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KERALA COOP. SOCs RULES, 1969

1107-A

KERALA CO-OPERATIVE SOCIETIES RULES, 1969

E 1107 A

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GOVERNMENT OF KERALA

Agriculture (Co-operation) Department

NOTIFICATION

No. 24595/C3/69/AD. *Dated, Trivandrum, 15th May 1969.*

KERALA CO-OPERATIVE SOCIETIES RULES, 1969.

S. R. O. No. 206/69.—In exercise of the powers conferred by section 109 of the Kerala Co-operative Societies Act, 1969, and in supersession of all the rules made under the Madras Co-operative Societies Act VI of 1932 (Madras Act VI of 1932) and under the Travancore-Cochin Co-operative Societies Act, 1951 (Travancore-Cochin Act X of 1952) the Governor of Kerala hereby makes the following Rules namely:—

RULES

CHAPTER I

Preliminary

1. *Short title and extent.*—These Rules may be called the KERALA CO-OPERATIVE SOCIETIES RULES, 1969.

2. *Definitions.*—In these Rules, unless the context otherwise requires:—

(a) "Act" means the Kerala Co-operative Societies Act, 1969.

(b) "Decree" means any order, decision or award referred to in Section 76 of the Act.

(c) "Decree Holder" means any person holding a decree.

(d) "Default" means failure on the part of any person, to repay to the financing bank or to any other society a loan or any other amount due to it within the time fixed for repayment or to return to the society within the time fixed the finished goods in respect of raw materials advanced or to keep any other obligation for the fulfilment of which a time limit has been specified in the byelaws.

(e) "Defaulter" means any Co-operative Society against which or any person against whom a decree has been obtained.

(f) "Form" means a form set out in Appendix II.

(g) "Net Profit" means net profit as certified by the Registrar.

(h) "Person" includes the Government and a Co-operative Society.

(i) "Sale Officer" means an officer of any Department empowered by the Registrar by General or special order to conduct the attachment and sale or sale without attachment of the property of defaulters, or to execute the order or decision of the Registrar in regard to the attachment and sale or sale without attachment of the property of the defaulter.

(j) "Section" means a section of the Act.

(k) "Working Capital" means such portion of the Reserve Fund, other funds, paid up share capital, loans and deposits received by a Society and debentures issued by a society as have not been invested in buildings anp other fixed assets.

CHAPTER II

Registration of Co-operative Societies and Their Byelaws

3. *Application for Registration.*—(1) Every application for registration of a Society under sub-section (1) of Section 6 shall be made in duplicate in Form No. 1 be accompanied by—

(a) three copies of the proposed byelaws of the society;

(b) a certificate from the Bank or Banks stating the credit balance in favour of the proposed Society therein;

(c) a list of persons in duplicate who have contributed to the share capital, together with the amount contributed and the entrance fee paid by each of them;

(d) the scheme showing the details as to the economic soundness o the proposed society; and

(e) such other documents as may be specified by the Registrar.

(2) When the applicants are individuals, the application shall be signed by not less than 25 persons each of such persons being a member of a different family.

(3) Where any member of a society to be registered is a registered society, a member of the committee of such registered society shall be authorised by the committee of that society by a resolution, to sign the application foi registration and the byelaws on its behalf, and a copy of such resolution shall be appended to the application.

(4) Where any member of a sc ciety to be registered is a body whether statutory or non-statutory, committee or Corporation that body shall authorise any person to sign the application for registration and the byelaws on its behalf, and a copy of the resolution giving such authority shall be appended to the application.

(5) The application shall be sent to the Registrar by registered post, or delivered in office in person.

(6) Court Fee stamps of the value of Rs. 5 shall be affixed to the original application.

4. *Registration.*—(i) On receipt of an application under rule 3, the Registrar shall enter particulars of the application in the Register of application to be maintained in Form 2, give a serial number to the application and issue a receipt in acknowledgement thereof.

(ii) The Registrar shall then examine the application and the byelaws in order to satisfy that the conditions specified in clauses (a) to (e) of Section 7 and rule 3 are satisfied.

(iii) The Registrar may call for such further information or make such enquiry as he may deem neeessary or direct the Chief Promoter to make such modifications in the proposed byelaws as he may deem fit. The applications shall thereupon furnish such information or make such modifications in the proposed byelaws as the Registrar may direct with the consent of the applicants within a period to be specified by him.

(iv) If the Registrar is satified that the proposed Society has complied with the above requirements he may register the society and its byelaws and issue to the society free of cost, a certificate of registration in Form No. 3 signed by himself and bearing his official seal along with a certified copy of the byelaws as approved and registered by him. The certificate of Registration shall contain the registration number of the society and the date of its registration. The Registrar may assign for each District and each class or sub-class of Socieities, a code symbol, for giving registration numbers to the societies. When a society has been registered, the byelaws as approved and registered by the registrar shall be the registered byelaws of the society for the time being in force.

(v) When the Registrar is not satisfied, he shall pass an order of refusal together with the reasons therefor and communicate it by registered post to the Chief Promoter within 7 days of such order.

(vi) Any decision to register the Society under sub-rule (iv) or any refusal of an application for registration of a society under sub-rule (v) shall be made within 3 months from the date of receipt of application.

(vii) A copy of the certificate of registration together with a copy of the byelaws shall be furnished to the Financing Bank, Central or Apex Society and the Co-operative Union concerned.

5. *Subject matter of byelaws.*—(1) The byelaws of a society shall not be contrary to the provisions of the Act and these Rules and may deal with all or any of the matters specified below and with such other matters incidental to the organisation of the society and the mangement of its business, as may be deemed necessary:—

(a) the name and address of the society and its branches if any;

(b) the area of operations;

(c) the objects of the society;

(d) the manner in which and the limit upto which the funds of the society may be raised, the maximum share capital which one member may hold and the purpose to which the funds would be made applicable;

(e) the terms and qualifications for admission to membership, the payment, if any, to be made or interest to be acquired as a condition precedent for exercising the right of membership;

(f) the privileges, rights, duties and liabilities of members including nominal and associate members;

(g) the nature and extent of the liability of the members for the debts contracted by the societies;

(h) the circumstances under which withdrawal from membership shall be permitted, the manner in which penalty shall be levied on members found to be guilty of breach of byelaws;

(i) the consequences of default in payment of any sum due by a member;

(j) conditions regarding sale or disposal of produce of members, wherever applicable;

(k) the procedure for expulsion of members and as to how the assets and liabilities of an expelled member shall be dealt with;

(l) the manner of making, amending and repealing byelaws;

(m) the constitution and reconstitution of the committee and removal of the officers and the duties and powers of the committee and the officers;

(n) the mode of custody and investment of funds and mode of keeping the accounts and records. The preparation and submission of such annual or other statements as specified in these rules and the pulication of the same;

(o) the disposal of net profit;

(p) appointment of a provisional committee wherever necessary;

(q) the mode of convening annual and special general body meetings, issue of notices, and the business which may be transacted thereat;

(r) in the event of winding up of the society, the purpose for which surplus assets, if any, shall be utilised;

(s) the coduct of elections to the committee and other bodies of the society as provided in the byelaws, including the right of members to be elected by different constituencies and appointment of Returning Officer;

(t) affilitation to the State Co-operative Union, Financing Bank or any other institution and the charges to be paid in respect of such affiliation;

(u) the procedure to he followed in cases of withdrawal, ineligibility and death of members;

(v) the conditions, if any, under which the transfer of share or interest of a mamber may be permitted;

(w) the method of appropriating payments made by members from whom moneys are due;

(x) the authorisation of an officer or officers to sign documents and to institutes and defend suits and other legal proceedings on behalf of the society;

(y) the constitution and maintenance of various funds as required to be maintained under the provisions of the Act, Rules and byelaws;

(z) constitution of representative General body consisting of delegates of members of the society and the mode of election of representatives to exercise the powers of the general body of members and to specify the powers which may be exercised by such smaller body;

(aa) the settlement of disputes touching the constitution of the Committee or the management or the business of the society falling within the purview of section 69; and

(ab) Procedure regarding valuation of shares for the purpose of refund of shares.

(2) In the case of Credit Societies:—

(i) the maximum loan admissible to a member;

(ii) the maximum rates of interest on loans to members;

(iii) the conditions on which loans may be granted to members and to members of Managing Committee and penalties for misapplication of loan so advanced;

(iv) the procedure for granting extension of time for the repayment of loans and advances;

(v) the consequences of default in payment of any sum due;

(vi) the circumstances under which a loan may be recalled;

(vii) matters referred to in sub-rule (1)

(3) (i) In the case of non-Credit Societies, the mode of conducting business such as manufacture, purchase, sale, stock-taking and other like matters;

(ii) Matters referred to in Sub-rule (1)

(4) In the case of composite society, that is to say, society having both credit and non-Credit functions, matters referred to in sub-rules (1) (2) and (3).

6. *Model Byelaws.*—(i) It shall be competent to the Registrar to frame byelaws for each class or classes of societies and to suggest modifications thereto from time to time;

(ii) Such model byelaws shall be adopted by a society with such modifications, if any, as may be suggested by the society and agreed to by the Registrar.

7. *Period within which societies shall commence working.*—Every society shall commence working within a period of six months of its registration. The Registrar may give further extension not exceeding six months if in his opinion such extension is necessary.

Explanation.—For the purpose of this rule the society shall be deemed to have commenced working if it has held the first general body meeting after ist registration and admitted members and has allotted shares.

8. *First General Body Meeting.*—(1) Within three months from the date of registration of a society, the Chief Promotor thereof, shall convene the fiirst General Body Meeting of all persons who had signed the application for registration of the society. Where the Chief Promoter fails to convene the the meeting as aforesaid, it shall be convened by any person authorised in that behalf by the Registrar.

(2) At the first general body meeting, the following business shall be transacted;

(i) Election of a President for the meeting;

(ii) Admission of members and allotment of shares;

(iii) Receiving a statement of accounts and reporting all transactions entered into by the Chief Promoter;

(iv) Passing budget for the working of the society for the year, if any

(v) Any other matters connected with the working of the society.

9. *Procedure Regarding Amendment of Byelaws.*—(i) Every proposal for amendment to the byelaws of a society shall be made only by a resolution passed by a 2/3 majority of the members present and voting. Such resolution shall be forwarded to the Registrar within one month from the date of the General Body meeting at which such amendment was passed provided that the Registrar may condone the delays, if any, for sufficient casuse.

(ii) No such resolution shall be valid unless notice of the amendment proposed has been given in accordance with these rules and the byelaws.

(iii) Every application made to the Registrar for the registration of amendment shall be signed by the Secretary and two members of the Committee and shall contain the following particulars:—

(a) the date of the generpl body meeting at which the amendment was made;

(b) the 'number of days' notice given to convene the general body meeting;

(c) The number of days notice required as per the byelaws for the General Body Meeting;

(d) the total number of members of the society on the date of such meeting;

(e) the number of members who formed the quorum for such meeting;

(f) the number of members present at such meeting;

(g) the number of members who exercised their votes at the meeting; and

(h) the number of members who voted for the amendment.

(iv) The proposal shall be accompanied by,

(a) a copy of the relevant bye-laws in force with amendments proposed to be made in pursuance of the resolution, together with reasons justifying such amendments.

(b) four copies of the text of the byelaws as it would stand after amendment, signed by the officers authorised in this behalf by the committee of the society.

10. *Manner of calling upon societies to make or amend the byelaws.*—(1) The order to be issued under sub-section (5) of section 12 shall be in form No. 5 and the notice calling for representation under sub-section (6) of section 12 shall be in Form No. 6.

(2) Rule 9 shall not apply when action is taken under this rule.

11. *Registrar to keep a Record of Names, Address and Byelaws of Societies.*—(1) A register in Form N. 4 showing the number, name and address of all Societies registered under this Act and the date on which its byelaws or the amendments therete are registered.

(2) A copy of each of the byelaws of the Societies registered by him, the amendments to byelaws as and when registered should be filed along with the original byelaws.

12. *Procedure regarding change of liability.*—Without prejudice to rule 9, no amendment to the byelaws of a society changing its liability from unlimited to limited under section 11 shall be registered unless:—

(i) the amendment has been approved by a resolurion passed by a $\frac{2}{3}$ majority of the members present and voting at a meeting of the general body specially called for the purpose of which at least seven clear days' notice has been given to all its members; and

(ii) the claims of all the members and creditors who have exercised the option referred to in clause (b) to sub-section (4) of that Section within the period specified therein have been satisfied.

13. *Amalgamation, transfer of assets and liabilitirs or division of societies.*—(1) Every society desiring to effect amalgamation transfer of assets and liabilities, or division shall make an application to the Registrar in that behalf giving full details of such amalgamation, trensfer or division as the case may be.

(2) The Registrar may after examining the details furnished in the application and other particulars which he may call for from the society, give his approval for the proposals, if it appears to him to be in the best interest of the society or societies concerned:

Provided that in the case of transfer of Assets and Liabilities under sub-rule (1), the concurrence of the transferee society shall be obtained before giving such approval.

(3) On receipt of the approval to the proposals, from the Registrar, the society shall convene a meeting of a special general body, called for the purpose, giving 15 clear days' notice and pass a resolution for amalgamation, transfer of assets and liabilities or dlvision as the case may be by two-thirds majority of the members present and voting at that meeting. In the case of amalgamation or division, the resolution, shall include the draft byelaws

proposed for adoption, consequent on the approval of the proposals referred to in sub-rule (2). In the case of amalgamation, the draft byelaws shall also include provision for appointment of its first committee by nomination.

(4) When the resolution so passed is dcemed to have been taken effect under sub-section (6) of section 14 the society concerned shall report the fact to the Registrar.

(5) On receipt of the report from the society under sub-rule (4), the Registrar shall after satisfying himself that the procedure has been properly followed, declare that the resolution has taken effect and register the amalgamated or divided societies.

14. *Manner of consulting the Financing Bank and Circle Co-operative Union when the Registrar directs amalgamation and division.*—Before issuing any order under sub-section (8) or (9) of section 14, the Registrar shall prepare a draft scheme in respect of snch amalgmation or division stating in particular the manner in which the assets and liabilities of :he society or societies proposed for division or amalgamation, as the case may be, is to be dealt with, the compoosition and strength of the new Committee or Committees of the society or societies resulting from such amalgamation or division and the byelaws which such society or societies shall follow. The Registrar shall send a copy of the scheme to the financing Bank, and Circle Co-operative Union for their views within such time as may be specified by him. If no reply from the Financing Bank and the Circle Co-operative Union is received within the time fixed, it will be presumed that the Financing Bank and Circle Co-operative Union are agreeable to the scheme prepared by the Registrar. After considering the views if any, received from the Financing Bank and the Circle Cooperation Union, the Registear shall send the order under sub-sections (8) and (9) of Section 14 to the committee or each of the committees concerned calling upon it or them to amalgamate or divide, as the case may be, within such time as may be specified in the order.

15. *Classification and sub-classification of Societies.*—After registration of a society, the Registrar shall classify the society into one or other of the following classes and sub-classes of societies according to the principal object provided in its byelaws:—

Class	*Sub-class*	*Examples of societies falling in the class or sub-class, as the case may be*
(2)	(2)	(3)
1. Co-operative Banks	(a) Apex Bank	State Co-operative Bank and Co-operative Central Land Mortgage Bank.
	(b) Central Banks	District Central Co-operative Banks.
	(c) Other Banks	Urban Banks, Primary Land Mortgage Banks.

(1)	(2)	(3)
2. Credit Societies	(a) Agricultural Credit Societies	Servsce Co-operative Societies at the primary level
	(b) Composite Credit Societies	Multipurpose Societies, Rural Banks, Agricultural Improvement Societies, Rubber Karshaka Societies, etc
	(c) Non-agricultural Credit Societses	Harijan Societies, Employees Credit Societies, etc.
3. Marketing Societies	(a) Apex Marketing Society	State Co-operative Marketing Federation.
	(b) Primary Marketing Societies	All purchase and sale Societies and Marketing Societies of agricultural produce.
	(c) Non - Agricultural Marketing Societies	Fish Marketing Societies Egg marketing Societies, etc.
4. Consumers' Societies	(a) Apex	Federation of Consumers' Societies.
	(b) Central	District Wholesale Co-operative Stores.
	(c) Primary Consumers' Stores	Co-operative Stores and Canteens.
5. Processing Societies	(a) Agricultural Processing Societies	Societies which process Agricultural produce like Co-operative Sugar Factories, Tea Factories, Tapioca Processing Units, Oil crushing, Paddy Hulling Societies, Coffee curing, etc.
	(b) Industrial processing Societies	Fish curing societies, Tanners' Societies.
	(c) Other Processing Societies	Ayurveda Co-operative Societies.
6. Farming Societies	(a) Better Farming Societies	Such a society purchases materials in bulk and provides improved methods of cultivation among the members without pooling their lands and resources.

(1)	(2)	(3)
	(b) Joint Farming Societies	In this type, the members of the society pool their lands and resources and carry on cultivation jointly under the auspices of the society. The profit is divided among themselves after meeting the cost of cultivation and other expenses of the society, in proportion to the extent of land held by each.
	(c) Tenant Farming Societies	Such society acquires or owns the land for cultivation. It parcels out the land in convenient economic units to the members for their independent cultivation, fixing a rent. The relationship between the society and the members is that of a landowner and tenants.
	(d) Collective Farming Societies	In this type, the whole lands are owned and held by the society. The cultivation is carried on in the land by the society employing the members. The profits of the socsety are distributed among members in proportion to the work done by them.
7. Producers' Society	(a) Industrial Producers' Society	Weavers' and Carpenters' Societies, Societies for Blacksmiths, Pottery and Coir Societies, Mat Weaving Societies, etc.
	(b) Industrial Labourers' Society	Forest Labourers' Societies and Labour Contract Societies.
	(c) Agricultural Producers' Society	Cattle breeding, Dairy Societies, Poultry Societies, Piggery Societies, etc.

(1)	(2)	(3)
8. Housing Society	(a) Coperative Building Society (b) Coperative House Building Society	These are based on individual ownership. The assistance, for construction of houses, in accordance with the approved type designs, is provided by the society. In the former type, members themselves construct the houses. In the latter type, the society builds on behalf of the members.
	(c) Co-operative House Construction Society	These Societies acquire land, construct houses and allot them to members on hire purchase system.
	(d) Tenancy Housing Society	The society owns site, constructs houses according to the type designs and rents out them to the members. The relationship between the society and the member is that of a house-owner and tenant.
	(e) Other Housing Society	House Mortgage Banks. Such societies advance loan for repair, remodelling of old houses on the security of the houses and other landed properties.
9. Miscellaneous Society	(a) Social Welfare Society	Better living societies and Education Societies, Literary Societies, etc.
	(b) Commercial Societies	Insurance, Motor Transport and Rickshaw Pullers' Societies, Co-operative Printing Press and Work Shop, etc.
	(c) Others	Not falling in either of the above sub classes. (1) Lift Irrigation Society. (2) Producers-cum-Consumers' Society.

Note:—(i) If any question arises as to the classification of a society, it shall be referred to the Registrar for decision and his decision thereon shall be final.

