mentioned in Sub-rule (9) within the period allowed for such payment shall be made after the issue of fresh proclamation in the manner and for the period hereinbefore prescribed for the sale. (12) Where the Bank at whose instance the property is sold, is the purchaser the purchase money and the amount due shall be set off against one another and the Sale Officer shall enter up satisfaction of payment of the mortgage money in whole or in part, as the case may be. (13) (i) Any deficiency of the price which may happen on the re-sale held under Sub-rule (7) or (10) by reason of purchaser's default and all expenses attending such re-sale shall be certified by the Sale Officer to the Principal Officer and shall, at the instance of either the Bank or the debtor, be recoverable from the defaulting purchaser under the provision of Section 103. (ii) The Bank is not bound to proceed against the defaulting purchaser and it may recover the amount by proceeding against the defaulter. (iii) Where the property on the second sale, fetches a higher price than at the first sale, the defaulting purchaser at the first sale shall have no claim to the difference or increase. (14) (a) If at any time before the sale takes place, the mortgage 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, the Officer shall not proceed with the sale. (b) If more persons than one come forward to make deposit and put in application under Para (1) of the Schedule to the Act the application of the first depositor to the Officer authorised to set aside the sale shall be accepted. (15) The Sale Officer shall, on the conclusion of the sale make a report to the Bank at whose instance the property was brought to sale regarding the result of the sale. (16) Whenever the sale of the property is set aside under para (1) of the Schedule to the Act, the deposit of a portion of the purchaser money under Sub-rule (8) or the entire purchase money made under Sub-rule (9), as the case may be, shall be returned to the purchaser together with the deposit made under para (1) of the Schedule of the Act. (17) Persons employed in serving notices or other processes under these rules, shall be entitled to remuneration at such rates, as may, from time to time be fixed by the Registrar. (18) The sale proceeds shall be applied in the manner provided in the Act. The amount deposited under Sub-rule (2) shall be returned to the applicant except when the costs, charges and expenses incurred by the Sale Officer as incidental to the sale or attempted sale, exceed the sale proceeds in which case such excess shall be deducted from the amount deposited and the balance, if any, shall be returned to the applicant. (19) Every person making payment towards any money due, for the recovery of which application has been made under these rules, shall be entitled to a receipt for the amount signed by the Sale Officer; such receipt shall state the name of the person making the payment and the subject-matter in respect of which the payment is made.

142. Distribution of proceeds of sale and distraint.

- The proceeds of sale under Section 91 or distraint under Section 90 shall be applied in the manner laid down in para 4 of the Schedule of the Act.

143. Officers of Societies, Financing Banks and Sale Officers not to bid at sales.

- On any sale of movable or immovable property held under the provisions of the Act or these rules, no officer or servant of the Society on the application of which the sale is held, and no officer, if any, of the Financing Bank of which the society is a member (except on behalf of the Society or the Financing Bank, as the case may be), and no Sale Officer or other person, having any duty to perform in connection with such sale, shall either directly or indirectly bid for or acquire or attempt to acquire any interest in such property.

144. [Filing and disposal of appeal under Section 109. [Inserted by Orissa Gazette Extraordinary No. 944-dated 27.7.1981, w.e.f. 14.10.1981]

(1)An appeal under Section 109 shall lie to such authorities as specified in Rule 144-A, and shall be presented by the appellant or by his duly appointed agent either in person during office hours or sent to it by registered post. (2)When such an appeal is presented by an agent it shall be accompanied by a letter of authority of the appellant appointing him as such. (3)Every appeal shall be accompanied by a certified copy of the order against which the appeal is preferred. (4)Every appeal shall - (i) be either type-written or hand-written in ink legibly; (ii) specify the name and 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) clearly state the grounds on which the appeal is made; (v) state precisely the relief which the appellant claims; and (vi) give the date of the order appealed against. (5)On receipt of 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) that it is made within the prescribed time-limit; and (iii) that it conforms to all the provisions of the act and these rules. (6)If the appellate authority finds that the appeal presented does not conform to any of the said provisions, it shall make note on the appeal to that effect and may call upon the appellant or his agent to remedy the defect within such period as the Registrar may fix. (7)If the defect is remedied, the appellate authority may proceed to consider the appeal. (8)If the appellant or his agent fails to remedy the defects within the fixed period, the appellate authority may dismiss the appeal. (9)Any appeal not filed within the prescribed time-limit may be admitted when the appellant satisfies the appellate authority that he had sufficient cause for not preferring the appeal within such period. (10)On the date so fixed, the appellate authority shall go through the relevant papers, hear the appellant or his agent, if present and pass suitable order on the appeal. (11)The appellate authority may, at its discretion, adjourn to any other day hearing of any appeal at any stage. (12)When the hearing of the appeal is completed, the appellate authority shall announce its judgement forthwith or may reserve it for a subsequent date in which case, the judgement shall be