(ii) If the Registrar alters the classification of a society from one class of society to another or from one sub-class thereof to another, he shall issue to the society/and the Financing Bank a copy of his order and the society shall fall under that category with effect from the date of that order.

CHAPTER III

Rights and liabilities of members of Co-operative Societies

16. *Conditions to be complied with for admission for membership.*—(1)—No person shall be admitted as a member of a society unless:—

(a) he has applied in writing in the form if any laid down by the society,

(b) his application is approved by the committee of the society,

(c) he has fulfilled all other conditions laid down in the Act, Rules and Byelaws,

(d) in the case of other societies or a body of persons, whether incorporated or not, and any statutory or non-statutory Board, approved by the Government, Committee or Corporation constituted for the development of any industry the application for membership shall be accompanied by a resolution authorising it to apply for such membership.

(2) No person shall be eligible for admission as a member of a Co-operative Society, if he:—

(a) has not attained the age of 18 years;

(b) is not a resident of or does not own or possess land within the area of operation of the society, provided that this clause shall not apply in the case of a society formed exclusively for the students of any School or College;

(c) has applied to be adjudicated as an insolvent or is an undischarge insolvent;

(d) has been sentenced for any offence, other than an offence of a political character or an offence not involving moral turpitude and a period of five years has not elapsed from the date of expiry of the sentence; or

(e) is a paid employee of the society or of its financing Bank or of any society for which it is the financing Bank, provided that this restriction shall not apply to Co-operative Motor Transport Societies, Co-operative Workshops, Societies for the employees of Financing Banks, and Societies formed for benefit of actual workers; or

(f) has been surcharged under section 68 and a period of 3 years has not elapsed since the payment of money or restoration of property as directed in the said order of surcharge.

(3) Where a person already admitted to membership is seen to have been ineligible for membership at the time he was so admitted as a member or if he subsequently becomes ineligible for membership the Commitee of the Society may remove the person from membership after giving him an opportunity for making his representation, if any, and the person concerned shall thereupon cease to be a member of the society.

(4) Where a member of a society becomes ineligible to continue as such, the Registrar may of his own motion or on a representation made to him by any member of the society or by the financing Bank, by an order in writing declare that he has ceased to be a member of the society from the date of his order. The Registrar shall give such person an opportunity to state his objection, if any, to the proposed action and if the person wishes to be heard, he shall be given an opportunity to be heard before passing an order as aforesaid.

17. *Restriction on the admission of members in certain types of societies.*—In a society formed for the promotion of the economic interest of its members through a specified activity or in a society formed exclusively for the benefit of persons engaged in any particular industry, no person other than one who is likely to be benefited directly by such action or an actual worker in the industry as the case may be shall be admitted in excess of the limit that may be specified in the byelaws or in any case in excess of 10 percent of the total number of members in the society.

18. *Procedure for the expulsion of members.*—A member who has acted adversely to the interest of the society may be expelled from the society as per Section 17, adopting the following procedure:—

(a) Where any member of a society proposes to bring a resolution for expulsion of any other member he shall give a written notice thereof, to the Chairman of the society. On receipt of such notice or when the Committee itself decides to bring in such resolution, the Committee shall send a registered notice to the member concerned to furnish his explanation, if any, in the matter within 15 days from the date of receipt of the notice. The member shall also be given an opportunity for being heard in person, if he so desires.

(b) On obtaining the explanation, if any, and on being heard in person, if he so desires and on giving an opportunity to the complainant, to substantiate his allegation or after taking into consideration any written representation which he might have sent to the Committee or General Body, the committee shall decide as to the course of action to be adopted against the member concerned. If the committee decides to expell the member it shall convene a special General Body meeting after issuing due notice appending the agenda thereto, and place the matter before it for decision under Section 17.

19. *Voting.*—A member shall be deemed to have exercised his right to o... vote at an election of the Committee of the society, if only he expresses h... choice in favour of such number of persons as are to be elected.

20. *Payment to be made to acquire rights of a member.*—The payments to acquire right of membership shall include—

(i) Admission fee

(ii) Subscription to Share Capital

(iii) Any other payments required to be made under the byelaws.

21. *Valuation of shares of a deceased member.*—If a member dies, the sum representing the value of his share or interest in the capital of the society payable to his nominee, heirs or legal representative, as the case may be, shall be ascertained in the following manner:—

(i) In the case of a society with unlimited liability it shall be the actual amount received by the society in respect of such share or interest;

(ii) In the case of a society with limited liability, it shall be the amount arrived at by a valuation based on the financial position of the society as shown in the last audited Balance Sheet, provided that the amount so ascertained shall not exceed the actual amount received by the society in respect of such share or interest.

22. *Shares not to be hypothecated to society.*—The shares of a society shall no be hypothecated to that society or any other society by the members as a security for a loan.

23. *Nomination of an Heir.*—(1) A member of a society may nominate a person to whom, in the event of his death, his share or interest in the capital of the society shall be transferred or the value thereof or any other moneys due to him from the society shall be paid. Such member may, from time to time vary or revoke such nomination and any other nomination made in accordance with the rules.

(2) The nomination made for the purpose shall be—

(a) in writing, signed by the member making it, and attested by at least two witnesses, each of whom has seen the member signing it ; and

(b) registered in the books of the society kept for the purpose.

24. *Right to obtain documents from Registrar's Office.*—(1) Any person may on payment of fees at the rates as may be prescribed by the Registrar obtain a certified copy of any public document not being a document privileged under the Indian Evidence Act, filed in the office of the Registrar, provided that no such person shall be entitled to the supply of such copy unless he satisfies the Registrar that he requires it to seek redress in any matter in which he is aggrieved or for any other lawful purpose.

(2) The application fee shall be paid in the shape of Court Fee Stamps.

(3) Along with every application for copies, copying sheets of the prescribed value for preparing the copies shall be supplied.

NOTE :—Each statement, account, report, petition order or the like shall be treated as a separate document and shall be written on separate copying stamp paper.

(4) Copies must be transcribed only on the front page of every copying paper.

25. *Members' right to inspect the accounts in the Society.*—(1) Any member of a registered society may, at any time during office hours and on payment of such fee as may be prescribed, by himself or by an agent who is a member specially authorised by him in writing, inspect the accounts of the society in so far as they relate to his transactions with it.

(2) The member shall pay to the society a fee for inspection at the rates specified in the bye-laws provided that such rates shall not in any case exceed :—

(a) Rs. 5 for any one Co-operative year to which the accounts to be inspected relate.

(b) Rs. 3 for every such additional Co-operative year.

(c) Rs. 25 for any one member at any one such inspection irrespective of the number of years.

26. *Prohibition on admission of members and transfers of shares on the eve of general meeting.*—(1) No registered society shall admit members or approve the transfer of shares within 30 days prior to the date of issue of notice for the general body meeting.

(2) Any person admitted as member and any person in whose favour the transfer of shares have been approved in contravention of this rule shall not have the right to membership or the right to vote at the said general meeting or at any meeting held subsequent thereto for the purpose of election.

27. *Prohibition of membership in two credit or housing societies.*—(1) A person applying for admission as a member of any credit society (not being a Land Mortgage Bank, House Mortgage Bank or Financing Bank) or a housing society shall be admitted as such member only with the previous sanction in writing of the Registrar, if on the date of such application such person is a member of any other such credit society or housing society. Such sanction may be accorded by the Registrar either in relation to any individual credit or housing society or in relation to a class of credit or housing societies.

Exptanation.—In this rule :—

(i) " House Mortgage Bank " means a society which has as its principal object the provision of long-term credit primarily on the mortgage of houses ;

(ii) " Land Mortgage Bank " means a society which has as its principal object the provision of long-term credit primarily on the mortgage of agricultural lands.

(2) Where a person has become a member of any society referred to in sub-rule (1) in contravention of the provisions of that sub-rule, such society shall remove him from membership upon a written requisition from Regsitrar.

28. *Restriction of defaulting member to vote at the election.*—No member of a society shall be eligible to vote at the meeting fixed for any election to the committee of that society, unless thirty days prior to the date of such meeting he acquires the number of shares for membership as may be provided in the bye-laws of the society of which he is a member.

CHAPTER IV

Management of Societies

29. *Accounts and othes bookc to be maintained by societies.*—(1) Every society shall keep and maintain for such period and in such manner such accounts, books and registers in connection with the business of the society as the Registrar may from time to time direct, and shall make them available to officers authorised by the Registrar for the purpose of inspection, audit, etc.

(2) Without prejudice to the provisions of the foregoing sub-rule the societies shall, in general, keep and maintain the following accounts and books :—

(a) Minutes book for recording the proceedings of the committee and of the general body of members ;

(b) Share Application Register containing the name and address of the applicant, the date of receipt of application, the number of shares applied for and in case of refusal, the date of communication of the decision refusing the admission to the applicant ;

(c) Admission Register showing the name and address of each member. the date of admission, the shares taken by him and the amount paid by him towards such shares and the amount of share capital, if any ; refunded to him together with the date of each such payment and refund ;

(d) Nomination Register showing the name and address of the persons nominated by the members as per rule 23 ;

(e) Day Book (Cash Book) showing daily receipts and expenditure and the balance at the end of each day ;

(f) Receipt Book containing forms in duplicate one of each set to be issued for money received by the society and the other to serve as counterfoil ;

(g) Voucher file containing all vouchers for contingent expenditure incurred by the society, numbered serially and filed chronologic aly ;

(h) Ledgers of borrowing, showing deposits and other borrowings of all kinds in separate folios ;

(i) General Ledger showing receipts and disbursements and outstanding under various heads from day to day ;

(j) Register of monthly receipts and disbursements ;

(k) Register of Dividend ;

(l) Suspense Account Register ;

(m) Rectification Register ;

(n) In the case of societies issuing loans :—

(i) Loan application Register ;

(ii) Loan ledger showing the number and date of disbursement of each loan issued to members, the purpose for which it is granted and the date or dates of repayment, distinguishing principal and interest ;

(iii) Liability register showing the indebtedness of each member to the society, whether on account of loans taken directly by him or on account of loans for which he is surety;

(iv) Register of immovable property of defaulters brought in auction by the society;

(v) Register of closed loans;

(vi) Register showing progress of application for arbitration and execution;

(vii) Register of declaration made under section 36;

(viii) Register of lands cultivated by members;

(ix) Credit limit statement;

(o) In the case of a society with unlimited liability, property statement of members showing the assets and liabilities of each individual member on the date of his admission with full details of the property including the survey numbers of the lands, the statement being revised as often as may be necessary and in any case at least once a year and such ssatements being entered in a stitched volume;

(p) In the case of a society to which rule 63 applies, Register of fluid resources showing the immediate liabilities of the society and the extent of fluid resources available to meet them.

30. *Power of Register to direct Accounts and other books to be written up.*—The Registrar may by order in writing direct any society to get any or all the accounts and books required to be kept by it under rule 29 written up to such date, in such form and within such time as he may direct. In case of failure by any society to do so, the Registrar as the case may be, may depute an officer authorised in this behalf to write up the acconnts and books. In such cases, it shall be competent for the Registrar to determine with reference

to the time involved in the work and the emoluments of the officer deputed to do it, the charge which the society concerned should pay to the Government or person authorised and to direct its recovery from the society.

31. *Period for which Account books are to be maincained by the societies.*—The following records shall be retained till the completion of period indicated below, from the date of audit of accounts contain therein:—

1. Original certificate of Registration together with the Registered Byelaws. Permanent
2. Amendments to byelaws. Permanent
3. Admission register with the list of share holders. Permanent
4. Day Book. Permanent
5. Ledgers of deposits and other borrowings. Permanent
6. Reserve fund ledger. Permanent
7. Audit certificate. Permanent
8. Property statement of members Permanent
9. Investment account in other institutions. Permanent
10. Act and Rules. Permanent
11. Minutes Books. Permanent
12. Share withdrawal Register. Permanent
13. Register of immovable property of defaulters brought in auction— Permanent
14. Register of fluid resources. Permanent
15. General ledger. Permanent
16. Investment register. Permanent
17. General information register. Permanent
18. Register of bonus on purchase. Permanent
19. Register of inspection of affiliated societies. Permanent
20. Register of loan applications from Societies. Permanent
21. Register of delegates and delegation fees Permanent
22. Register of assets and liabilities of affiliated societies. Permanent
23. Stock book of forms and furniture. Permanet
24. Acquittance Roll.—10 years.
25. Chitty ledger, chitty day book and chitty minutes book—12 years.
26. Receipt Book—10 years.
27. Register of monthly receipts and disbursements—5 years.
28. Letter file—5 years.
29. Voucher file—5 years.

30. Price fixation register—5 years.
31. Loan ledger—10 years.
32. Liability register—10 years.
33. Register of closed loans—5 years.
34. Store keeper's day book—5 years.
35 Purchase book—5 years.
36. Goods ledger—5 years.
37. Share application register—3 years.
38. Loan application register—3 years.
39. Letter book register—3 years.
40. Register of joint purchases—3 years.
41. Register of joint sales—3 years.
42. Register of application for arbitration and execution—3 years.
43. Dividend register—7 years.
44. General current register—3 years.
45. Disposal register—3 years.
46. Despatch register—3 years.
47. Incidental charges register—3 years.
48. Register of issue to the salesman—7 years.
49. Register of establishment charges—3 years.
50. Supplier's personal register—3 years.
51. Trade advance register—3 years.
52. Register of contingent charges—3 years.
53. Suspense account Register—5 years.
54. Sales chit—2 years.
55. Daily sales book—2 years.
56. Register of purchase made by members—3 years;
57. Register of condemned articles—1 year.
58. Deficits by dryage and wasteage—3 years;
59. Bond register—10 year,.
60. Nomination register—Permanent.
61. Rectification Register—5 years.
62. Register of declaration made under section 36—12 years.
63. Register of Lands cultivated by membesr. Permanent
64. Credit limit statement—3 years.
65. Any other records for such period as the Registrar may direct,

32. *Certifying copies of resoluttons, entries in books etc, by societies.*—(1) For the purpose specified in sub-section (1) and (2) of section 103 copies of the documents or entries shall be certified by the President or the Secretary of the Society and not less than two members of the committee:

Provided that —

(i) where an order has been passed under section 72 appointing liquidator of the society by the liquidator, and

(ii) when a committee or administrator have been appointed under section 32 or section 33 by any person of such committee or any one of the administrators duly authorised in this behalf by such committee or administrator may certify the copies.

2. Every certified copy shall bear the seal of the society.

3. The charges to be levied for the supply of such certified copies shall not exceed the amounts specified below:—

Details	*Fees payable*
(1) For every 175 words or fraction thereof of written or typed matter	0.25 Paise
(2) Where copies are supplied in printed forms	The cost of forms fixed by the committee plus the fees calculated at the rate specified in item (1) in respect of the written or typed matter.

33. *Statemcnt and returns to bc furnished by Society.*—(1) Every co-operative society shall prepare for each co-operative year in such form as may be specified by the Registrar—

(a) a statement showing the receipts and disbursements for the year;

(b) a profit and loss account;

(c) a balance sheet;

(d) such other statements or returns as may be specified by the Registrar.

(2) Every society shall submit to the Registrar annualy, within such time as he may direct, a copy of the statements speeified in sub-rule (1) duly certified by the committee.

(3.) In case of failure by any society to submit any statement or return specified in the foregoing sub-rules, within the time directed by him, the Registrar may depute an officer or any person authorised in this behalf to prepare the necessary statements or returns. In such cases it shall be competent for the Registrar to determine, with reference to the time involved in the work and the emoluments of the officer deputed to do it, the charges which the society concerned should pay to the Government or to the person concerned and to direct its recovery from the society.

(4.) Every Co-operative Society shall prepare a list of its members as on the last day of each Co-operative year. The list shall be kept open at the office of the society during office hours for inspection by any member of the society free of cost.

34. *Represenative General body and its Constitution.*—(1) For the purpose of sub-section (2) of Section 27—

(a) the area of operation of a society shall be the area comprised in one or more than one Taluk; or

(b) the number of members of a society is not less than 1000.

(2) The representative general body shall consist of—

(a) the members of the committee of the society;

(b) representatives of members residing in such area or belonging to such class of members as may be specified in the byelaws, such representatives being elected at a special meeting of such members.

(3) Notwithstanding anything contained in sub-rule (1) or sub-rule (2)—

(a) the area or class of members specified under clause (b) of sub-rule (2) shall be such that not more than 50 members reside in that area or as the case may be, belong to that class;

(b) the total number of members any representative general body shall not in any case exceed—

(i) 50 in case the total number of members of the society does not exceed 1,500 and

(ii) 200 in any other case.

35. *Procedure regarding Conduct of Election to the Committee of Societies.*—The election of the members of the committee of a society shall be conducted in the following manner.—

(1) The committee of the seciety in office shall meet at least sixty days in advance of the date of expiration of its term for convening a general body meeting for the purpose of constituting a new committee as per section 28. A copy of such resolution convening the General Body be sent to the Registrar by registered post.

(2) The General Body so convened as per sub-rule (1) shall fix the date, time, and place for the conduct of the election of the new committe and shall also request the Registrar for appointment of a Returning Officer for the conduct of the election. The Returning Officer so appointed shall be eligible to get the remuneration as fixed by the Registrar in this behalf. The Returning Officer so appointed shall take necessary steps for the conduct of the election and the Committee in office shall render all necessary help to the Returning Officer for the constitution of the new committee.

(3) (a) the Returning Officer shall send notice regarding the election of the members of the committee to all the members of the society. The notice shall be duly served in accordance with the provision of the Act. A copy of the notice shall also be affixed on the Notice Board of the society and of the branches of the society, if any, The notice shall contain the following information:

(i) the number of vacancy to be filled up by election;

(ii) any area or constituency that is specified in the byelaws from which members are to be elected;

(iii) the qualification, if any, specified in the byelaws for eligibility for membership of committee;

(iv) the date on which, the place at which and hours between which nomination papers shall be filled by the contesting candidates, such dates being not less than seven clear days before the date fixed for election;

(v) the date and hour when the nomination papers will be scrutinised;

(vi) the date on which, the place at which and the hours between which polling will take place.

(b) The committee in office shall prepare a list of members qualified to vote at the election in accordance with the provision of the Act, these Rules and Bylaws as stood on a date 30 days prior to the date fixed for the poll and supply the same, to the Returning Officer. The Returning Officer shall publish copies of the list by affixing them to the Notice Board at the Head Office of the society and its branches, if any, not less than fifteen days prior to the date fixed for election inviting objections, if any, in the matter, within three days of publication. The list shall specify the admission number, name of the member, name of the Father or Husband and the address of such member. After considering the objections, if any, the Returning Officer shall publish a final list of eligible Voters on the Notice Board of the Society and in its branches, if any, not less than ten days prior to the date fixed for the poll A copy of such list shall be supplied by the society to any member on payment of such fees as may be prescribed by the committee. But in no case, the fees so charged for the list shall exceed Rs. 5 per copy.

(c) (i) The nomination of the candidates for election shall be made in the form prescribed by the society which on application shall be supplied by the committee to any member, free of cost.

(ii) Every nomination paper shall be signed by two members whose names are included in the list of members. One of the members shall sign the Form as proposer as the other as seconder for the nomination. The nomination paper shall also contain a declaration signed by the candidate proposed for election to the effect that he is willing to stand for election.