communicated to the parties.(13)Every decision or order of the appellate authority 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.

144A. [(1) Appellate Authorities. [Inserted by Orissa Gazette Extraordinary No. 944-dated 27.7.1981, w.e.f. 14.10.1981 and renumbered vide A & C Notification No. 1807 dated 1.2.1986, see Orissa Gazette Extraordinary No. 137 - dated 5.2.1986.]

- An appeal under Section 109 against an order or decision relating to matters specified in column (1) of the table hereto annexed and passed by the authorities specified against it in column (2) thereof shall lie to the authorities having jurisdiction as specified against each in column (3) of said table -[Table]

Order and decisions to which the appeal relates	Authority by whom the orders or decisions originally made	Authority to whom appeal shall lie
1. Orders and decisions referred to in Clauses (a), (b), (c),(d-1), (g), and (h) of Sub-Section (1) of Section 109	(i) Assistant Registrar, Co-operative Societies,	The Deputy Registrar of Cooperative Societies,
(ii) Deputy Registrar, Co-operative Societies	The Joint-Registrar of Cooperative Societies	
(iii) Joint Registrar, Co-operative Societies	The Additional Registrar of Cooperative Societies	
(iv) Additional Registrar, Co-operative Societies	The Registrar	
(v) Registrar	The State Government	
(vi) Assistant Auditor-General, Cooperative Societies	The Auditor-General of Cooperative Societies	
(vii) Auditor-General, Cooperative Societies	The State Government	
2. A decision referred to in Clause (d) of Sub-Section (1) of Section 109.	(i) A Society whose area of operation confined to the local limits of a Deputy Registrar of Co-operative Societies.	The Deputy Registrar of Co-operative Societies.
(ii) A Society whose area of operation exceeds the local limits of a Deputy Registrar of Co-operative Societies but does not extend to the whole of the State.	The Joint-Registrar of Cooperative Societies.	

(iii) A Society operating in whole of the State [The Registrar]

(2)[Appeals against the order and decision specified in Clauses (e), (f), (i), (j), (k), (I), (m), and (n) of Sub-Section (1) of Section 109 shall lie to the Tribunal.] [Substituted by Orissa Gazette Extraordinary No. 500, dated 24.3.1997.][Chapter-XI-A] [Inserted by A & C Department Notification No. 1807-dated 1.2.1986 - See. Orissa Gazette Extraordinary No 137, dated 5.2.1986.]

144B. The members of the Tribunal.

(1)The Tribunal shall consist of not more than two members. In case the Tribunal is constituted with two members, one of them shall be from Orissa Superior Judicial Service (Senior Branch) who shall be the Chairman of the Tribunal.(2)The member or members of the Tribunal shall function as per the regulation framed under Sub-rule (4).(3)The headquarters for the Tribunal shall be at Bhubaneswar and it may sit at such place or places as it may find convenient for the transaction of its business.(4)Subject to the previous sanction of the State Government Tribunal shall make regulations not inconsistent with the provisions of the Act and these rules, for regulating its procedure and disposal of its business. The regulation so made shall be published in the Official Gazette.Chapter-XII Miscellaneous

145. Address of a Society.

- The Bye-Laws of every Society shall contain the address of the Society to which all notices and communications may be sent. The address of the Society shall include the name of the district, police station, post office and the town or the village.

146. Opening of branches.

- A Society may open branches at any place within the area of operation by a resolution of the committee and with the prior permission of Registrar obtained in writing, provided that such permission of the Registrar is not required if such branches are situated in the same city, town or village where the registered office of the Society is opened for a temporary period, not exceeding 30 days at the place within the area of operation, for affording facilities to the public and the Societies on the occasion of an exhibition, conference, mela and such other occasions provided that the Registrar shall be informed by the bank of its intention to open such branches.

147. Documents to be kept open to inspection.

- Every Society shall keep open for inspection by its Members free of charge at all reasonable times at its registered address -(a)a registrar of Members;(b)the list of Officers for the time being;(c)a copy of the latter audited balance-sheet of the Society;(d)the accounts of his own transaction with the Society;(e)the accounts of all the borrowers in the case of unlimited Societies.

148. Grant of certified copies.

- Any member or other persons requiring copies of any document which he has a right to inspect under the Act, the Rules and the Bye-Laws of a Society shall on an application be supplied on payment of sum calculated at the rate of fifteen paise for each hundred words of the copy taken, or such lesser rate as the Society may lay down in the Bye-Laws, subject to minimum of rupees two.

149. Manner of certifying copies of document or entries in the Books of Society.

- (i) For the purpose of Section 62 (4)(c) and Section 125 (1) and (2), copy of any document or any entry in the books of a Society regularly kept in the course of business shall be -(a)by a member of the committee authorised by the committee in this behalf;(b)[where the management of the society has vested under Sub-Section (1-b) of Section 28 or when an order has been passed under Sub-Section (1) of Section 32, by the officer or person appointed to manage the affairs of the Society;] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.](c)where an order has been under Section 72 of the Act appointing a Liquidator of the Society, by the Liquidator.(ii)The charges to be levied for the supply of certified copies of documents or entries in the books of a Society shall not exceed the amount fixed in this behalf under Rule 148.(iii)No copy of document or of any entry therein taken under Sub-Section (4)(c) of Section 92 or Section 125 of the Act shall be admissible in evidence unless it contains a certificate in the following form -["I certify the above is a true copy of the"] [Nature of document entry or entries in the Book to be specified.]Signature of the Officer or person.

150. Authentication of Notice or Process.

(1)Every summons, process or notice issued under the Act except as otherwise provided in the Act and these rules shall be in writing, shall be authenticated by the seal, if any, of the Officer by whom it is issued and shall be signed by such Officer or any person duly authorised by him in writing in that behalf.It shall require the person summoned to appear before the said Officer at the 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)Any person may be summoned to produce document without being summoned to give evidence; and any person summoned merely to produce documents 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.(3)Manner of service of notice - The service of summons or notices except as otherwise specifically required under the Act may be affected in any of the following ways -(a)by giving or tendering a copy of it to such person; or(b)if such person is not found, by giving or tendering it to some adult member of his family;(c)if the address of such person is known by sending it to him by registered post;(d)if none of the means aforesaid available, by fixing it in some conspicuous part of his last known place of abode or business.(4)When the Serving Officer delivers or tenders a copy of the summons personally to the summoned or to an agent or any other person on his behalf, he shall

require the person to whom the copy is so delivered or tendered to sign on the back of the original summons.(5)The Serving Officer shall in all cases in which the summons has been served under Sub-rule (4) endorse or annex or cause to be endorse or annexed on or to the original summons a return stating the time when and the manner in which the summons was served and the time when and the manner in which the summons 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.(6)Where the person to whom notice, process or summons issued is a public officer or is the servant of a Railway Company or local authority, the Officer issuing the process, may, if it appears that the process may most conveniently be served, send it by Registered Post prepaid for acknowledgment for service on the party to the head of the office in which he is employed together with a copy to be retained by the party.(7)When the person whose evidence is required is unable from sickness or infirmity to attend before the officer or person issuing the summons or notice or is a person whom by reason of rank or sex it may not be proper to summon, the officer or person issuing the summons may, of his own motion or on the application of the person whose evidence is required, dispense with his appearance and examine him at his place of abode or business or cause him to be so examined by a person specially deputed by him for the purpose.(8)A party who desires the attendance of the person either to give evidence or produce a document shall deposit with the officer or person issuing the summons or notice in cash -(i)process fees in accordance with the scale fixed by the Registrar of Co-operative Societies; and(ii)allowance payable to the person whose attendance is desired for travelling and appearing before the officer or person issuing the summons or notice in accordance with the scale fixed by the Registrar of Co-operative Societies.If the party requires to make such deposits to do so within 15 days from the date of the order requiring him to make the deposit, the officer or person empowered to issue the summons may drop further action.