(iii) Every nomination paper shall be presented in person or sent by registered post acknowledgement due, by the candidate himself or by his proposer or seconder to the Returning Officer, so as to reach him before the date and hour specified in item (iv) of the notice referred to in clause (a). The Returning Officer shall enter on the nomination paper its serial number and certify the date and hour at which the nomination paper is received by him and shall immediately give a written acknowledgement for the receipt of the nomination paper. Any nomination paper which is not delivered or received on or before the date and time fixed for its receipt shall be rejected

(d) No member shall be nominated as a candidate for election to fill a seat on the committee if he—

(i) is ineligible to vote;

(ii) does not possess the necessary qualifications, if any, specified in the byelaws of the society for election as a member of the committee or;

(iii) is disqualified to be a member under the provisions of the Act and Rules or a member of the committee under these Rules.

(e) (i) On the day following the date fixed for the receipt of nomination papers, the Returning Officer shall take up the scrutiny of the nomination papers. The candidate or his proposer or this seconder may be present at the time of the scrutiny of nomination papers;

(ii) The Returning Officer shall examine the nomination papers and shall decide objection which may be made by any person in respect of any nomination and may, either on such objection or on his own motion and after such summary inquiry, if any, as he thinks necessary, reject any nomination:

Provided that the nomination of a candidate shall not be rejected merely on the ground of an incorrect description of his name or of the name of his proposer or seconder or of any other particulars relating to the candidate or his proposer or seconder as entered in the list of members referred to ine clause (b) if the identity of the candidate or proposer or seconder as the cas may be is established beyond reasonable doubt;

(iii) The Returning Officer shall give all reasonable facilities to the contesting candidates or their proposers or seconders, as the case may be, to examine all the nomination papers and satisfy themselves that the inclusion of the name of the contesting candidate is valid;

(iv) The Returning Officer shall endorse on each nomination paper his decision accepting or rejecting the same, as the case may be, and if the nomination paper is rejected, he shall record in writing a brief statement of his reasons for such rejection;

(v) The Returning Officer shall not allow any adjournment of the proceedings except when such proceedings are interrupted or obstructed by riot or affray or by causes beyond his control.

(f) The list of valid nominations as decided by the Returning Officer shall be published on the notiee board of the society containing the names in alphabetical order and address of the candidates as given in the nomination papers, on the same day on which the scrutiny of the nomination papers is completed.

(g) Any candidate may withdraw his candidature by notice in writiag signed by him and delivered in person or through the proposer or seconder at any time after the presentation of his nomination paper but before 5 p m. on the day following the day on which the valid nominations are published under clause (f) to the Returning Officer. A notice of withdrawal of candidature once given shall be irrecovable.

(h) If for any area or constituency for which election is to be held, the number of candidates whose nomination papers have been declared valid does not exceed the number of candidates to be elected for that area or constituency, the Returning Officer shall on the day fixed for the election, announce the names of all such candidates whose nominations are valid and declare them to have been duly elected to the committee. If the number of candidates whose nominations are valid exceeds the number to be elected for any area or constituency, the Returning Officer shall arrange for conducting a poll on the date fixed for the purpose. The Returning Officer may appoint one or more polling officers as may be necessary for conducting the poll.

(i) The committee shall provide the Returning Officer with ballot boxes, ballot papers, copy of the list of members referred to in clause (b) and such other articles as may be necessary for the conduct of elections. The ballot box shall be so constructed that the ballot papers can be introduced therein but connot be taken out therefrom without the box being unlocked.

(j) A candidate contesting the election may, by a letter to the Returning Officer, appoint an agent to represent him at every booth where polling is held to identify the voters and to watch the recording of votes. Such letter shall contain the consent in writing of the agent concerned.

(k) Canvassing of votes by any person at the place where elections are to be conducted shall be prohibited.

(l) Immediately before the commencement of the poll, the Polling Officer shall show the empty ballot box to such persons as may be present at the time and shall then lock it up and affix his seal in such manner as to prevent its being opened without breaking the seal. The candidate or his agent may also affix his own seal, if he so desires.

(m) Every member who desires to exercise his right of vote shall be supplied with a ballot paper containing the names of contesting candidates arranged in the alphobetical order, either printed, typewritten or cyclostyled, according to convenience, on the ballot paper. The ballot paper shall be serially numbered and shall also bear the seal of the society and also the initials of the Returning Officer, and further contain a column for the voter to inscribe a mark (X) against the name or names of persons to whom he wants to vote.

(n) Each polling station and where there is more than one polling booth at a station, each such booth shall contain a separate compartment in which the members can record their votes in secrecy.

(o) No ballot paper shall be issued to a member unless the polling officer is satisfied that the member concerned is the same person as noted in the list furnished to him. When a ballot paper is issued, the serial number of the ballot paper issued will be noted against the name of the member in the voters list. On receipt of such ballot paper, the member shall proceed to the polling compartment set apart for the purpose and indicate the person or persons in whose favour he exercises his vote by inscribing a mark (X) against the name of the candidate or candidates, as the case may be, put the ballot paper in the ballot box kept for the purpose with utmost secrecy. If owing to blindness or other physical infirmity or illiteracy, a member is unable to inscribe the mark on the ballot paper, the polling officer or the Returning officer shall ascertain from him the candidate or candidates in whose favour he desires to vote, inscribe the mark (X) on his behalf and put the ballot paper in the ballot box.

(p) If at any stage of the polling, the proceedings are interrupted or obstructed by any riot or affray or if at such elections it is not possible to take the poll for any sufficient cause, the Returning Officer shall have power to stop the polling, recording his reasons for such an action in the minute book of the society.

(q) No voter shall be admitted after the hours fixed for the poll; but a voter who enters the premises where ballot papers are being issued before the close of the polling hour shall be issued the ballot paper and allowed to vote.

(r) The counting of votes shall take place immediately after the close of the poll, if possible. If this is not possible, the ballot box shall be sealed with the seal of the Returning Officer; and the contesting candidates or their agents if they so desire, and be kept by Returning Officer under his safe custody. The Returning Officer shall then announce and also intimate in writing to the candidates or their agents the time and place at which the counting shall commence. Votes shall be counted by or under the supervision of the Returning Officer. Each candidate and his authorised agent shall have a right to be present at the time of counting. But the absence of any candidate or his agent at the time of counting, shall not vitiate counting or announcement of results by the Returning Officer. The number of votes secured by each candidate and the result of the elections shall be announced by the Returning Officer as soon as the counting is over.

(s) The result of the elections shall also be recorded in the minutes book of the society and attested by the Returning Officer and shall also be notified immediately on the notice board of the Society. The members so elected shall be deemed to have been elected by the general body of the society for the purpose of clause (b) of section 29.

(t) A ballot paper shall be rejected by the Returning Officer, if—

(i) it bears any mark by which member who voted can be identified; or

(ii) it does not bear the seal of the society and the initials of the Returning Officer; or

(iii) the mark indicating the vote thereon is placed in such manner as to make it doubtful to which candidate the vote has been cast; or

(iv) if it bears mark for less or more than the number of candidates to be elected.

36. *Power To Call Special General Body Meetings.*—(1) The committee of a society shall call a special general meeting thereof under sub-section (1) of section 30—

(a) within one month from the date of receipt of a requisition in writing from the Registrar; or

(b) within one month from the date of receipt of a requisition in writing from 1/5th of the total number of members.

(2) Notwithstanding anything contained in the byelaws of a society as to the mode of summoning general meetings and the object, time and place of such meetings, the Registrar or any person authorised by him may at any time sumon a special general body meeting of the society in such manner and at such time and place within the area of its operation as he may direct. He may also direct who should preside over such meetings and what matters shall be discussed by the meeting. Such meetings shall have all the powers of a meeting called according to the provisions of the byelaws of the society, notwithstanding that the meeting does not have the quorum fixed for a general body meeting under the byelaws. Such meetings will not be invalid on the ground of any defect in the issue of notice, if the Registrar is of opinion that the business transacted and the decision taken in the meeting were in the better interest of the society, and orders that the meeting and its deliberations were in order. The orders of the Registrar in the matter shall be final. The expenses for summoning such meetings shall be borne by the society.

(3) The procedure to be followed and the business to be transacted in a meeting of the committee summoned under sub-section (4) of section 30 shall be as directed in the requisition made by the Registrar or the person authorised. No decision of the committee shall be invalid on the ground that there was no quorum as stipulated in the byelaws or that there was some defect in the issue of notice to the members of the oommittee in that behalf.

37. *Procedure for Appointment of Nominees and their Removal from the Committee of a society.*—(1) Appointment of nominees of Government under section 31 shall be made, in the case of Apex societies by the Government and in the case of other societies by the Registrar. No person who is disqualified under these rules for being elected to the committe of a society

shall be nominated as a member of that committee under this rule. The person so appointed shall hold office till he is withdrawn or till he becomes disqualified to hold office in accordance with provisions of the Rules. If a vacancy occurs in the office of a nominated member of a committee, it shall be filled up by fresh nomination.

(2) The powers, duties, the functions and responsibilities of a person nominated to the committee under section 31 or under the byelaws of a society by any authority including the State Co-operative Bank shall be the same as those of a member duly elected under the byelaws.

(3) When the Registrar or any other Officer exercising the powers of the Registrar is on the committee either as a nominated or as an ex-officio member of any society, no resolution or decision taken by that society at a meeting in which such officer or officers in their capacity as a member of the committee participate shall be deemed to carry with it the sanction of the Registrar. Registrar's or any other Officer's presence at such committee meetings in the above capacity shall not preclude the Registrar or other officers from examining such resolutions or decisions, in exercise of his powers conferred by the Act or Rules and in passing orders either according or refusing sanction or approval.

(4) In order to represent appropriate interests the Registrar shall have power to appoint, if he thinks it necessary, two persons to serve on the committee of any society. The committee members so appointed shall hold office till the next election of the committee.

38. *Constitution of committee, resignation and removal from membership.*— (1) When a committee is constituted under Section 28 it shall elect its President and other office bearers within one week from the date of its constitution. It shall also by a resolution authorise the officers concerned, to take charge from the outgoing office bearers.

(2) A report showing the names and addresses of the members of the committee which has taken charge and the date on which they took charge shall be sent to the Registrar, Financing Bank and Circle Co-operative Union by the President of Society, within a week of their taking charge.

(3) Any member of a committee, whether elected or nominated may tender his resignation to the President of the committee.

(4) The President, on receipt of a resignation, shall within seven days from the date of receipt there of, place it before the committee of the society for consideration if the member is an elected person or send it to the authority who nominated the member, if he is a nominee. The resignation shall have effect only from the date of its acceptance by the committee or the authority who nominated the member concerned as the case may be. The fact of its acceptance or otherwise shall also be communicated to the member concerned. In the case of nominees the fact of acceptance or otherwise shall be communicated to the society also.

(5) Vacancies arising due to the resignation of any elected member of of the committee shall be filled up by election in the manner provided in the rules. In the case of nominated members the vacancies will be filled up by fresh nomination subject to the provisions in Rule 37.

(6) Where the President desires to tender resignation the letter of resignation shall be placed before the committee for consideration.

39. *Election and term of the members of committees.*—(1) The byelaws of every society shall provide that the term of its committee shall expire on the same date as may be specified. All the members of the coumittee (including those elected in casual vacancies) whether representing societies or individuals shall vacate their office on the date specified irrespective of the date on which they were elected as members of the committee. If no such date is specified in the byelaws the date of expiry shall be 30th of June of that year in which the term expires.

(2) The election of all the members of the committee referred to in sub-rule (1) shall be held on or before the expiry of the term of office of the committee members. If for any reason, election is not held, the Registrar may extend the term until such time within which the election should, in his opinion, be held.

40. *Remuneration payable to new committee, administrator or administrators appointed by the Registrar* —The committee or Administrator or Administrators appointed under sections 32 and 33 shall be eligible for remuneration at the rates fixed by the Registrar. The expenses thereof shall be borne by the society or societies concerned.

41. *Procedure regarding the constitution of committees of new societies in the case of a division of a society.*—(1) At the meeting of the General Body of the Society, in which the division of the society is considered as per section 14 such of the members of the original society as will become members of any new society shall appoint a committee consisting of not more than five members of such new society (hereinafter in this rule referred to as the Interim Committee) to conduct the affairs of such new society for a period of three months from the date of its registration or for such further period as the Registrar may extend from time to time. The members of the interim Committee shall appoint from among themselves a President.

(2) The names of the members of the interim committee of each of the new societies shall be reported to the Registrar, Financing Bank and Circle Co-operative Union along with a copy of the resolution passed.

(3) On the registration of the new societies, the Committee of the original society shall deliver possession of the records, cash and properties in its possession to the interim committees of the new societies appointed under sub-rule (1)

(4) The interim Committee of each of the new societies shall, notwithstanding anything contained in these rules or the byelaws of the new society, exercise all the powers conferred and discharge all the duties imposed on the committee by the byelaws of such new society.

(5 The interim Committee of each of the new societies shall, before the expiry of its term of office, arrange for the constitution of a committee in accordance with provisions of the Act, these Rules and the byelaws of the new society. The interim Committee shall hand over the management of the society to the committee so constituted and shall cease to function as such, thereafter, irrespective of the period for which it was appointed.

41. *Constitution and strength of committee of societies having individuals and societies as members.*—The proportion of individual members to society members on the committee of societies having individuals and societies as its members shall not exceed the ratio of 1 : 4. Subject to this limit, the Registrar may at his discretion, prescribe the specific proportion for each individual soceity.

The election of Members in the Committees representing individuals shall be made by the individual members only and election of Members of the Committee representing Societies shall be made by the delegaies representing society members only.

43. *Election of President Vice-President etc., by members of committee.*—(1) The election of President, Vice-President, Treasurer or any other officer by whatever name he is designated shall be in the manner specified in this rule.

(2) As soon as a new committee is constituted, a meeting of the members of the new committee shall be convened.

(3) The meeting shall be presided over by any member, who is not a candidate for the election, chosen by the committee, (hereinafter referred to in this Rule as the Presiding Officer) for the purpose.

(4) The nomination papers shall be presented to the Presiding Officer at the meeting. The Presiding Officer shall decide the objections, if any, that may be made at the time, to any nomination after making such summary enquiry as he thinks necessary and announce the name or names of the eligible candidate or candidates.

(5) Where there is not more than one valid nomination for any office, the Presiding Officer shall declare the candidate, in respect of whom the nomination paper has been received, duly elected to such office.

(6) Where there is more than one valid nomination for any office, the Presiding Officer shall forthwith arrange for taking a poll by providing the ballot papers and ballot box. The member shall make the mark 'X' in the ballot paper against the name or names of the candidate or candidates for whom he desires to vote and put the ballot paper into the ballot box with utmost secrecy.

(7) As soon as all the members present have recorded their votes, the Presiding Officer shall open the ballot box in the presence of the members, count the votes and announce the results of election with the number of votes secured by each.

(8) The proceedings of the meeting with the results of the election shall be recorded in the minutes book of the society and attested by the presiding Officer.

(9) The ballot papers and other records shall be secured in a container which shall be affixed with the seal of the society and of the candidates who desire to affix their seals and they shall be preserved for three months from the date of election. It shall be the responsibility of the Secretary to keep these records in tact. They shall be destroyed after that period, if no dispute relating to or in connection with the election is referred to the Registrar.

44. *Disqualification for membership of Committee.*—1. No person shall be eligible for being elected or appointed as a member of the committee of any society or a delegate of any society if he—

(a) is disqualified under section 28; or

(b) is a near relative of a paid employee of the society; or

(c) (i) is in default to the society or to any other society in respect of any loan or loans taken by him or loan in which he has stood surety, for such period, as is prescribed in the byelaws of the society concerned or in any case for a period exceeding three months or is a defaulter to the society or to any other society; or

(ii) has been sentenced for any offence other than an offence of a political character or an offence not involving moral delinquency such sentence not having been reversed or offence pardoned and a period of three years has not elapsed from the date of expiration of the sentence; or

(d) is interested directly or indirectly in any contract made with the society or in any sale or purchase made by the Society privately or in any auction or in any transaction of the society other than investment and borrowing involving financial interest, if the contract or transaction in subsisting or if the contract, sale, purchase or transaction be not completed; or

(e) is employed otherwise than in an honorary capacity as legal adviser or as legal practitioner on behalf of the society or against the society which is a member of the former society; or

(f) is a paid employee of the society or of any other society:

Provided that the Registrar may by general or special order exempt any society or any person from the operation of this clause for such period to be specified by him in the order of exemption; or

(g) is of unsound mind, a deaf, mute or blind person or a leper; or is a minor or a nominal or an associate member; or

(h) is an applicant to be adjudicated a bankrupt or an insolvent or an uncertified bankrupt or an undischarged insolvent; or

(i) is carrying on the same business as is being carried on by the society; or

(j) is disqualified under any other provisions in the bye-laws of the society; or

(k) is a member of the committee which has been superseded and a period of one year has not elapsed from the date of supersession; or

(l) has been surcharged under section 68; or

(m) after having served continuously as a committee member for a period of two terms, does not obtain previous exemption from the Registrar to stand for election before the expiry of two years.

(2) A member of the committee shall cease to hold his office as such, if he—

(a) becomes disqualified under sub-rule (1), provided that where a member ceases to hold his office as such by reason of having been sentenced for any offence, he shall be restored to office for such portion of the period for which he was elected or appointed as may remain unexpired at the date of such restoration, if and when the sentence is annulled on appeal or revision and any person elected or appointed in the vacancy in the interim period shall on such restoration vacate office; or

(b) cease to be a member of the society; or

(c) is subsequently seen to be disqualified under sub-rule (1) on the date of election itself.

(3) If any person is or becomes disqualified to be a member of the committee, the Registrar may on his own motion or on a representation made to him by any member of the society or by its Financing Bank, by an order in writing declare that he shall cease to be a member of the committee of the society concerned from the date of such disqualification. Before passing an order, the Registrar shall give such person an opportunity to state his objections, if any, against

the proposed action and if the person wishes to be heard, he shall be given an opportunity to be heard.

Explanation:—For the purpose of clause (b) of sub-rule (1), the near relations shall be the following, namely:—

1. Father
2. Mother
3. Husband
4. Wife
5. Son
6. Son's wife
7. Daughter
8. Son's son
9. Son's daughter
10. Daughter's husband
11. Daughter's son
12. Daughter's daughter
13. Brother
14. Sister
15. Sister's husband
16. Grand-father
17. Grand-mother
18. Step-father
19. Step-mother
20. Step-son
21. Step-daughter
22. Half-brother
23. Half-sister
24. Brother's wife
25. Half-brother's wife
26. Wife's brother
27. Wife's sister
28. Wife's Sister's husband
29. Brother's son
30. Brother's daughter
31. Sister's son
32. Sister's daughter

45. *Disqualification of a member of a Society to be a Delegate of another Society.*—(1) No member shall be appointed to represent a society in any other society and vote if, on the date thirty days prior to the date fixed for a meeting for the conduct of any election relating to the society;

(a) he is in default to the society of which he is a member in respect of any loan or loans taken by him for such period as may be specified in its byelaws or in any case for a period exceeding three months; or

(b) he is a person against whom any decision, award or order referred to in sub-section 37 of Section 70 has been obtained; or

(c) he is a member of the other society in his individual capacity.

(2) Any member who has been appointed to represent a society in another society and vote shall cease to hold his appointment as such if he has committed default to the society of which he is a member and if the default continues for the period prescribed in the byelaws or in any case for a period exceeding three months or if any decision, award or order referred to in Section 70 has been obtained against such member.

46. *Term of office of member of committee who is a delegate of another Society.*—A delegate of one society sitting on the committee of another society shall cease to be a member of such committee:—

(a) if the society which elected him as a delegate withdraws him or elects another delegate in his stead; or

(b) in case he was elected as a delegate by a society, on the supersession of the committee of such society under section 32:

Provided that the person or persons appointed under the said section shall have power to nominate himself or one among them or any member of the society to the committee of another society; or

(c) if the registration of the society, of which he is the delegate, is cancelled; or

(d) if he incurs any disqualification mentioned in rule 44; or

(e) if the society which sends him as delegate is in default to the society in the committee of which he sits as a delegate.

47. *Custody of cash, securities, records, seals, etc. of a society.*—(a) It shall be the duty of the paid Secretary/Manager of every society to maintain and keep in proper form all the accounts, registers, other records and the seal of the society, under his safe custody and shall be personally responsible for their safety. He shall also be the custodian of cash, securities and all other properties of the society subject to the over-all control of the President.

(b) If there is no paid Secretary/Manager it shall be the duty of the President to arrange to maintain the accounts and registers in proper form and to keep the cash balances and other assets including bonds and securities under safe custody. He will also act as the Treasurer of the society in cases where there are no specific provisions in the byelaws to elect or appoint a Treasurer. Where there are other arrangements for the safe custody of the cash balance by the Secretary and the cashier under double lock system, the responsibility to account for the cash balance to the Committee will be that of the Secretary.

(c) The President and Secretary/Manager or President where there is no paid Secretary/Manager shall be bound to produce the records, cash balances and other assets, before the officers of the Department and other persons authorised by the Registrar by general or special order, for verification, inspection, audit or inquiry, etc.

(d) Notwithstanding anything contained in the above clauses, the committee of the society shall primarily be responsible for the maintenance and safety of all accounts, records, cash and other assets of the society. It shall be the duty of the committee to see that the Officers concerned discharge their functions and perform their duties as laid down in these rules and the byelaws.

48. *Payment of travelling allowance, daily allowance and sitting fees to the members of the societies and of the committee.*— (1) Members of one society attending the general meeting of another society may be paid travelling allowance to and from their usual place of residence and daily allowance, by the former society, but they shall not be given any sitting fees.

(2) Members of the committee may be paid by the society travelling allowance to and from their usual place of residence as well as daily allowance or sitting fee for attending the meetings of the committee. The meetings of the committee shall be held only at the registered head office of the society.

(3) Members of the Committee proceeding on tour in connection with the business of the society may be paid traveling allowance and daily allowance in respect of such tours by the society.

(4) No member of a society or the committe thereof shall, if he has claimed or drawn any allowances from the society, which he represents, draw any travelling allowance or daily allowance in respect of any journey made to attend any meeting of another society, from that other society or from any other society whose meetings also he attened, on the same journey. If however, a member of a society or the committee thereof, is detained at the headquarters of the society, for a period not exceeding seven days in order to attend a meeting of the general body or committee of another society, that other society shall pay daily allowance to that member for the number of days he is so detained.

(5) The Registrar shall fix the maximum rates of travelling allowances and daily alowances or sitting fees for any society or class of societies and each society may fix the rate in its own bye-laws with reference to its financial resources.

49. *Payment of remuneration to Committee members of societies.*— A society may pay remuneration or honorarium to the members of the Committee based on the extent of business done by such members with the society or on the value of services rendered by such

members to the society or on such other basis as may be laid down in the bye-laws of the society for the purpose and with the approval of the Registrar.

50. *Prohibition against being interested in contract, etc.*—(1) No officer of a Co-operative Society shall have an interest, directly or indirectly otherwise than as such officer:—

(a) in any contract made with the society; or

(b) in any property sold or purchased by the society; or

(c) in any other transaction of the society except as investment made or as loan taken from the society, or the provision of residential accommodation by the society to any paid employee of the society.

(2) No officer of a cooperative society shall purchase directly or indirectly, any property of a member of the society, sold for the recovery of his dues to the society.

CHAPTER V

Privileges of Cooperative Societies

51. *Charge on land owned or held by members borrowing loans from certain societies.*—(1) A declaration to be made under clause (i) of Section 36 shall be in Form No. 7.

(2) A register of such declarations shall be kept by the society in Form No. 8.

52. *Deduction from salary or wages.*—(1) On the execution of an agreement under sub section (1) of section 37, the society may send intimation by registered post|local delivery of the execution of the agreement to the employer or the officer disbursing the salary or wages of the member who has executed the agreement and furnish the said employer or officer with a copy of such agreement certified in the manner specified in rule 32. The employer or the officer disbursing the salary or wages shall on receipt of such intimation from the society, make a note of the agreement in the register maintained by him for the disbursment of salary or wages.

(2) In respect of every member who has executed the said agreement and in respect of whom intimation has been sent under sub-rule (1), the society may send to the employer or the officer disbursing the salary or wages of the member, a requisition every month for the recovery from the salary or wages of such member of the amount payable by the member to the society for the month and for the remittance of such amount to the society. Such requisition shall be in Form No. 9 and shall specify the total amount to be

recovered from the salary or wages of the member for the month and shall be sent at least seven clear days prior to the last working day of the month.

(3) A member who has executed such an agreement shall, on every occasion he becomes subject to a new pay disbursing authority whether by reason of change of office or place of employment or otherwise, within a week of his becoming so subject, give intimation of the same to the society. The society shall within a fortnight of the receipt of such intimation send the requisition by registered post of the execution of the agreement to such pay disbursing authority and furnish the said authority with a copy of such agreement certified in the manner specified in rule 32. The employer or the officer concerned shall, on receipt of such requisition from the society, make a note of the agreement in the register maintained by him for the disbursment of salary or wages.

(4) Any amount recovered by an employer or officer disbursing salary or wages from an employee by deduction from his salary or wages in pursuance of a requisition received from any society or societies as the case may be, shall be remitted by such employer or officer as the case may be to the society or societies concerned within the period specified in sub-section (2) of section 37.

(5) The cost of remittance to the society or societies of the deductions made shall be borne by the society or societies concerned. The employer or the officer disbursing the salary or wages, shall furnish to the society or societies, as the case may be, along with the remittance a statement of recoveries effected from the members and the cost of remittance of the money to the society or societies in form No. 10.

6. Where an amount deducted by the employer or the officer disbursing the salary or wages of the member of a society under sub-section (2) of section 37 is remitted by such employer or officer to a society, the society shall promptly issue to such employer or officer a receipt for the amount so remitted; and the receipt given by the society for such amount shall constitute a good and sufficient discharge of the liability of such employer or officer in respect of any claims by such member against such employer or officer.

(7) Any amount realised by a society from a member by deduction shall be given credit by the society to the account of such member with effect from the date on which the amount was deducted by the employer or the officer disbursing the salary or wages irrespective of the date on which the amount was actually received by such society. On the appropriation of the amount in the accounts of the society, the particulars of credit for the amount realised shall forthwith be furnished to the member by the society.

(8) The employer or the officer disbursing the salary or wages shall maintain a register showing the recovery and remittance of moneys due to societies in Form No. 11.

CHAPTER VI

Properties and funds of societies

53. *Constitution of cooperative education fund.*—The net profits of any society as declared by the Registrar in respect of any co-operative year shall be appropriated in the manner set forth in section 56, subject to the following conditions, namely:—

(1) Not less than 15% of the net profits shall be carried to the Reserve Fund.

(2) (a) Every society shall set apart a sum calculated at the rates given below out of its net profits for contribution to the Co-operative Education Fund, contemplated in clause (b) of sub section (1) of Section 56,

Upto Rs. 300	Nil
From Rs. 300 upto Rs. 1000	1%
From Rs. 1001 upto Rs. 5000	1½%
From Rs. 5001 upto Rs. 25000	2%
From Rs. 25001 upto Rs. 50000	2½%
From Rs. 50001 upto Rs. 2 lakhs	3%

Above Rs. 2 lakhs 3½% subject to a maximum of Rs. 10,000.

(b) The sum so allocated shall be remitted to the credit of Cooperative Education Fund in the Kerala State Cooperative Bank within two months of the date of receipt of the audit certificate.

(c) The Co-operative Education Fund shall be maintained and paganda as contemplated in the Act and Rules and Regulations utilised for the furtherance of co-operative education including pro- administered by the Kerala State Co-operative Union. It shall be framed by the Union and approved by Government.

(d) No part of the Cooperative Education Fund shall be spent by the said union except in accordance with the regulations of the Union and the General directions that may be issued by the Registrar or Government from time to time.

(e) The said Union shall maintain a separate account for this fund in accordance with the regulations to be framed by the Union, with the approval of Government. The regulations shall, among other things provide for contributions to the All India Cooperative Union and assistance to Circle Cooperative Unions.

(f) It shall be competent for the Government, if found necessary, to constitute a committee of not more than five members of whom two shall be elected members of the Managing Committee of the Kerala State Cooperetive Union, for the administration of the Cooperative Education Fund. On the constitution of the committee, the committee of the State Cooperative Union shall over charge of the cash, records and other documents in respect of this fund to the committee constituted under this sub-rule. The period of the committee and the details of its working shall be as laid down by Government from time to time.

(3) Every Agricultural Credit Society other than a Land Mortgage Bank or a society the object of which is to grant long term loans exclusively on the Mortagage of immovable properties and every financing bank other than a financing bank the object of which is to provide funds for the grant of long term loans on the mortgage of immovable properties, shall set apart not less than 15% of its net profits towards an Agricultural Credit Stabilisation Fund. This fund shall not be utilised except with the prior written permission of the Registrar.

54. *Manner of investment of funds.*—(1) A society may, with the previous sanction in writing of the Registrar, invest the whole or any portion of its funds in the purchase or lease of land on the acquisition, construction or renewal of any building that may be necessary to conduct its business. The amount of the funds so invested shall be recouped on such terms as may be determined in each case by the Registrar:

Provided that this sub-rule shall not apply—

(a) to immovable property purchased—

(i) by a society at a sale held in execution of a decree, decision or award obtained by it for the recovery of any sum due to it; or

(ii) by a Financing Bank at a sale held in execution of a decree, decision or award obtained by a society financed by it for the recovery of any sum due to such society or at a sale by or on behalf of the liquidator of such society;

(b) to the purchase or lease of lands or purchase, construction or remodelling of buildings of a society, whose objects according to its byelaws include such purchase, lease, construction or remodelling:

Provided further that no recoupment of the amount invested under this sub-rule shall be necessary when the investment is made—

(a) by a society from its building fund raised out of net profits as per the byelaws;or

(b) by a society other than a credit society in which the share capital raised from the members is intended to build up the special kind of business for which it has been registered.

(2) No society shall dispose of any immovable property acquired by the society without the prior sanction of the general body and of the Registrar:

Provided that Housing Societies, the byelaws of which specifically provide for the purchase and sale of immovable property, may dispose of those properties without the sanction of the Registrar or of the general body.

55. *Restrictions on borrowings.*—(1) Subject to the provisions in sub-rule (2) a society shall not receive deposits and loans, whether from members or non-members in excess of the limit fixed in the byelaws of that society.

(2) 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 Cooperative Bank to which it is affiliated or is invested in Government or other securities specified in Section 20 of the Indian Trusts Act 1882 (Act of 1882):

Provided that the amount so deposited or invested or any part thereof, shall not be withdrawn or otherwise utilised except for the repayment of the deposits accepted in execess of the aforesaid limit.

56. *Restrictions on grant of loans.*—(1) No financing bank or credit society, other than an agricultural credit society with unlimited liability, a land mortgage Bank and a society the object of which is to grant long term loans, exclusively on the mortgage of immovable properties, shall grant loans for periods exceeding three years:

Provided that the Registrar, may, as a recognition of good management, permit by a special order in writing, any such financing Bank or credit society to grant loans for periods exceeding three, but not exceeding five years for any of the following objects, namely:—

(a) purchase of cattle and carts;

(b) construction, buying or repairing of dwelling houses or cattle sheds or other buildings;

(c) expenses on account of —

(i) purchase of land for residential purposes or otherwise;

(ii) improvements to or the levelling, reclamation, draining or occasional heavy manuring of lands;

(iii) construction of or major repairs to irrigation sources, such as private tanks, wells and channels;

(iv) purchase of pump sets; and

(v) adopting improved methods of cultivation.

(d) liquidation of petty debts;

(e) development of cottage industries;

(f) payment of obligatory expenses on a scale appropriate to the loanees which by customary usage they have to incur in connection with their marriages, or other ceremonies or in connection with the marriages, funerals or other ceremonies of dependants; and

(g) such other purposes as may be specified, by the Registrar, from time to time.

(2) The Registrar shall have power to fix by general or special order in writing, the amount of the maximum lending limit of a financing Bank or a credit society other than an agricultural credit society with unlimited liability, a land mortgage bank and a society the object of which is to grant long term loans exclusively on the mortgage of immovable properties, which may be made available for the grant of short term loans and loans repayable after one year but within three years or five years, as the case may be, from the date of grant of loans:

Provided that the total amount of loans grantel under the proviso to sub-rule (1) shall not exceed 50% of the total amount of loans permissible under this sub-rule for periods exceeding one year but not exceeding five years.

(3) No agricultural credit society with unlimited liability shall grant loans for periods exceeding five years.

Explanation.— In this rule the term 'short term loans' means loans repayable from the sale proceeds of the next harvest as soon as they are realised or with-in-one year from the date of the grant of the loan, whichever period is longer.

(4) The Registrar may in consultation with the financing Bank by general or special order prohibit or regulate the grant of loans by a central bank or a society where such grant is considered neither in the interest of the society nor in the interest of the development of cooperative movement on sound lines.

57. *Transactions with non-members.*—Subject to the provisions under sections 58 and 59, no society shall enter into any transaction with a person other than a member unless—

(a) the bye-laws of he society permit it for the purpose; or

(b) the previous sanction of the Registrar has been obtained by the society.

58. *Provident Fund.*—Every society shall establish a contributory Provident Fund for its employees and frame regulations for the maintenance and the utilisation of the said fund. Among other matters, such regulations shall provide for the following, namely:—

(1) an amount not less than ten per cent of the employees 'basic pay to be deducted from the employees' salary as contribution.

(ii) a sum at the rate of ten per cent of the basic pay of the employees 'salary shall be made by the society as employers' contributions.

(iii) advances which may be made against the security of the provident fund and mode of recovery thereof.

(iv)refund of employees contribution and contribution made by the society.

(v) mode of investment of the provident fund and payment of interest thereon:

Provided that when the Employees' Provident Fund Act, 1952 is applicable to the society, and the provision of that Act are more beneficial, the Fund shall be maintained in accordance with the provisions of the said Act.

59. *Gratuity.*—Every society shall make in its bye-laws provision for payment of gratuity to its employees and frame regulations for its administration. Among other matters such regulations shall provide for the following:—

(i) all monthly paid employees on the permanent establishment shall be eligible for gratuity;

(ii) service rendered by employees must be continuous and satisfactory;

(iii) when an employee who has put in at least 5 years satisfactory serivce is retired voluntarily from service or if he is permanently disabled while in service or if he dies while in service the society shall pay to him or to his legal heirs as the case may be a gratuity not exceeding half month's pay for every completed year of service:

Provided that in no case shall the gratuity exceed fifteen months' pay.

60. *Mode of Investment of Reserve Fund.*—(1) Notwithstanding anything contained in rule 54 a society shall invest or deposit its reserve fund in the following modes:—

(i) in the case of societies with an area of operation limited to one District, save the Financing Bank, in the Central Co-operative Bank;

(ii) in the case of all other societies in the Apex Bank; and

(iii) in the case of all societies, in trust securities, provided that in the case of a society whose reserve fund is equal to or more than 20% of its working capital whichever is higher, the Registrar may by general or special order, permit that society to utilise that portion of the Reserve Fund which is in excess of its paid up share capital or a portion thereof in its business.

(2) When the utilisation of the Reserve Fund of a society in its business is sanctioned by the Registrar under this rule, the financing bank concerned shall on the expiry of 2 months from the date of receipt of the sanction of the Registrar refund the amount to the society, without asking for any notice of withdrawal.

61. *Object of Reserve Fund and disposal thereof on the winding up of a Society.*—(1) The reserve fund shall belong to the society as a whole and is intended to meet unforeseen losses. It shall be indivisible and no member shall have any claim to a share in it. It may be drawn upon only with the special sanction of the Registrar to meet unforeseen losses incurred.

(2) On the winding up of a society, the reserve fund together with other funds constituted by the society in accordance with its bye-laws shall be applied by the liquidator to discharge such liabilities of the society, as may remain undischarged out of the assets of the society, in the following order, namely:—

(i) the debts due to the Government;

(ii) other debts of the society;

(iii) the paid up share capital; and

(iv) the dividend upon such share capital at a rate not exceeding 10% per annum for any period for which no dividend has been paid.

No dividend shall, however, be paid on share capital if the bye-laws of the society do not provide for payment of dividend.

Provided that in the case of a Co-operative workshop for Ex-servicemen, any balance of assets remaining after meeting the other debts of the society shall be credited to the Government and the Soldiers' Post-war Reconstruction Fund Committee upto the extent of the value of the original gifts in proportion to the contributions made by them. Surplus assets, if any, shall alone be applied by the liquidator for the discharge of the paid up share capital and dividend as laid down in clauses (iii) and (iv):

Provided further that in the case of societies other than Co-operative Workshops for Ex-servicemen, any balance of assets remaining after meeting the debts of the society, shall be credited to the Government in proportion to the amount of money granted by them and the surplus assets, if any, alone shall be applied by the liquidator for the discharge of the paid up share capital and dividend as laid down in clause (iii) and (iv).

(3) Such portion of the funds as shall remain after the payment mentioned in sub-rule (2), shall be applied to such local objects of public utility as may be selected by the General Body and approved by the Registrar. If within 30 days after the issue of notice by the

Liquidator after the final closing of the society, the general body fails to make any selection approved by the Registrar, the latter may use the above mentioned portion of the fund in supporting other Co-operative societies in the neighbourhood or shall deposit with Co-operative Bank of the area until a new Co-operative Society in the area is registered, in which event the funds shall be credited to the Reserve Fund of such society. If in the opinion of the Registrar there is no prospect of a new society being formed in such area within a reasonable time, the Registrar shall assign the amount to the Bad Debt reserve or reserve fund of the financing Bank of the area.

62. *Writing off bad debts and losses:*—(1) Such of the dues to the society including loans and interest thereon which are found irrecoverable, and duly certified as such by the auditors appointed under Section 63 may be written off with the approval of the general body and sanction of the Register.

(2) Before sanction for the write off is accorded the opinion of the financing bank may be obtained if the society is indebted to the financing bank.