151. Legal practitioners not to appear in proceedings under this Act.

- Legal practitioners shall not be entitled to represent parties in proceedings under the Act or the Rules except -(i)before the Registrar [Tribunal] [Substituted by S.R.O.No 1127/78.] or the State Government;(ii)in appeal and revisions;(iii)with the permission of the Presiding Officer, before whom the proceedings are taken.

152. Fees payable for Appeal, Revision and Review, etc.

(1)Every appeal preferred under Sub-Section (1) of Section 109 to the Registrar [Co-operative Tribunal] [Inserted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] or State Government shall be accompanied by a Court-fee of [Rs. 15.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.].(2)Every application for review or revision under Section 111 or 112 or 113 shall be accompanied by a Court-fee [Rs. 30.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.].(3)Every application for restoration of a suit, or setting aside of an ex parte decree shall be accompanied by a Court-fee of [Rs. 25.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.].(4)Every application for adjournment of a suit, shall be accompanied by a Court-fee of [Rs. 10.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.].Provided that when an appeal or revision or review is preferred by a Liquidator or non-borrowing Society having no funds the authority before

whom the appeal or review or revision is preferred may exempt the Liquidator from payment of Court-fee payable under this Rule.

153. Inspection of Books and obtaining copies thereof.

(1) A member of the Co-operative Society or any person subordinate to him may inspect the following documents in the office of the Registrar on payment of fee of [Rs. 5.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] on each occasion - (i) Application for registration of Societies; (ii) Certificate of Registration; (iii) Bye-Laws of Societies; (iv) Amendment of Bye-Laws; (v) Order directing the winding up of a Society; (vi) Order cancelling the registration of Society; (vii) Audit Certificate; (viii) Annual balance-sheet; (ix) Order of supersession of a Committee; (x) Order of removal of a member; (xi) Registrar of Societies. (2) Certified copies of any document which any person has a right under Sub-rule (1) to inspect shall be supplied on payment of a fee of - (i) [Rs. 20.00] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] for the Bye-Laws if it is a printed copy; (ii) a sum calculated at the rate of [four rupees] [Substituted vide Orissa Gazette Extraordinary No. 2182, Dated 26.11.2002.] for each hundred words of the copy extract of any other document. Four figures shall be counted as a word.

154. Fees to be paid into Treasury.

- [Unless Government otherwise directs, all fees including fees for issue of certified copies payable under the Act or the Rules, except as laid down in Rule 152 shall be paid in shape of Court fee or into the Treasury under the appropriate head.] [Substituted by Orissa Gazette Extraordinary No. 1133 dated 26.7.2002 w.e.f. 26.7.2002]

155. Use of premises of Societies.

- No Society shall use or allow to be used any premises or a portion thereof for any purpose other than such business or other co-operative activities, provided however that the Registrar may by special or general order relax the operation of this rule for an individual Society or particular type of Societies.

156. Reconstruction of Records.

- In case any records relating to account of Society is lost or destroyed the accounts of the Society may be reconstructed by the person authorised by the Registrar with reference to the information and references available.

157. Collection of share money.

(1) Any person collecting share money of a Society in information shall within a fortnight deposit the same in State Co-operative Bank or Central Co-operative Bank or in Postal Savings Bank. (2) Any person collecting the share money for a Society in information shall not make use of the funds for

conducting any business or trading in the name of the Society to be registered or otherwise.(3)Non-compliance of the provisions of Sub-rules (1) and (2) shall be deemed as an offence under Section 115 of the Act.