63. *Maintenance of fluid resources by societies.*—(1) Every society with limited liabili y which obtains any portion of its working capital by deposits and not coming within the purview of the Banking Regulation Act, 1949 shall maintain fluid resources in such form and according to such standards as may be fixed by the Government from time to time by general or special order and utilise only such portion of its working capital in lending business and distribute its assets in accordance with such standards. The minimum liquid cover shall normally be of the following scale:—

(i) full value of the fixed deposit matured and due for payments at the close of business on any day;

(ii) 25% of the total of its demand and time liabilities excluding item (i) at the close of business in any day.

Explanation:—Liquid cover means assets which may be converted into ready cash and includes all or any of the following:—

(a) 100% of cash on hand, balance with Banks, post office savings bank and of unencumbered investments representing the statutory Reserve Fund.

Note:—Societies shall take credit for purposes of fluid resources only such amounts invested in savings deposits as are readily withdrawable without notice.

(b) 90% of the market value of Government securities including posta cash certificates or National Savings Certificates.

(c) 80% of the market value of debentures of Land Mortgage Banks and also of other trustee securities.

(d) 80% of fixed deposits with other Banks approved by the Registrar

(e) Undrawn portion of cash credit with any Bankers approved by the Registrar or with the Apex or Central Co-operative Bank.

(2) The Government may, by general or special order empower the Registrar to releax the form or the standard so fixed for a specified period, in the case of any society or class of societies.

(3) Cooperative Banks for which the Banking Regulation Act, 1949 is applicable the standard prescribed under section 24 of that Act shall be maintained.

64. *Audit:*—(1) The audit under section 63 shall in all cases extend back to the last date of the previous audit and shall be carried out upto the last date of the Cooperative year immediately preceding the audit or where the Registrar so directs in the case of any particular society or class of societies, such other date as may be specified by the Registrar.

(2) The auditor shall submit an audit memorandum in the form prescribed by the Registrar on the accounts examined by him and on the Balance Sheet and final accounts as on the date for the period upto which the accounts have been audited and shall state whether in his opinion and to the best of his information and according to the explanations given to him, the said accounts give all the information required by the Act and give a true and fair view:—

(i) in the case of the balance sheet of the state of society's affairs as at the end of the year or any other subsequent date to which the accounts are made up and examined by him and

(ii) in the case of the profit and loss account, of the profit or loss for the year, or the period covered by the audit, as the case may be.

(3) The audit memorandum shall state:—

(a) whether the Auditor had obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit:

(b) whether in his opinion, proper books of accounts, as required by the Act, these rules and the byelaws of the society have been kept and regularly maintened by the society so far as it appears from the examination of these books; and

(c) whether the balance sheet and the final accounts examined by him are in agreement with the books of accounts and returns of the society.

(4) Where any of the matters referred to in sub-rule (3) are answered in the negative or with a qualification, the person who does the audit shall specify the reasons for the answers in the audit memorandum.

(5) The audit memorandum shall also contain schedules with full particulars of:—

(i) all transactions which appear to be contrary to the provisions of the Act, the rules or the byelaws of the societes;

(ii) all sums which ought to have been, but have not been brought into account, by the society;

(iii) any material impropriety or irregularity in the expenditure or in the realisation of moneys due to the society;

(iv) any money or property belonging to the society which appears to the auditor to be bad or doubtful debt;

(v) an audit classification statement prepared in accordance with the instructions issued by the Registrar from time to time; and

(vi) any other matters specified by the Registrar on this behalf.

(6) Within six months of the date of audit the Registrar shall grant to the concerned society an audit certificate and a copy of the audit memorandum specified in sub-rule (2) duly signed by him. While communicating the audit memorandum, the Registrar may modify or expunge any portion thereof which appears to him to be objectionable or not justified by facts.

(7) The society shall publish —

(i) the audit certificate;

(ii) the statement showing the receipts and disbursements for the year;

(iii) the profit and loss account; and

(iv) the balance sheet in the manner specified by the Registrar and shall also keep them open for inspection by any member of the society. The summary of the audit memorandum shall also be read out at the general body meeting of the society.

65. *Levy of Audit fees:*—(1) Every cooperative society shall pay to Government within one month of receipt of the annual audit certificate an audit fee calculated on the Working Capital as on the last day of the coperative year to which the audit relates or on the total sales during the yar on the gross income during the year as the case may be, as shown below:—

Type of society	*Audit fees to be calculated:*
(1)	(2)
(1) Credit Societies (Excepting Primary Land Mortgage Bank, Housing Societies and House Mortgage Banks)	On Working Capital.
(2) Primary Land Mortgage Banks, House Mortgage Banks, Housing Societies	On the aggregate of loans issued and that recovered during he year under audit.
(3) Societies having credit & Non-Credit Activities	On working capital or on sale poceeds of goods whichever is higher.
(4) Societies dealing in goods (excepting Coir Societies)	On sale proceeds
(5) Coir Cooperative Societies	On proceeds of Coir sold as owners as well as on the commission realised on goods sold as agents.

(1)	(2
(6) Transport Societies	On hire charges collected and sale proceeds of articles.
(7) Other societies	On gross income.

If any doubt arises as to which of the categories, a particular cooperative society is to be included for the purpose of calculation of audit fees, the matter shall be decided by the Registrar.

Explanation:—'Working Capital' means the aggregate of the paid up Share Capital, Reserve Fund, other funds appropriated out of profits, loans and deposits received and the debentures issued by a society.

(2) (a) The Registrar shall be competent to appoint one or more Auditors specially or exclusively for the audit of the accounts of one or more Societies, each having a Working Capital or annual sales exceeding Rs. 2 lakhs.

(b) Where the Registrar appoints special auditors under the foregoing sub-rule, the fee payable by such society or societies shall be the entire or the proportionate cost of the staff as may be determined by the Registrar.

(3) The following classes of societies are exempted from the payment of audit fees —

(a) All Cooperative Societies of which all or a majority of the members are Harijans.

(b) All Farming Societies.

(c) All Social Welfare Societies.

(d) Any society or group of societies which has its accounts audited at its own expense by an officer of the Co-operative Department by virtue of the provisions contained in this sub-rule, or under an arrangement approved by the Registrar to audit the accounts of the society.

(e) Any society for the 1st year of audit, irrespctive of the date of commencement of business.

(f) Any Weavers' Society or Coir Cooperative Society, or Housing Society until it has completed the sixth cooperative year after its commencement of business.

(g) Any credit society the Working capital of which does not exceed Rs. 2000 and any other society the sales of gross income of which does not exceed Rs. 10,000.

(4) The audit fees for the purpose of sub-rule s (1) and (2) shall be calculated at the rate of 30 paise for very one hundred Rupees or part thereof on the working capital, the value of sales or the grosss income, as the case may be upto Rs. 5 lakhs and thereafter at the rate of 20 paise for every next one - hundred Rupees or part thereof provided that the maximum audit fees payable by a society will not exceeds Rs. 3000.

Chapter VIII

Inquiry, inspection and surcharge

66. *Procedure for the conduct of inquiry and inspection.*—(1) (i) An order, authorsing inquiry under Section 65 or Inspection under Section 66 shall among other things, contain the following:—

(a) the name of the society whose affairs are to be inquired into or whose books of accounts are to be inspected;

(b) the name of the person authorised to conduct the inquiry or inspection;

(c) the specific point or points on which the inquiry or inspection is to be made, the period within which the inquiry or inspection is to be completed and report submitted to the Registrar;

(d) costs of inquiry or inspection;

(e) any other matter relating or pertaining to the inquiry or inspection.

(2) a copy of every order authorising inquiry under section 65 or inspection under section 66 shall be issued to the President or the Secretary of the Society concerned by registered post with acknowledgement. due. A copy of the order shall also be made available to the Central society or societies, to which the society in respect of which the order is issued, is affiliated;

(3) If the inquiry or inspection cannot be completed within the time specified in the order referred to in sub-rule (1) (c), the person conducting the inquiry or inspection shall submit an interim report stating the reasons for failure to complete the inquiry or inspection, and the Registrar, if he is satisfied, may grant such extension of time as he may deem necessary or he may withdraw the inquiry or inspection from the officer to whim it is entrsuted and hold the inquiry or inspection himself or entrust it to such other person as he deems fit.

(4) On receipt of the orders referred to in sub-rule (1) the person authorised to conduct the inquiry or inspection shall proceed to examine the relevant books of accounts and other documents in the possession of the society or any of its officers, members, agents or servants and obtain such information or explanation from any such officers, members, agents or servants of the society in regard to the transaction and working of the society as he deems necessary for the conduct of such inquiry or inspection.

(5) The person authorised to conduct the inquiry or inspection shall submit his report to the Registrar on all points mentioned in the order referred to in clause (c) of sub-rule (1). The report shall invariably contain a latest balance sheet of the society, and the last known addresses of the members of the Committee and of the Secretary. The report shall also contain his findings and the reason therefor, supported by such documentary or other evidence as

recorded by him during the course of the inquiry or inspection. He shall also specify in his report the costs of the inquiry or inspection together with reasons and recommend to the Registrar the manner in which the entire cost or a part thereof may be apportioned amongst the parties specified in Section 67. The Registrar shall pass such orders thereon as may be considered just after giving a reasonable opportunity of being heard to the society, person or persons concerned.

CHAPTER IX

Stttlement of Disputes

67. *Reference of disputes, payment of expenses and decisions on disputes.*—(1) The reference of any dispute to the Registrar under Section 69 of the Act shall be in writing. The application shall be accompanied by a list of relevant records on which the dispute is based and a receipted chalan to evidence payment of the fees fixed under clause (a) of sub-rule (7), for deciding the dispute. In the case of an application filed for and on behalf of a society a certified copy of the resolution adopted by the committee, resolving to file the application, shall also be filed. Sufficient copies of the application for service on the defendant or defendants shall also be filed. Whenever necessary, the Registrar may require the party referring the dispute to him to produce a certified copy of the records on which the dispute is based and such other statements or records as may be required by him before proceeding with the consideration of such reference.

(2) The Registrar or the person deciding the dispute or the arbitrator shall have power to administer oaths, to require the attendance of all parties concerned and of witnesses and to require the production of all books and documents relating to the matter of the dispute.

(3) The Registrar, or the person deciding the dispute or the arbitrator may of his own motion or on the application of any party to the dispute, inspect any property which is the subject matter of the dispute on giving notice to both the parties to the dispute or summon and examine any person as a witness or issue commissions for examination of witness whose evidence the Registrar or the person deciding the dispute or the arbitrator, as the case may be, feels necessary for disposing of the dispute.

(4) (a) The Registrar or the person or the arbitrator deciding the dispute shall record a brief note in English or in the vernacular of the evidence of the parties to the dispute and witnesses who attend,

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, equity and good conscience. Such decision or award shall be reduced to writing and pronounced at once or on some future date of which due notice shall be given to the parties.

(b) In the absence of any party to the dispute duly summoned to attend, the dispute may be decided *exparte*.

(5) The award or any order passed by the arbitrator under sub-section (3) of section 70 of the Act shall be forwarded to the Registrar in duplicate along with all the papers and proceedings of the dispute.

(6) The case records will also contain a case diary written in hand by the authority deciding the dispute, specifying the date or dates on which the case was taken up for consideration, noting the action taken on each such date. The names of persons examined and documents exhibited, with the relevant dates. shall also be noted therein. The parties concerned may on production of the required number of copying sheets be given copies of the decision or award or order from the office of the Registrar before whom the application was presented under sub-rule (1) above.

(7) (a) The fees for deciding the dispute shall be as follows:—

I. *Monetary disputes.*—

(i) Claims upto Rs. 200 Rs. 5.

(ii) Claims exceeding Rs. 200 Rs. 5 for the first Rs. 200 and Rs. 2 for every additional Rs. 100 or part thereof, subject to a maximum of Rs. 50.

II. *Non-monetary disputes.*—Rs. 100.

Note:— The fees shall be paid in advance into the nearest Government treasury. All petitions and applications presented under this rule shall have also court fee stamps as required under the Kerala Court Fees and Suits Valuation Act, 1959.

(b) The Registrar or such other person deciding the dispute or the arbitrator shall have power to direct any party to the dispute to pay the costs of the other party with interest in appropriate cases and the interest awarded on the amounts decreed shall not exceed the contract rate from the date of the suit, to the date of realisation of the amount.

(8) In the proceedings before the Registrar or such other person deciding the dispute or the arbitrator, legal practitioners shall not be entitled, as a matter of right, to appear to represent parties.

68. *Mode of Communication of orders and decisions in deciding Disputes*:— An award, decision or order passed by the Registrar or any other person deciding the dispute or the arbitrator referred to in Section 70 of the Act, shall be sent to the applicant by the Registrar with his seal affixed thereon, by registered post. One copy of the award, decision, or order shall be retained in the file concerned and the same kept in tact, for a period of 12 years. A gist of the award shall also be communicated by the Registrar to the defendants, by post in case they are not present at the time of delivering the order or decision.

CHAPTER X

Winding up and dissolution of co-operative societies

69. *Procedure to be adopted by liquidator*:—Where a Liquidator has been appointed under sub-section (1) of Section 72, the following procedure shall be adopted:—

(1) The appointment of the Liquidator shall be notified by the Registrar in the official Gazette.

(2) The liquidator shall, as soon as the order of winding up of the society takes effect, publish by such means as he may think proper a notice requiring all claims against the society, the winding op of which is ordered, to be submitted to him within two months of publicat on of such notice. All liabilities recorded in the account books of a society shall be deemed *ipso acto* to have been duly submitted to him under this sub-rule.

(3) The liquidator shall, after settling the assets and liabilities of the society as they stood on the date on which the order for its winding up was made, proceed to determine the contribution to be made by each of its members, past members or by the estates of nominees, heirs or legal representative of deceased members or by any officers or former officers to the assets of the society under clause (b) of sub-section (2) of section 73. If the sum assessed against any member is not recovered, the liquidator may issue subsidiary order or orders against any other member or members regarding such contributions and such orders shall be enforeceable in the same manner as the original orders.

(4) The liquidator shall submit to the Registrar, a quarterly report in such form as the Registrar may specify, stating the progress made in the winding up of the society.

(5) The liquidator may, with the previous sanction of the Registrar, empower any preson by general or special order in writing to make collections and to grant valid receipts on his behalf.

(6) All funds in the charge of the liquidator shall be deposited in the post office savings bank or in a financing bank or with such other bank as may be approved by the Registrar and shall stand in the name of the liquidator.

(7) The Registrar shall fix the amount of remuneration, if any, to the liquidator under sub-section (1) of section 72 or the charges to be paid to Government to meet the cost of the liquidator. Such charge shall be included in the cost of liquidation which shall be payable out of the assets of the society in priority to all other claims.

(8) The liquidator shall have power to call for meetings of members of the society under winding up from time to time.

9. At the conclusion of the winding up proceedings, a general meeting of the members of the society shall be called. At such meeting, the liquidator shall summarise his proceedings, and report what sum, if any, remains in his possession after meeting all the liabilities of the society as determined under the rules and suggest how the surplus, if any, should be utilised.

(10) 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 a financing bank and shall be available for meeting the claims of the person or persons concerned. If even on the expiry of three years from the date of deposit of such amount remains unpaid, the Registrar may of his own motion or on the application of the financing bank pass an order directing that the said amount shall be added to the bad debt reserve of the financing bank.

(11) A liquidator may, at any time, be removed by the Registrar and he shall on such removal be bound to hand over all the properties and documents of such society to such person as the Registrar may direct, The Registrar may appoint any other person as liquidator, on such removal.

70. *Disposal of records of a society ordered to be wound up.*—All the books and records of a society, the affairs of which have been wound up, shall be retained by the liquidator in his office for a period of three years from the date of the report referred to in sub-section (3) of Section 73. On the expiry of the said period of three years, the books and records may be destroyed by the liquidator on taking orders, to that effect, from the Registrar.

Chapter XI

Execution of Decisions, Awards and Orders

71. *Application for enforcement of charge.*—(1) Every application under section 75 shall be signed by a person authorised in that behalf by the committee of the society concerned. This application shall specify the amount due as on date, distinctly noting the amount originally disbursed, interest, costs, if any, etc., the name and full address of the person from whom the amount is due and the particulars of repayment, if any, already made. The properties on which the society claims charge shall also be specified with sufficient details in the application for an order under section 75. The application shall be accompanied by a receipted chalan in token of having remitted the fee at the rates prescribed by the Registrar.

(2) The application shall be presented either in person or by registered post to the Registrar with such number of additional copies as may be required to be served on the person or persons against whom execution proceedings are taken.

(3) On receipt of the application, the Registrar shall arrange to make entries thereof in a register maintained in his office for the purpose and issue a a notice of the application together with a copy thereof to the concerned person, directing him to pay the debt or outstaning demand within 30 days from the date of service of the notice.

(4) If the party fails to pay the debt or outstanding demand within the time limit prescribed, the Registrar may make an order directing the payment of the debt or outstanding demand due to the society, by sale of the property or any interest therein, which is subject to a charge under sub-section (1) of Section 35:

Provided that if the the concerned person files objections as to the correctness of the amount, the maintainability of the application or the right of the society to proceed against the property specified, the Registrar shall decide the points at issue before passing an order directing the sale of the property for the recovery of the debt or outstanding demand.

(5) Any amount remaining due after the sale of the properties having a first charge in respect of which an order under section 75 has been issued, may be realised by the society in the manner provided in Chapter XI of the Act.

72. *Issue of certificate under section* 76 —(1) The holder of any decision, award or order referred to in Section 76 of the Act shall, if the said decision, award or order is not carried out, apply to the Registrar for the execution thereof under clause (c) of section 76 or for a certificate to be issued under clauses (a) or (b) of the said section:

Provided that no application for execution under clause (c) of section 76 shall be entertained, if a certificate has already been issued under clause (a) or (b) of the said section.

Certificate referred to in clauses (a) or (b) of section 76 shall be inform No. 7 and be issued under the name and signature of the Registrar and shall bear the date and the seal of his office.

(2) The Registrar may, on receipt of an application under clause (1) above for the issue of a certificate, issue the certificate, only on his satisfying that no sach certificate has been issued to the party to enable him to apply for execution either to the Collector or a civil court of competent jurisdiction, previously.

(3) In case, a certificate issued under sub rule (2) is lost or destroyed before the party could apply for execution either to the Civil Court or Collector, the Registrar may, on payment of a penalty of Rs. 5 paid into the Treasury, issue a duplicate of the certificate already given with the word "Duplicate" marked thereon.

73. *Execution proceedings under the revenue Recovery Act.*—Recovery of money under clause (b) of Section 76 shall be made by Revenue Officers and when the decision, award or order is executed through them, the costs of execution under Revenue Recovery Act shall be recovered and credited to Government. This shall be deducted in the first instance from the amounts realised and balance alone paid to the decree-holder.

74. *Procedure for execution of decision, Award or Order.*—(1) If any decision, award or order has to be executed as provided under clause (c) of Section 76 the holder of such order, decision or award (hereinafter referred to as the "decree-holder") shall apply to the Registrar.

(2) Every such application, shall be made in the form specified by the Registrar and shall be signed by the decree-holder and shall be accompanied by the original of the order, decision or award and the receipted chalan obtained from the Treasury for payment of fees, specified by the Registrar. The decree-holder may indicate whether he wishes to proceed against the immovable property mortgaged to the decree-holder or other immovable property or to secure the attachment of any movable property.

(3) On receipt of such application the Registrar shall verify the correctness and genuineness of the particulars set forth in the application, with the records, if any available in his office and forward it to the Sale Officer for action. The Sale Officer will prepare a demand notice, in writing in duplicate, in the form prescribed by the Registrar setting forth the name of defaulter and the amount due from him and serve it on the defaulter concerned.

(4) Where a defaulter dies, before the decree has been fully satisfied an application under sub-rule (1) may be made against the legal representatives of the deceased and thereupon all the provisions of this Rule shall apply, as if such legal representatives were the defaulters.

75. *Order in which proceedings shall be taken.*—Unless the decree-holder has expressed a desire that proceedings shall be taken in a particular order as laid down in sub-rule (2) of Rule 74, execution shall ordinarily be taken in the following manner:

(i) movable property of the defaulter shall be first proceeded against' but this shall not preclude the immovable property being proceed against simultaneously in case of necessity.

(ii) if there is no movable property or if the sale proceeds of the movable property or properties available for attachment and sale are considered to be insufficient to meet in full 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.

76. *Rules for seizure and sale of movable property.*—In the seizure and sale of movable properties the followiog rules shall be observed:—

(i) The sale officer shall, after giving previous notice to the decree-holder proceed to the village 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 the expenses be not at once paid, the sale officer shall make the distress and shall immediately deliver to the defaulter a list or inventory of the property distrained, an intimation of the place, day and hour at which the distrained property will be brought to sale if the amounts due are not previously discharged. If the defaulter is absent the sale officer shall serve the demand notice on some adult member of his family, or on his authorised agent, or when such service cannot be effected, shall affix a copy of the demand notice on some conspicuous part of his residence. He shall then proceed to make the distress and shall fix the list of the property attached on the usual place of residence of the defaulter endorsing thereon the place where the property may be lodged or kept and an intimation of the place, day and hour of sale, if the amounts due are not previously discharged.

(ii) After the distress is made the Sale Officer may arrange for the custody of the property attached with the decree-holder or otherwise. If the Sale Officer requires the decree-holder to undertake the custody of the property distrained, he shall be bound to do so and any loss incurred, owing to his negligence shall be made good by the decree-holder. If the attached property is livestock, the decree-holder shall be responsible for providing the the fodder thereof. In such cases the decree-holder shall be entitled to realise from the defaulter, the expenses incurred by him for maintaining the livestock or for keeping in tact the property distrained. The Sale Officer or the decree-holder shall not work the livestock or make use of the goods or effects distrained.

(iii) The Sale Officer may, at the instance of the defaulter or of any person claiming an interest in such property, leave it in the village or place where it was attached. in the charge of such defaulter or person if he enters into a contract in the form specified by the Registrar with one or more sufficient sureties for the production of the property at the place of sale when called for.

(iv) The distress shall be made after sun rise and before sun set and not at any other time.

(v) The distress made shall not be excessive, that is to say, the property distrained, shall, as nearly as possible, be proportionate to the sum due by the defaulter together with interest and all expenses incidental to the distraint, detention and sale, and it shall not include i) the ordinary wearing apparel of the defaulter and his family; and (ii) his implements of husbandry and ploughing cattle. provided that the implements of husbandry over which the decree-holder has a first charge may be distrained.

(vi) If crops or ungathered products of the land belonging to the defaulter are attached, the sale officer may cause them to be sold when fit for reaping or gathering or at his option may cause them to be reaped or gathered in due season and stored in proper place until sold. In the latter case the expenses of reaping or gathering and storing such crops or products shall be defrayed by the owner upon his redeeming the property or from the proceeds of the sale in the event of its being sold.

(vii) It shall be lawful for the Sale Officer to force open and enter any cow house, granary, godown, out-house or other building and he may also enter any dwelling house, the outer door of which may be open and may break open the door of any room in such dwelling house, for the purpose of attaching property belonging to a defaulter and lodged therein:

Provided that it shall not be lawful for a sale officer to break open or enter any apartment in such dwelling house appropriated for the occupation of women except as provided under clause (viii).

(viii) Where the sale officer may have reason to suppose that the property of defaulter is lodged within a dwelling house the outer door of which may be shut, or within any apartment appropriated to women, which, by the usage of the country, are considered private, the sale officer shall represent the fact to the officer-in-charge of the nearest police station. On such representation, the officer-in-charge of the police station shall send a Police Officer to the spot in the presence of whom the Sale Officer may force open the outer door of such dwelling house and in like manner as he may break open the door of any room within the house. The Sale Officer may also, in the presence of the Police Officer and after giving due notice for the removal of women within the apartment enter the said apartment 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, so as to enable the women to reoccupy it.

(ix) The Sale Officer shall on the day previous to and on the day of sale cause a proclamation of the time and place of the intended sale to be made by beat of drum in the village in which the defaulter resides and in such other place or places as the Registrar may consider necessary to give due publicity to the sale. No sale shall take place until after the expiration of a period of fifteen days from the date on which the sale notice has been served or affixed in the manner prescribed in clause (i):

Provided that where the property seized is subject to speedy and natural decay, or where the expenses of keeping it in custody is likely to exceed its value, the sale officer may sell it at any time, before the expiry of the said period of fifteen days, unless the amount due is sooner paid.

(x) At the appointed time, the property shall be sold in public auction in terms of one or more lots as may be decided by the sale officer and shall be disposed of to the highest bidder:

Provided that it shall be open to the sale officer to decline to accept the highest bid where the price offered appears to be unduly low or for other reasons:

Provided further that the Registrar or the Sale Officer may, in his discretion adjourn the sale to a specified day and hour, recording his reasons for such adjournment. Where a sale is so adjourned for a longer period than seven days, a fresh proclamation under clause (ix) shall be made unless the defaulter consents to waive it.

(xi) Where the property is sold for more than the amount due, the excess amount, after deducting the interest and the expenses of process and other charges, shall be paid to the defaulter.

(xii) The property shall be paid for in cash at the time of sale or as soon thereafter as the sale officer shall appoint and the purchaser shall not be permitted to carry away any part of the property until he has paid for it in full. Where the purchaser fails in the payment of purchase money, the property shall be resold.

(xiii) Where it is proved to the satisfaction of any Civil Court of competent jurisdiction that any property which has been distrained under these rules has been forcibly or clandestinely removed by any person, the Court may order forthwith, such property to be restored to the Sale Officer.

(xiv) Where prior to the day fixed for sale, the defaulter or any person acting in his behalf or any person claiming an interest in the property attached, pays the full amount due including interest, batta and other costs incurred in attaching the property, the sale officer shall cancel the order of attachment and release the property forthwith.

77. *Attachment of salary or allowances of Public Officer or servant of a Railway administration or Local uthority or Firm.*—Where the movable property to be attached is the salary or allowance or wages of a public officer or of a servant of a railway company or local authority or a firm or a company, the Registrar may on receiving a report from the Sale Officer, order that the amount shall, subject to the provisions of section 60 of the code of Civil Procedure 1908, (Central Act V of 1908) be with held from such salary or allowances or wages either in one payment or by monthly instalments as the Registrar may direct and upon notice of the order, the officer or other person whose duty it is to disburse such salary or allowances or wages shall with hold and remit to the sale officer, the amount due under the order or the monthly instalment, as the case may be.

78. *Attachment of Share or 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-owners, the attachment shall be made by a notice to the defaulter prohibiting him from transferring the share or interest or charging it in any way.

(2) Where the property to be attached is a negotiable instrument not deposited in a Court nor in the custody of a public officer, the attachment shall be made by actual seizure and the instrument shall be brought to the office of the Registrar ordering the attachment and be held subject to his further orders.

(3) Where 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 final decision of the Registrar issuing the notice;

Provided that, where such property is in the custody of a court or Registrar of another District, any question of title or priority 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 Registrar.

Explanation:—in this rule "Public Officer" includes a liquidator appointed under section 72 of the Act.

79. *Attachment of Decree.*—(1) Where the property to be attached is a decree either for the payment of money or for sale in enforcement of a mortgage or charge, the attahment shall be made—

(a) if the decree songht to be attached was passed by Registrar or by any person to whom a dispute was tranaferred by the Registrar under Section 70 or by an arbitrator within the local limits of the jurisdiction of Registrar then by the order of the Registrar concerned;

(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 Registrar concerned, requesting such court to stay the execution of its decree unless and until—

(i) the Registrar aforesaid cancels the notice; or

(ii) the holder of the decree sough to the executed, or the judgment-debtor applied 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 the Registrar seeking to attach such decree in execution, sending the notice referred to in clause (b) to such Court, whereupon the provisions of that clause shall apply in the same manner asif such court had passed the decree and the said notice had been sent to it in pursuance of the said clause.

(2) Where the Registrar makes an order under clause (a) or where a Court receives an application under clause (b) (ii) of sub rule (1), such Registrar 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 net proceeds in satisfaction of the decree sought to the executed.

(3) The holder of a decree sought to be executed by the attachment of another decree of the nature specified in sub-rule (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 a 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 Registrar to the holder of such decree; prohibiting him from transfering or charging the same in any way; and where such decree has been passed by any court

or by a different Registrar or by any persont o whom dispute was transferred under Section 70 of the Act by a different Registrar or by an arbitrat or in another district, also by sending to such court or to the Registrar 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 Registrar who sent the notice.

(5) The holder of a decree sought to be executed in the manner provided under this rule shall give the court or the Registrar 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 Registrar making an order of attachment under this rule shall give notice of such order to the judgment debtor bound by the decree attached; and no payment or adjustment of the attached decree made by the judgment debtor in contravention of such order after receipt of notice thereof, either through the said Registrar or otherwise, shall be valid so long as the attachment remains in force.

80. *Attachment of debt, share and 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 a corporation or a deposit invested therein; or

(c) other movable property not in the possession of the defaulter except property deposited in, or in the custody of any civil court, the attachment shall be made by a written order signed by the Registrar Prohibiting—

(i) in the case of a debt, the creditor from recovering the debt and the debtor from making payment thereof;

(ii) in the case of a share or deposit, the person in whose name the share or the deposit may be standing, from trasferring the share or deposit or receiving any dividend or interest thereon; and

(iii) in the case of any other movable property the person in possession of it, from giving it over to the defaulter.

(2) A copy of such order shall be sent, in the case of the debt to the debtor, in the case of the share or deposit to the proper officer of the corporation and in the case of the other movable property to the person in possession of such property. As soon as the debt referred to in clause (a) of sub rule (1) or the share or deposit referred to in clause (b) there of matures, the Registrar may direct the person concerned to pay the amount to him. Where the share is non-withdrawable the Registrar shall arrange for its sale through a broker. Where the share is withdrawable, its value shall be paid to the Registrar or to the party concerned as soon as it becomes payable. In the case of the other movable property referred to in clause (c) of sub-rule (1) the person concerned shall place it in the hands of the Registrar, as soon as it becomes, deliverable to the defaulter.

(3) 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.

81. *Procedure in attachment and sale of immovable property.*—In the attachment and sale or sale without attachment of immovable property, the following rules shall be observed;—

(a) The application presented under sub-rule (2) of rule 74 shall contain a description of the immovable property to be proceeded against, sufficient for its identification, specifying the boundaries, survey number etc. and the defaulters' share or interest in such property, to the best of the belief and knowledge of the decree holder and so far as he has been able to ascertain it.

(b) The demand notice issued under sub-rule (3) of rule 74 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 sold without attachment as the case may be. This demand notice shall be served on the defaulter in the manner provided in these rules.

Provided that were the Registrar is satisfied that a 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 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 forth with.

(c) If the defaulter fails to pay the amount specified in the demand notice within the time stipulated therein, the sale officer shall proceed to attach and sell or sell with out attachment, as the case may be, the immovable property noted in the application for execution in the following manner:—

(d) Where attachment is required before sale, the sale officer shall cause a notice of attachment to be served on the defaulter, as laid down in Rule 76 (i). A copy of the attachment notice shall also be affixed in some conspicuous part of the defaulter's last known place of abode. The notice shall specify the amount due with interest, cost, etc. and shall set forth that unless the whole amount inclusive of interest, cost etc. be paid within the date therein mentioned, the immovable property concerned will be brought to sale. A copy of the notice shall be sent to the decree-holder. The notice of attachment shall be published in the concened village and society offices and also by beat of Tom- tom.

(e) Proclamation of sale shall be published by affixing a notice in the offices of the Registrar, the Tahsildar and of the society concerned, at least thirty days before the date fixed for the sale and also by the beat of Tom-tom in the village on 2 consecutive days previous to the date of sale

and on the date of sale prior to the commencement of the sale. Such proclamation shall, where attachment is required before sale, be made after the attachment has been effected. Notice shall also be given to the decree-holder and the defaulter. It shall specify the date, time and place of sale and specify as fairly and accurately as possible (i) the property to be sold (ii) any encumbrance to which the property is liable (iii) the amount for the recovery of which sale is ordered; and (iv) every other matter which the sale officer considers material for a purchaser to know in order to judge the nature and value of the property.

(f) When any immovable property is sold under these rules, the sale shall be subject to the prior encumbrances on the property, if any. The decree-holder shall when the amount for the realisation of which the sale is held exceeds Rs. 100 furnish to the sale officer within such time as may be fixed by him or the Registrar an encumbrance certificate from the Registration Department for a period of not less than twelve years prior to the date of attachment of the property sought to be sold or in cases falling under the proviso to clause (3) of rule 80 prior to the date of application for execution. The time for production of encumbrance certificate may be extended at the discretion of the Sale officer or Registrar. The sale shall be by public auction to the highest bidder, provided that it shall be open to the sale officer to decline to accept the highest bid where the price offered appears to be unduly low or for other reasons and provided also that the Registrar or 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 7 days, a fresh proclamation under clause (e) shall be made, unless the defaulter expresses his consent in writing to waive it. 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 Registrar, Taluk Office and the society office whichever is later. The time and place of sale shall be fixed by the Registrar and 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 Registrar.

Provided that in case where an encumbrance certificate is not obtainable owing to the destruction of the connected records, an affidavit from the village officer in regard to the encumbrances known to him supported by a certificate from the Registration Department that the encumbrance certificate cannot be granted owing to the destruction of the connected records, shall be accepted in the place of an encumbrance certificate.

(g) A sum of money equal to 15% of the price of the immovable property shall be deposited by the purchaser with the sale officer at the time of purchase, 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 clause (k) the sale officer shall dispense with the requirements of this clause.

(h) The remainder of the purchase money and the amount required for the general stamp for the certificate under sub-rule (5) of Rule 83 shall be paid within fifteen days from the date of sale:

Provided that the time for payment of the cost of the stamp may, for good and sufficient reason, be extended at the discretion of the Registrar upto thirty days from the date of sale:

Provided further that in calculating the amount to be paid under this rule, the purchaser shall have the advantage of any set off to which he may be entitled under clause(k).

(i) In default of payment within the period mentioned in clause (h) the deposit may, if the Registrar thinks fit, after defraying the expenses of the sale be forfeited to the Government and the defaulting purchaser shall forefeit all claims to the property or to any part of the sum for which it may subsequently be sold.

(j) Every resale of immovable property in default of payments of the amounts mentioned in clause (h) within the period allowed for such payment shall be made after the issue of fresh proclamation in the manner and for the period hereinbefore specified for the sale.

(k) Where a decree holder purchases the property, the purchase money and the amount due on the decree shall be set off against one another and the sale officer shall enter up satisfaction of the decree in whole or in part accordingly.

(l) Where prior to the date fixed for a sale, the defaulter or any person acting on his behalf or any person claiming an interest in the property sought to be sold tenders payment of the full amount due together with interest, batta and other expenses incurred in bringing the property to sale, including the expenses of attachment, if any, the sale officer shall forthwith release the property after cancelling orders of attachment, if any, in force.

82. *Application to set aside sale on deposit.*—(1) Where immovable property has been sold by the sale officer, any person either owning such property or holding an interest therein by virtue of a title acquired before such sale may apply to have the sale set aside on his depositing with the Registrar—

(a) for payment to the purchaser, a sum equal to 5% of the purchase money, and

(b) for payment to the decree-holder, the amount of arrears specified in the proclamation of sale as that for the recovery of which the sale ordered together with interest thereon and the expenses of attachment, if any, and sale and other costs due in respect of such amount less any amount which may since the date of such proclamation have been received by such decree-holder.

(2) If such deposit and application are made within thirty days from the date of sale, the Registrar shall pass an order setting aside the sale and shall repay to the purchaser, the purchase money so far as it has been deposited, together with the 5 per cent deposited by the applicant.

Provided that if more persons than one have made deposit and application under this rule, the application of the first depositor to the officer authorised to set aside the sale shall be accepted.

(3) If a person applied under rule 83 to set aside the sale of immovable property, he shall not be entitled to make an application under this rule.

83. *Application to set aside sale on ground of irregularity or fraud.*—(1) At any time, within thiry days from the date of sale of immovable property, the decree-holder or any person entitled to share in a rateable distribution of the assets or whose interests are affected by the sale, may apply to the Registrar to set aside the sale, on the ground of a material irregularity or mistake or fraud in publishing or conducting it.

Provided that no sale shall be set aside on the ground aforesaid unless the Registrar is satisfied that the applicant has sustained substantial injury by reason of such irregularity mistake or fraud.

(2) If the application be allowed, the Registrar shall set aside the sale and may direct a fresh one.

(3) On the expiration of thirty days from the date of sale, if no application to have the sale set aside is made or if such application has been made and rejected, Registrar shall make an order confirming the sale:

Provided that, if he shall have reason to think that the sale ought to be set aside notwithstanding that no such application has been made or on ground other than those alleged in any application which has been made and rejected, he may, after recording his reason in writing, set aside the sale.

(4) Whenever the sale of any immovable property is not so confirmed or is set aside, the deposit or purchase money, as the case may be, shall be returned to the purchaser.

(5) After the confirmation of any such sale, the Registrar shall grant a certificate of sale bearing his seal and signature to the purchaser. Such certificate shall state the property sold and the name of the purchaser and it shall be conclusive evidence of the fact of the purchase in all courts and Tribunals, where it may be necessary to prove it and no proof of the seal or signature of the Registrar shall be necessary unless the authority before whom it is produced shall have reason to doubt its genuineness. But such certificate shall be registered under the Registration Act for the time being in force, at the cost of the parties to whom they are issued.

(6) An order made under this rule shall subject only to the provision of Section 83 be final and shall not be liable to be questioned in any suit or other legal proceedings.

84. *Delevery of Possession*:—Where any lawful purchaser of immovable property is resisted and prevented by any person other than a person, (not being the defaulter) claiming in good faith to be in possession of the property on his own account, from obtaining possession of the immovable property

purchased, any court of competent jurisdiction, on application and production of the certificate of sale referred to in sub-rule 5 of Rule 83 above, shall cause the proper process to be issued for the purpose of putting such purchaser in possession, in the same manner as if the immovable property purchased had been decreed to the purchaser by a decision of the court.