158. The State Co-operative Council.

(1)The State Government shall constitute a State Co-operative Council consisting of -(i)Minister of Co-operation, who shall be the President;(ii)Minister of State, Co-operation, if any;(iii)Deputy Minister, Co-operation if any;(iv)Agricultural Production Commissioner;(v)The Secretary to State Government in the Department of Co-operation;(vi)Registrar of Co-operative Societies;(vii)Two Members of the Orissa Legislative Assembly to be elected for the purpose;(viii)President of the Orissa State Co-operative Bank;(ix)President of the Orissa State Co-operative Union;(x)President of the Orissa State Co-operative Land Development Bank;(xi)President of the Orissa State Co-operative Marketing Federation;(xii)For non-official Co-operators to be nominated by the State Government from the Co-operative Societies;(xiii)Such additional members not exceeding three as the Council, with the approval of the State Government may co-opt.(2)The term of office of members of the Council and the President thereof shall be three years and may be extended by Government for a period not exceeding one year.(3)It shall be duty of the Council-(i)to exercise general superintendence on the activities of the Cooperative Department and to recommend to Government on such matters as in their judgement may be calculated to ensure progress in the Co-operative movement;(ii)to advise Government regarding Scheme framed by the Co-operative Department from time to time of the progress of the movement;(iii)to advise Government on the working of the laws relating to Society and to suggest any amendment or modifications as they deem necessary;(iv)to review annually the Co-operative Movement in Orissa and forward it to Government for their information; and(v)to perform such other duties as may be assigned to it by Government.(4)The Council shall make regulations not inconsistent with the act, the Rules made thereunder or an other Law as to -(a)procedure and conduct of business at meeting of the Council;(b)the manner in which their decision may be ascertained otherwise than in meeting;(c)delegation of powers of the Council to individual members;(d)books and accounts to be kept by the Council;(e)generally the conduct of all proceedings and business of the Council.(5)The Council shall meet at least twice during the Co-operative Year transaction of business.

A

Form of Certificate of Registration[Rule 10]Certificate of Registration No.....of 19/20.....in the Office of the Registrar of Co-operative Societies, Orissa.....Assistant Registrar of Co-operative Societies,..... under Orissa Act 2 of 1963.In the matter of the application for the Registration of a Co-operative Society at..... in the district of.....I do hereby certify that pursuant to the Orissa Co-operative Societies Act, 1962 (Orissa Act 2 of 1963), the said Society has been registered in my office as a Society with limited/unlimited liability under the title of the..... and the Bye-laws filed by the said Society as altered by me have also been duly registered.The following is the area of operation of the SocietyDated this..... day of... Two Thousand and.....SealRegistrar of Co-operative Societies, Orissa.....Assistant Registrar of Co-operative Societies

B

Certificate of Registration of Amendment of Bye-Laws[Rule 14]In the Office of the Registrar of Co-operative Societies, Orissa.....Assistant Registrar of Co-operative Societies.....Circle under Orissa Act 2 of 1963.I do hereby certify that pursuant to the Orissa Co-operative Societies Act, 1962 (Orissa Act 2 of 1963), the amendments shown in the enclosed document of the Bye-Laws of the..... a Society registered..... under..... No..... in the district of..... has been duly registered. The following is the area of operations of the Society.The Bye-Laws amended and registered this day are as follows -Complete amendment of the previous Bye-Laws.Particular amendment of Bye-Laws Nos..... dated this..... day of..... Two Thousand andSealRegistrar of Co-operative Societies, Orissa.....Assistant Registrar of Co-operative Societies.[Schedule-C] [Substituted by Orissa Gazette Extraordinary No. 500, dated 23.4.1997.][Rule 44-A]Declaration Creating ChargeI.....S/o.....(age....) residing at.....having my permanent residence at.....having been admitted to the membership of..... society with limited/unlimited liability and being desirous of borrowing loan from the Society/having borrowed a loan from the Society before making this declaration as required under Section 34 (2) of the Orissa Co-operative Societies Act, 1962 that I own/have interest in.....the land or the other immovable property specified in the Schedule, and I hereby create a charge on the said land or property/in such land or property in favour of the Society for the payment of the amount of the loan which Society may grant/has granted and for all future advance, if any, which the society may make to me subject to the maximum amount of Rs.....together with interest at such rate as may be agreed to between me and the Society, from time to time on such amount of the loan and advance.

Schedule 3

Name of Village	Name of Tahasil	Name of District	Description of immovable property	Extent	Boundaries
Khata Number	Plot No.	Acres/ Cents Guntas	South- East	North- West	
(1)	(2)	(3)	(4)	(5)	(6)

Assessment	Approximate value	Encumbrances, if any	Remarks if any
Nature	Amount		

(7)Rs.P.	(8)Rs.P.	(9)Rs.P.	(10)
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In witness thereof, I Shri..... hereunder set my hand this day of.....in the year Two Thousand.....Witnesses :Signed and delivered by the above-named in the presence of :

1.