85. *Sale of immovable property to be proportionate to the amount due*:—It shall be lawfull for the sale officer to sell the whole or any portion of the immovable property of defaulter in discharge of money due:

Provided that so far as may be practicable, no larger section of immovable property shall be sold than may be sufficient to discharge to amount due with interest and expenses of attachment, if any and sale.

86. *Private alienation of property after attachment to be void*:—Where an 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 debt, 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 clause claims enforceable under the attachment include claims for the rateable distribution of assets under rule 92.

87. *Process servers to be paid batta*:—Persons employed in serving notices or in other process under these rules shall be entitled to batta at such rates as may from time to time be fixed by she Registrar, subject to a maximum of five rupees a day.

88. *Batta, Interest and other charges recoverable from the proceeds*:—Where the cost and charges incurred in connection with attachment and sale of movable property, or the attachment and sale or sale without attachment of immovable property under these rules exceed the amount of the cost deposited by the decree-holder under rule 74, such excess shall be deducted from the sale proceeds of the property sold or the moneys paid by the defaulter, as the case may be, and the balance shall be made available to the decree-holder.

89. *Receipts for payment of amount due*:—Every person making a payment towards any money due for the recovery of which application has been made under these rules shall be entitled to receipt for the amount, signed by the sale officer or other officer empowered by the Registrar in that behalf. Such receipt shall state the name of the person making the payment and the subject matter in respect of which the payment is made.

90. *Investigation of claims and objections to attachment of property*:—(i) Where any claim is preferred to, or any objection is made to the attachment of any property attached under these rules on the ground that such property is not liable to such attachment, the sale officer shall investigate such claims or objections and dispose of it on merits;

Provided that no such investigation shall be made when the sale officer considers that the claim or objection is frivolous.

(ii) Where the property to which the claim or objection related has been advertised for sale, the sale officer may adjourn the sale pending the decision on the objection petition.

(iii) Where a claim or an objection is preferred, the party against whom an order is made may institute a suit within six months from the date of the order to establish the right which he claims to the property in dispute, but, subject to the result of such suit, if any the orders shall be conclusive.

(iv) Any deficiency of price which may happen on a re-sale held under clause (xii) of rule 76 or clause (g) or (j) of Rule 81 by reason of the purchaser's default, all expenses attending such resale shall be certified by the sale officer to the Registrar and shall at the instance of either the decree-holder or the defaulter, be recoverable from the defaulting purchaser under the provisions of these rules. The costs, if any, incidental to such recovery shall also be borne by the defaulting purchaser.

(v) Where the property may, on the second sale, fetch higher price than at the first sale, the defaulting purchaser at the first sale shall have no claim to the difference or increase.

91. *Termination of Attachment.*—Where any property has been attached in execution of a decree but by reason of the decree-holder's defaults, the Registrar is unable to proceed further with the application for execution, he shall either dismiss the application or for any sufficient reasons adjourn the proceedings to a future date. Upon the dismissal of such application, the attachment shall cease.

92. *Attachment in execution of decree of several courts and rateable distribution of assets.*—(1) Where the sale officer attaches or has attached under these rules any property, not in the custody of any court, which is already under attachment made in execution of a decree of any Court, such court shall receive and realise such property and shall determine claims thereto and any objection to the attachment thereof ;

Provided that where the property is under attachment in the execution of decrees of more courts than one, the 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 highest grade, or where there is no difference in grade between such courts, the court under whose decree the property was first attached.

(2) There assets are held by the sale officer and before the receipt of such assets, demand notice in pursuance of applications for execution of decrees against the same defaulter have been received from more than one decree holders and the decree-holders 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 (Central Act V of 1908)

93. *Attachment before Judgement.*—(1) Every attachment of property under section 78 of the Act shall be made in the same manner as provided in the rules in Chapter XI of these Rules.

(2) Where a claim is preferred to the property attached under sub-rule (1), such claim shall be investigated in the manner and by the authority specified in rule 92.

(3) A direction made for the attachment of any property under sub-rule (1) may be withdrawn by the Registrar :—

(a) When the party concerned furnishes the security required together with security for the costs of the attachment ; or

(b) When the liquidator determines under clause (b) of sub-section (2) of Section 73 that no contribution is payable by the party concerned ; or

(c) When the Registrar passes an order under sub-section (2) of Section 68 that the party concerned need not repay or restore any money or property or contribute any sum to assets of the society by way of compensation ; or

(d) When the dispute referred to in sub-section (1) of Section 69 of the Act has been decided against the party at whose instance the attachment was made.

(4) Any attachment made under sub-rule (1) shall not affect the rights existing prior to the attachment, of persons 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 the property is under attachment by virtue of the provisions of this rule and a decree is subsequently passed against the person whose property is attached, it shall not be necessary upon an application for execution of such decree, to apply for re-attchment of the property.

94. *Procedure for Recovery of sums due to Government.*—Sums due to Government from a society or from an officer or member or past member of a society shall be recovered by the Revenue authorities, on receipt of an application to that effect from the Registrar in the manner provided for recovery of arrears of land revenue. This application shall be accompanied be a certificate referred to in sub-section (1) of Section 79. The certificate referred to in section 79 shall be in form No. 8 issued under the name and signature of the Registrar and shall bear the date and seal of his office.

Chapter XII

Appeals, Revision and Review

95. *Appointment and conditions for service of the Chairman and other Members of the Tribunal*—(1) The Tribunal constituted under section 81 shall be called the Kerala Co-operative Tribunal and its Headquarters shall be at Trivandrum. It shall be an independent body.

(2) The Tribunal shall hold its sittings at 3 places to be notified by Government (hereinafter) called the Regional Office of the Tribunal). The Regional Offices of the Tribunal shall observe such office hours and holidays as specified by Government in this behalf, provided that, wherever necessary, a member of the Tribunal may, even during holidays receive papers and pass suitable orders, subject to the other provisions in these rules. Each member of the Tribunal shall be attached to one of the Regional Offices which he will attend to regularly.

(3) (a) The Chairman and members of the Tribunal shall hold office ordinarily for a period of five years. Any vacancy arising by reason of termination or resignation or any other causes shall be filled up by the Government for the remaining period of the Tribunal.

(b) A person who has held office as the Chairman or as a member for a period mentioned in clause (a) shall be eligible for re-appointment.

(c) The Chairman or a member of the Tribunal may at any itme resign his office by letter addressed to the Chief Secretary to Government.

(d) The Chairman or a Member of the Tribunal may hold an other office, appointment or employment or practice any profession not inconsistent with his position on the Tribunal. The question whether any office, appointment or employment or profession held or practised by the person concerned is inconsistent with his position on the Tribunal shall be determined by Government and it shall be final.

(e) Government may at any time notwithstanding anything contained in clause (a) terminate the appointment of the Chairman, or any Member if in its opinion such Chairman or any Member is unable or unfit to continue to perform the duties of his office provided that no appointment shall be terminated under this sub-rule, unless the person concerned is given a reasonable opportunity of showing cause against such termination.

(f) The Chairman and the Members of the Tribunal shall be paid such monthly remuneration as may be fixed by Government from time to time.

(g) The staff of the Tribunal shall consist of the following :—

(i) *Head Office* ;—

One Secretary who shall be a departmental officer not below the rank of a Deputy Registrar.

One Clerk.
One Typist and
One Peon.

(ii) *Regional Offices* :—

One Stenographer and one Peon each.

The staff of the Regional Offices shall be appointed by the concerned member of the Tribunal in consultation with the Chairman. They shall be deemed to be Government servants for all purposes. The salary, grade, etc. of the staff appointed by the Members of the Tribunal shall be fixed by Government.

96. *The Procedure for disposal of business of the Tribunal,*— ( ) The procedure for disposal of business of the Tribunal shall be as given hereunder. The forms in the Appendix II shall be used with such variation as circumstances may require.

97. (1) (a) Every appeal Memorandum to the Tribunal under subsection (1) of Section 82shall be in Form No. 15 and be verified in the manner specified therein.

(b) It shall be in quadruplicate and be accompanied by the following :—

(i) four copies (one of which shall be the original or authenticated copy) of the order appealed against ;

(ii) by such number of additional copies of appeal memorandum as there are respondents ;

(iii) Treasury receipt evidencing the payment of the fees prescribed under rule 123.

(3) (a) Every application for review under section 85, by the Tribunal shall be in Form No. 15 (1) and be verified in the manner prescribed.

(b) It shall be in quadruplicate and accompanied by the following ;—

(i) four copies (of which one shall be the original or authenticated copy) of the order of the Tribunal ;

(ii) such number of additional copies of the order of the Tribunal as there are counterpetitioners ;

(iii) Treasury receipt evidencing the payment of the fees prescribed under rule 123.

(3) All memoranda of appeals, applications for revision, review, affidavits and other proceedings presented to the Tribunal shall be written in blue-black ink or typewritten or printed fairly and legibly in Malayalam or

in English on substantial white foolscape folio paper with an outer margin about 4 c. m. wide and inner margin about 1·5 c. m. wide and shall be stitched together bookwise.

(4) All principal applications other than memoranda of appeal and application for review shall be headed with a cause title in form 15A. Every such application shall also contain immediately after the cause title, a brief statement of its contents and the provisions of law under which it is made.

(5) The full name, residential address and description of each party and if a party applies or responds in a representative character, that fact also shall be set out at the beginning of the appeal memorandum and other principal application and the same need not be repeated in the subsequent proceedings in the same appeal or application. The description shall include the surname and such other particulars, as may be necessary, to identify the person.

(6) Every appeal memorandum and other principal application, shall at the foot thereof, contain a list of the documents filed therewith and it shall be signed by the party or his pleader, or a statement signed as aforesaid to the effect that no document is filed therewith.

98. *Adding Additional Parties.*—When any person is added as a party or representative of a party to an appeal or other proceedings, the name, residential address and description of such person and his position in the appeal or the proceedings shall be entered in the appeal memorandum or principal application, as the case may be, in red ink, over the signature of a member of the Tribunal and in the relevent register. The proceeding under which such an addition is made shall also be entered. When fresh parties are brought in, they shall be numbered consecutively after the respective category of the parties already in the appeal or other proceeding.

99. *Appearance.*—(1) Any appearance, application or act in or to the Tribunal required or authorised by law to be made or done by a party may except where otherwise provided may be made or done by the party in person or by a pleader on his behalf;

Provided that any such appearance if the Tribunal so directs, be made by the party in person.

(2) Where the Registrar or any departmental officer is a party to the proceedings before the Tribunal, any officer authorised by the Registrar by a general or special order may appear and make such representation, receive notices and orders issued by the Tribunal and do such other acts as may be necessary in the case before the Tribunal.

Explanation.—"Party" means an appellant, applicant or respondent as the case may be and "Proceeding" includes all documents presented to or filed before the Tribunal other than documents produced as evidence.

(3) (i) When a party other than Registrar or an officer appears by the pleader, a Vakalathnama executed, attested, accepted and dated in the form prescribed for Vakalathnama to be filed in a civil court of the State shall be filed in the office of the Tribunal before making or doing any appearance or application or act.

(ii) A pleader proposing to appear in any proceedings before the Tribunal, in which there is already pleader on record, shall not appear unless he produces the written consent of the Pleader already on record, or when the consent of pleader is refused, unless he obtains special sanction of the Tribunal,

100. *Signing.*—All papers filed before the Tribunal by a party, or pleader shall be signed by the person filing the papers with his signature above his name superscribed and shall contain the date of signing and presentation.

101. *Docketing.*—All proceedings before the Tribunal shall be docketed on the reverse of the final sheet endorsing the name of the Tribunal, the number and year of the proceedings to which they relate, the relief sought, the fee paid or payable, if any, the name of the person who produces the same and the date of production.

102. *Interlocutory applications.*—(1) Interlocutory applications shall be headed with the cause title of the proceedings in Form 15-B.

(2) Interlocutory applications shall state only the order prayed for and shall not contain any statement of facts or argumentative matter.

(3) Unless the Tribunal otherwise orders, notice of all interlocutory applications shall be given to the other parties in the proceeding.

(4) Facts required to be proved in Interlocutory proceedings shall, unless otherwise provided or ordered, be proved by affidavit.

103. *Form etc. of affidavits.*—Every affidavit filed before the Tribunal shall be drawn up and authenticated in the manner prescribed by the Civil Rules of Practice for the time being in force.

104. *Death of the party.*—If any party to a proceeding dies before the conclusion of the final hearing of the same, the Tribunal shall adjourn further proceedings to enable the impleading of the legal representatives of the deceased. If the application for impleading is not made within 90 days of the date of death of the party, the proceedings shall abate as regards the deceased. The application for impleading may be either by the party interested in getting final orders passed on the proceedings or by any legal representative of the deceased even though not so interested.

(2) There shall be no abatement by reason of the death of any party between the conclusion of the final hearing, and the passing of the order, but the order may in such cases be passed notwithstanding the death of the party and shall have the same force and effect as if it had been passed before the death took place.

105. *Determination of legal representatives.*—If a question arises in any proceedings as to whether a person is or is not the legal representative of a deceased party, the Tribunal may determine the question summarily after taking such evidence as it deems necessary, or direct the person asserting to be the legal representative to produce an order of a competent court to establish his assertion and adjourn the proceedings for the purpose.

106. *Abatement.*—(1) Where a pending proceeding abates, no fresh proceeding shall be started on the same cause of action.

(2) Any person bound to apply for impleading legal representatives of a deceased party may apply, within 60 days from the date of abatement, for an order to set aside the abatement; and if it is proved that he was prevented by any sufficient cause from continuing the proceeding the Tribunal shall set aside the abatement.

(3) The provisions of section 5 of the Limitation Act, 1963 shall apply to applications under sub rule (2).

107. *Failure to pay fees.*—Where the whole or any part of any fee provided for any document by any law for the time being in force has not been paid, the Tribunal may, in its discretion at any stage, allow the person by whom such fee is payable to pay the whole or part, as the case may be of such fee, and upon such payment the document in respect of which the fee is payable shall have the same force and effect, as if such fee had been paid in the first instance.

108. *Procedure for cross objection.*—Provisions relating to an appeal shall apply *mutatis mutandis* to cross objections also except that it shall not be necessary to assign a separate serial number to it.

109. *Procedure after receipt of appeal.*—(1) On receipt of an Appeal Memorandum the Member shall endorse thereon the date of presentation and shall besides affixing the seal of the Tribunal note thereon its respective serial number and the number assigned shall be communicated to the party presenting the appeal in Form 15-H. Then it shall be entered in a register kept for the purpose except in the case of an appeal which is defective.

(2) If the member finds that appeal presented to him does not conform in any particular respect to the provisions of the Act or Rules, ,he shall call upon the party by a notice in Form 15-C to remedy the defects within a reasonable period to be specified by him. If defects are remedied within the period allowed it shall be entered in the register refered to to sub-rule (1) and the Member shall fix a date for hearing the appeal. If the defects are not

remedied, or if the party does not desire to be heard in person he may reject the appeal. If the parties desire to be heard he may fix a date for hearing the matter giving notice to parties in Form 15-D. The Tribunal shall on the date fixed either reject the appeal or direct further steps. Where the Tribunal rejects the appeal, it shall record its reasons for doing so.

(3) The member receiving the appeal memorandum shall, if the case is posted for hearing, forward one copy each of the application and accompaniments to the other members of the Tribunal. The appeal shall be heard by the Tribunal at the Regional office where it is filed.

(4) The Member receiving an Appeal Memorandum, may also pass interim orders granting a stay of operation of the order appealed against subject to final orders being passed on the interlocutory applications by the Tribunal. The Member shall also have the power to issue summons and attested copies of documents, call for records and communicate orders of the Tribunal to the parties concerned.

(5) Where an appeal is presented after the period prescribed in the Act, it shall be accompanied by a petition supported by an affidavit setting forth the facts on which the appellant relies to satisfy the Tribunal that he had sufficient cause for not preferring the appeal within such period. Such appeal shall not be entertained unless the Tribunal after giving an opportunity to the respondent to be heard, is satisfied that the appellant had sufficient cause for not preferring the appeal in time.

(6) If the Member finds that the appeal conforms to the requirements of the Act and the Rules or if the Tribunal directs further steps in an appeal, he shall without delay, set a date for hearing and send intimation thereof, to all parties in Form 15-E. Along with the notice of hearing issued to the respondent, a copy of each of the memorandum of appeal shall be sent.

(7) The notice shall call upon the party to appear, either in person or through authorised agent or pleader, before the Tribunal at a specified time and place and shall declare that in case of default, the appeal will be disposed of *ex parte*.

110. *Procedure for review.*—The Procedure hereinbefore detailed shal apply as far as may be to applications for review: Provided that in an application for review notice shall be ordered only by the Tribunal and any interim order thereon shall be passed only by the Tribunal after giving an opportunity to the parties concerned in the matter to be heard.

111. *Service of notice, etc.*—All processes, notices or summons directed to be given to any person shall be in writing under the

signature of a member of a Tribunal with seal affixed thereto and shall be served i nthe maner provided in the code of Civil Procedure for the issue of a notice or summons under that code by a Civil Court. Every process sent by post shall be registered prepaid for acknowledgement. An acknowledgement containing the signature of the person served or an endorsement by postal authorities to the effect that the notice or summons was refused shall, unless the contrary is proved, be deemed to be sufficient to hold that the notice or summons was duly served.

112. *Adjournment and advancement of hearing.*—(1) On the date fixed for hearing any proceeding or on any other date to which the hearing may be adjourned, if it is found that notice to any party has not been served, fresh notice shall be ordered and the hearing of the case shall be adjourned to a convenient date.

(2) If there is no sitting on the date fixed for hearing or if that day happens to be a holiday, the case or cases posted to that day shall be adjourned to a definite date by the Tribunal on the next working day and the adjourned date or dates shall be notified in the notice board of the Tribunal over the signature of the Member concerned.

(3) The Tribunal may either *suo motu* or on the application of any party and at any stage, adjourn the hearing of any proceedings to a definite date.

(4) Every adjournment granted at a sitting shall be announced forthwith and any adjournment otherwise granted by the Tribunal shall be notified in the notice board of the Tribunal over the signature of the Member concrnd.

(5) The date fixed for hearing any proceedings may be advanced by the Tribunal, either *suo motu* or on the application of any party. Notice of such application shall be given to the opposite party before the application is heard and if the hearing is advanced to any date, that date shall be announced at the sitting.

113. *Hearing.*—(1) Where on the date fixed for hearing or on any other date to which the hearing may be adjourned, any party does not appear when the proceeding is called on for hearing, the Tribunal may dispose of the proceedings *ex parte.*

(2) On the date fixed for hearing or on any other date to which the hearing may be adjourned, the appellant or applicant shall ordinarily be heard first in support of the appeal or application. The respondent, if necessary, shall be heard next and in such a case the party beginning shall be entitled to reply.

114. *Restoration.*—(1) Where a principal application is disposed of *ex parte* any absentee party, if aggrieved, ,ma,y apply to the Tribunal, within 30 days from the date of communication of the

order, for restoring such proceeding to the file and, where it is shown to the satisfaction of the Tribunal that he was prevented by sufficient cause from appearing when the proceeding was called on for hearing, the Tribunal shall restore the same and proceed with it.

(2) The provisions of section 5 of the Limitation Act, 1966 shall be applicable to such applications.