2.

Applicant's Borrower's Signature Attested by: Forwarded to the Sub-Registrar of..... (having jurisdiction over the area in which the land or other property is situate) with a request to register the particulars of the barge created under the declaration in the Registration Record and to return the declaration to the Society after its registration. President Signatory..... Society Returned to the President..... Society/Limited/Unlimited. The charge created under the declaration is duly registered in the Registration Record on the..... day of..... 19/20..... The declaration is not in order for want of..... and therefore not registered. Sub-Registrar [Schedule-E] [Inserted vide SRO No. 1035/79 - dated 15.10.1979.] Declaration under Rule 96-AI, Shri/Smt.....

Son/Wife/Daughter/husband of Shri/Smt..... aged..... occupation..... P.S..... Block..... District..... belonging to Scheduled Castes/Scheduled Tribes/General Castes being desirous of availing myself/as Karta, Manager of the joint family a loan of Rs..... from the Co-operative Land Development Bank Limited make this declaration under Rule 96-A of the Orissa Co-operative Societies Rules, 1965 that the lands noted in Schedule T below are myself acquired for my ancestral property and I have got permanent heritable, transferable occupancy rights over the same and am in cultivating possession of the same and I hereby declare that till today the aforesaid lands are not encumbered in any manner whatsoever and no first charge is created over the same land on account of any other Government loan or does not any litigation is pending in any original or appellate Court or encumbered in the manner stated in Schedule 'II' below and I hereby create a charge on the said lands my interest there in favour of the aforesaid bank which I have right to create from this day of onwards in order to secure the aforesaid loan or such other lower amount as the said bank may decide and further declare that this charge shall continue to subsist till the claim of the said bank is cleared in full and clearance certificate in this respect is issued by the said bank.

I

Name of Village	Name of Tahasil	Name of District	Extent	Extent offered as security			
Patta or Khata Number	Survey plot Number	Ac.	Dec.	Ac.	Dec.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (9)

Nature of land	Boundaries of part plot	Land Revenue	Cess	Approximate
Rs. P. □ Rs. P.	Rs. P. Rs. P.	Rs. P. Rs. P.		
(10)	(11)	(12)	(13)	(14)

II

Name of mortgage	Number and year of document	Mortgage amount	Amount due on date	Remarks
(1)	(2)	(3)	(4)	(5)

I further declare that the facts stated above are true to my knowledge and belief and nothing of the same is false and if at any time all or any of the facts asserted herein are proved to be false, I shall be punished in accordance with Sub-Section (1) of Section 115 of the Act. In witness whereof, I Shri/Smt. hereunder set my hand after having read over/ explained to me and in agreement of the same on this day of Two Thousand and and deliver this document to the Secretary of the aforesaid bank, Shri. after the witness have appended their signature below;

Declarant

(Signature in full)

Witnesses No.1

Witnesses No. 2

Signature in full

Signature in full

Address

Address

Date :

Date :

Declaration identified by me

Signature in full

Designation

Date :

Shri/Smt. son/wife/daughter/husband of Shri/Smt. aged occupation resident of P.O. P.S. Block district who is known to me personally, identified by the above signatory Shri. appears before me and states that the contents of this declaration are true to the best of his/her knowledge and belief and if found false at any time he/she is liable to be punished under the law. Seal Signature in full Designation Date : By Registered Post with A.D. Two certified true copies of the declaration made by Shri/Smt. of village on dated before Shri. are forwarded to the Sub-Registrar as required under Section 83-D (3) of O.C.S. Act, 1962 with a request to retain one copy of the same in his office and record the particulars of the charge created in the lands of the declarant and return the other copy to the Secretary Co-operative Land Development Bank Limited after having done with. Secretary C.L.D. Bank Date : Acknowledgment : In acknowledging the receipt of the copies of the declarant made by Shri/Smt. of village the charge on the lands is duly recorded in the concerned books of registers and the other copy duly endorsed is returned herewith. Seal Sub-Registrar Date