115. *Fresh evidence in appeal.*—(1) The parties to an appeal shall not be entitled to produce additional evidence, whether oral or documentary, in the Tribunal, but if,—

(a) the authority, from whose order the appeal is preferred, has refused to admit evidence which ought to have been admitted;

(b) the party seeking to adduce additional evidence satisfies the Tribunal that such evidence, notwithstanding the exercise of due diligence, was not within his knowledge or could not be produced by him at or before the time the order under appeal was passed; or

(c) the Tribunal requires any document to be produced or any witness to be examined to enable it to decide the case for any other substantial cause, the Tribunal may allow such evidence or document to be produced or witness to be examined.

(2) No order for admission of additional evidence shall be passed on the application of any party without affording an opportunity to the opposite party to be heard in the matter.

(3) Where additional evidence is allowed or directed to be produced, the Tribunal shall record the reasons for its admission and shall specify the points to which the evidence is to be confined.

(4) When either party produces additional evidence the opposite party shall be entitled to produce rebutting evidence.

(5) Wherever additional avidence is allowd to be produced, the Tribunal may either take such evidence or direct any officer of the Tribunal to take such evidence in the presence of the parties. The party calling a witness shall examine him in chief and the opposite party may cross-examine him, in which case the party calling may examine the witness in re.

(6) The documents proved in appeal shall be exhibited marking 'P' series for the appellant and 'D' series for the respondent and the witnesses examined shall be separately numbered serially, designating 'PW' & 'DW' respectively.

(7) The evidence of every witness examined before the Tribunal shall be taken down in writing by or in the presence and under the personal direction and superintendence of the Tribunal.

116. *Order of the Tribunal.*—(1) After the final hearing of every proceedings the Tribunal shall pass an order, whether immediately or on some subsequent date.

(2) Every order shall be dated and signed by the Members participating. If any participant, dissents, he shall record his opinion and order.

(3) Every order of the Tribunal shall be in writing and shall bear the seal of the Tribunal.

117. *Communication of order.*—The Member shall communicate, in the same manner as a notice issued, the final orders on all appeals and other principal applications, to the parties.

118. *Relevancy of documents.*—All documents produced before the Tribunal for the hearing of any case shall be got back from the member, on application, by the party who produced them, within three months from the date of communication of the Tribunal's final order and, if not so taken back within the specified time, the Tribunal shall not be responsible for any loss of, or damage, to the documents. The party taking them shall give, in writing, an undertaking to the effect that such documents will be produced whenever required by the Tribunal.

119. *Inspection of documents.*—(1) Any party shall be at liberty to inspect any document recited or referred to in any proceedings and filed in the Tribunal therewith.

(2) Every party desiring to inspect any proceedings filed in the Tribunal, shall present a memorandum stating the proceedings of which inspection is required and inspection shall be allowed without the payment of any fee, during the pendency of such proceedings.

(3) If leave for inspection is granted, the inspection of the record shall be made in the presence of any officer specified by the Tribunal and the fee for inspection except where inspection without payment is permitted under sub-rule (1), shall be 75 Paise for every hour or part of an hour during which the specified officer shall be engaged and shall be paid by court fee stamps affixed to the application.

120. *Search of Records.*—On every application for search of documents, search fee at the following rates shall be paid in court fee stamps:

A. When the document is not more than ten year old—

(i) When the applicant states the year to which it belongs — Re. 1.00

(ii) When the applicant does not kenow the year to which it belongs:

(a) for the first year of search — Re. 1.00

(b) for every year in addition to the first year — Re. 0.50

B. When the document is more than ten years old—Double the rates under A.

Provided that no such fee be paid by a party to the proceedings where the application for search is made in a proceedings which is pending disposal on the date of application:

Provided further that no such fee need be paid by a party to the Proceedings, in the case of an application for a copy of an order passed within one year prior to the date of application.

Explanation.—For the purpose of this rule only one search fee need be paid for all documents forming part of the record in the same proceedings and the document shall be deemed to be of the date of the proceedings of which it forms part of the record.

121. *Certified Copies.*—(1) Any person entitled to obtain a copy of any proceedings or document filed in or kept in the custody of the Tribunal, may present an application therefor to the Member in Form 15-F. Any person who is not a party to an appeal may, on application be granted a copy of the final order of the Tribunal with the approval of the Chairman, subject to the payment of copying fees in accordance with sub-rule (3).

(2) Copies of the minutes or notes of the Chairman and other members, or other confidential papers shall not be granted.

(3) Along with every application for copies, copying stamp papers necessary for preparing the copies at the prescribed rate shall be supplied.

Note.—Each statement, account, report, petition order or the like should be treated as a separate document and should be written on separate copying stamp paper.

(4) Copies must be transcribed only on the front page of every stamp paper.

(5) All copies furnished by the Tribunal shall be certified to be true copies and shall be sealed with the seal of the Tribunal.

(6) Every copy shall bear an endorsement showing the following particulars and be initialled by the person preparing the copy—

(a) the year and number of the proceeding;

(b) the name of the Tribunal;

(c) the name of the applicant;

(d) the number and date of application;

(e) the date of calling for additional stamp paper, if any;

f) date of production of additional stamp papers;

g) date for appearance to receive the copy; and

h) date of delivery of copy.

(7) The member shall grant copies of all documents applied for, except where he feels any doubt about the propriety of granting a copy of any document, in which case, he shall obtain and follow the directions of the Chairman in that behalf.

122. *Application of Code of Civil Procedure etc.*—(1) Save as otherwise provided by the Act and the rules, the provisions of the Code of Civil Procedure, 1908 and the Civil Rules of Practice for the time being in force shall, wherever necessary with suitable variations, govern:—

(i) The form of and the procedure relating to all applications, statements, memos and other records, made to, or filed in, the Tribunal.

(ii) The scale of fees payable by parties in regard to process other than notice and summons.

(iii) Any other cognate or ancilliary matter arising for consideration of disposal by the Tribunal.

(2) If any difficulty arises in giving effect to the procedure laid down in these rules, the Tribunal may as occasion may require do anything which appears to be necessary for the purpose of removing the difficulty.

123. *Fees for appeals.*—(1) In appeals or applications before the Tribunal the fees at the following rates shall be paid by the appellants or the applicants as the case may be.

(1) An appeal under Section 82.

(a) Monetary dispute—1% of the amount involved subject to a minimum of Rs. 25 and a maximum of Rs. 100.

(b) Non-Monetary disputes

(i) Disputes relating to any matter of an Election to the Committee of a society Rs. 100

(ii) Other disputes Rs. 50

(2) An application for review under section 85 Rs. 25

(2) In any application filed by the Registrar before the Tribunal including applications under Section 85, it shall not be necessary for the payment of any fee specified in these rules.

124. *Presentation and dispisal of appeals and revision.*—(1) An appeal under sub-section (2) of section 83 or an application for revision under sub-section (1) of section 87 of the Act shall be presented by the appellant or by his duly appointed agent, either in person during office hours or sent by registered post, to the appellate or revising authority.

(2) When such an appeal or application for revision is presented by an agent, it shall be accompanied by a letter of authority of the appellant appointing him as such.

(3) Every appeal or application for revision shall be accompanied by the original or a certified copy of the order appealed against or sought to be revised and such number of copies of the petion as there are respondents.

(4) The appeal or the application for revision shall be in the form of a memorandum and shall—

(a) specify the name and address of the appellant or applicant and also the name and address of the respondent or respondents, as the case may be; —

(b) state by whom the order appealed against or sought to be revised was made;

(c) setforth concisely and under distinct heads, the grounds of objection to the order appealed against or sought to be revised together with a memorandum of evidence;

(d) state precisely the relief which the appellant or applicant claims; and

(e) give the date of the order appealed against or sought to be revised.

(5) Immediately on receipt of the appeal or the application for revision, the appellate or revising authority shall, as soon as possible, examine the papers filed and ensure that; ...

(a) the person presenting the appeal or application has the *locus standi* to do so;

(b) it is made within the prescribed time limit; and

(c) it conforms to all the provisions of the Act and these Rules.

(6) The appellate or revising authority may call upon the appellant or the applicant for revision to remedy the defects, if any, or furnish such additional information, as may be necessary, within a period of fifteen days of the receipt of the notice to do so. If the appellant or the applicant for revision fails to remedy the defects or furnish the additional information called for, within the said period, the appeal or the revision petition may be dismissed.

(7) The revising authority may, before passing orders obtain from any subordinate officer such further information in regard to the enquiry or the proceedings for the purpose of verifying the regularity of such proceedings or the correctness, legality or propriety of any decision passed or order made therein. The revising authority may also call for and obtain from the parties connected with such enquiry or proceedings such information as is necessary with reference to the examination of the records of enquiry or proceedings.

(8) The appellate or revising authority shall on the basis of the enquiry conducted and with reference to the records examined pass such order on the appeal or on the application for revision as may seem just and reasonable.

(9) An appeal filed under sub-section (1)(c) of Section 83 shall be disposed of by the appellate authority within a period of 2 months.

125. *Communication of Decision in Appeals or Revision.*—Every decision or order of the appellate or revising authority under sub-section (2) of Section 83 or sub-section (1) of Section 87, as the case may be, shall be in writing and it shall be communicated to the appellant or applicant, to such other parties, as in the opinion of that authority, are likely to be affected by the decision or order and to the officer concerned, against whose order the appeal or the application for revision was preferred.

CHAPTER XIII

CO-OPERATIVE UNIONS

126. *Constitution of Circles.*—(1) There shall be such number of Circles extending over such areas as may be notified in the Gazette by Government in this behalf.

127. *Circle Co-operative Unions.*—The office of the Circle Co-operative Unions shall be housed in the office of Circle Officer for co-operation of the circles. The Circle Co-operative Union shall have a seal of its own.

128. *Eligibility to vote in the Elections.*—(1) For the election of members under clause (a) of sub-section (1) of Section 88, the members of the committee of all the societies within the Circle shall elect nine members from among themselves.

(2) The Board of Directors of the District Co-operative Banks shall elect one of its Directors or a delegate representing any of the society of the circle preferably a member representing that Circle, to the Circle Co-operative Union and intimate the name to the Co-operative Circle Officer within the time notified for the purpose.

(3) The representatives of the employees referred to in clause (d) of sub-section (1) of Section 88 shall be elected from among the full time paid employees of all societies within the Circle as registered with the Circle Officer in a register to be maintained for the purpose.

Explanation.—In the case of Apex, Central and other Societies having branches in more than one Circle, only, the employees of those branches located within the limit of the Circle will be eligible to register their names and to vote in the Circle in which the branch office is situated.

129. *Election of members of the Circle Co-operative Union.*—The election of the members to the Circle Co-operative Unions shall be conducted in the manner specified below:—

(a) The election shall be held at a meeting of the members of the Managing Committees of all the Societies working within the

Circle and of all the full time paid employees of Co-operative Societies within the Circle specially convened for the purpose for which not less than 15 days' clear notice shall be given to them. The Co-operative Circle Officer (hereinafter referred to as the Election Officer) shall commence and conduct the election.

(b) Within 60 days before the expiry of the term of the existing members of the Circle Co-operative Unions, the Election Officer shall require by notice the Committees of all Societies in the Circle other than the District Co-operative Banks to furnish a list of names of members of the committee as also of the full time employees of the society within 15 days from the date of the notice. The Circle Officer shall register the names so received in a register maintained for the purpose.

(c) The Election Officer shall within the time aforesaid also require in writing the District Co-operative Bank to furnish the name of their representative mentioned in clause (b) of sub-section (1) of Section 88 as also a list of their employees working in the Circles to the Circle Union.

(d) The Election Officer shall before thirty days from the date of election, publish two separate lists—one of all members of the Managing Committee of the societies and the other of the full time paid employees. Objections, if any received within 5 days of the publication of the lists, shall be considered and final list published on the expiry of the day.

(e) (i) The notice of the meeting shall be sent to the respective societies or District Co-operative Bank for publication on the notice Board of the society or the District Co-operative Bank and also for circulation among the eligible voters. Notice of the meeting shall also be affixed to the Notice Board of the Circle Co-operative Union.

(ii) The Notice shall contain information regarding—

(a) the number of members to be elected;

(b) the constituency from which the members are to be elected;

(c) the date on which, the place at which and the hours between which, nomination papers shall be filed by candidates, such date being not less than 10 clear days before the date fixed for election.

(d) the date on which, the place at which and the hours between which the polling will take place.

(e) (i) The nomination of a candidate for election shall be made in form No. 16A.

(ii) Every nomination paper shall be signed by two members whose names are included in the list referred to in clause (d) above. One member shall sign the form as proposer and the other as seconder for the nomination. The nomination paper shall also contain a declaration signed by the candidate proposed for election to the effect that he is willing to stand for election.

If the nomination given is for election as representative of the Managing Committees of Societies, the proposer and the seconder shall be the delegates of societies and in the case of employees the proposer and seconder shall be employees.

(iii) Every nomination paper shall be presented in person to the Election Officer by the candidate himself or by his proposer or seconder before the date and hour specified in the notice referred to in clause (ii) above.

(iv) The Election Officer shall enter on the nomination paper its serial number and certify the date and hour at which the nomination paper is received by him and also immediately acknowledge receipt of the nomination paper.

(f) (i) (a) On the day following the date fixed for the receipt of nomination papers, the Election Officer shall take up the scrutiny of the nomination papers. The candidate and his proposer and his seconder may be allowed to be present at the time of scrutiny.

(b) The Election Officer shall examine the nomination papers and shall decide all objections which may be made at the time to any nomination and may either on such objections or on his own motion after such summary enquiry, if any, as he thinks necessary, reject any nomination for valid reasons.

Provided that the nomination of a candidate shall not be rejected merely on the ground of an incorrect description of his name or of the name of his proposer or seconder, or of any other particulars relating to the candidate or his proposer or seconder as entered in the list of members referred to in clause (d) if the identity of the candidates, proposer or seconder as the case may be, is established beyond reasonable doubt.

(ii) The Election Officer shall give all reasonable facilities to the contesting candidates or their representatives to examine all the nomination papers and satisfy themselves that the inclusion of the contesting candidates is valid.

(iii) The Election Officer shall endorse on each nomination paper his decision accepting or rejecting the same and if the nomination paper is rejected shall record in writing a brief statement of his reasons for such rejection.

(g) The list of valid nominations as decided by the Election Officer shall be published on the notice board of the Circle Union on the the same day on which the scrutiny of the nomination papers is completed.

(h) Any candidate may withdraw his candidature by notice in writing signed by him and delivered at any time after the presentation of his nomination paper before 5 p.m. on the day following the day on which the valid nominations are published by the Election Officer either by such candidate in person or by his proposer or seconder. A notice of withdrawal of candidature once given shall be final.

(i) If for any constituency for which election is to be held, the number of candidates in respect of whom valid nomination papers have been filed does not exceed the number of candidates to be elected for that constituency, the candidates for whom valid nominatios have been received shall be deemed to have been duly elected for the constituency as the case may be and the names of such candidates shall be published in the notice board of the Union.

(j) If the number of candidates for any constituency exceeds the number to be elected, the Election Officer shall arrange for taking a poll on the date fixed for the purpose. The Election Officer may arrange to open necessary polling booths and appoint the required number of polling officers.

(k) The Election Officer shall provide the polling officer with ballot boxes, ballot papers, copy of the list of members and such other articles as may be necessary for the conduct of the election. The ballot box shall be so constructed that ballot papers can be introduced therein but cannot be taken out therefrom without the box being unlocked.

(l) A candidate contesting the election may by a letter to the Election Officer, appoint an agent to represent him at every booth where polling is held. Such letter shall contain the consent in writing of the agent concerned.

(m) Immediately before the commencement of the poll, the polling officers shall show the empty ballot box to such persons as may be present at the time and shall then lock it up and affix his seal upon it in such manner as to prevent its being opened without breaking the seal. The candidate or his agent may also affix his own seal, if he so desires.

(n) The ballot papers shall contain the names of the candidates and the seal of the Union and serial number. Two sets of ballot papers—one for society representatives and another for representa tives of employees of the Societis shall be got printed or stencilled.

(o) Each polling booth shall contain a separate compartment in which the members can record their votes screened from observation.

(p) No ballot paper shall be issued to a member unless the polling officer is satisfied that the member concerned is the same person as noted in the list furnished to him.

(q) On receiving the ballot paper, a member shall forthwith proceed to the polling compartment make the mark 'X' or '+' on the ballot paper against the name or names of the candidate or candidates for whom he desires to vote and put the ballot paper in the ballot box with the utmost secrecy.

(r) If owing to blindness or other physical infirmity or illiteracy, a member is unable to mark the ballot paper, the polling officer shall ascertain from him the candidate or candidates in whose favour he desires to vote. make the mark on his behalf openly and put the ballot paper in the ballot box.

(s) The Election Officer shall arrange for the collection of ballot boxes and other records from the different polling booths soon after termination of the polling.

130. *Counting of votes.*—The counting of votes shall commence immediately after the polling is completed and the ballot boxes are collected at a common place. Votes shall be counted by or under the supervision of the Election Officer. Each candidate and his authorised agent shall have a right to be present at the time of counting.

131. *Rejection of ballot paper.*—(1) A ballot paper shall be rejected:—

(a) if it bears any mark by which the member who voted can be identified; or

(b) if it does not bear the seal of the Union, or

(c) if the mark indicating the vote thereon is placed in such manner as to make it doubtful to which candidate the vote has been cast, or

(d) if the voter has not voted for such number of candidates as are to be elected or voted for more candidates than the number required to be elected.

(2) The authority competent to reject a ballot paper shall be the Election Officer.

132. *Announcement of results.*—(1) The number of votes secured by each candidate and the results of the election shall be announced by the Election Officer as soon as the counting is over.

(2) The results of the election shall also be recorded in the minutes book of the Union by the Election Officer.

133. *Custody of ballot papers after voting.*—The Secretary of the Unin shall take custody of the ballot papers and shall preserve them for three months from the date of the poll. The ballot papers and other records relating to the election shall be secured in a container which shall be affixed with the seal of the Union and of the candidates who desire to affix their seals. They shall be destroyed after the said period of three months, if no dispute relating to or in connection with that election is referred to the Registrar.

134. *Postponement of election.*—If for any reason it appears to the Election Officer that the election or anything in connection with it, cannot be held or completed on the day as hereinbefore fixed, he may postpone the same to other dates, from time to time, as he deems fit.

135. *Time limit for the first election.*—Notwithstanding anything contained in the above, for the first election of members to the Circle Co-operative Union the time limit prescribed for the various stages of election shall not be applicable.

136. *Disqualification to vote.*—A person shall be disqualified to vote at the elections and also for election or appointment as a member of the Circle Co-operative Union:—

(a) if he is disqualified to be a member of a managing committee of a society which he represents; or

(b) In the case of employee, if he is not a full time paid employee; or

(c) if he has been found by the Co-operative Department to be guilty of misappropriation, falsification of accounts; or

(d) if he is under suspension.

137. *Disputes relating to election.*—(1) Any dispute relating to any matter in the constitution of the Co-operative Circle Union shall be referred to the Registrar.

(2) The procedure prescribed for the disposal of references under section 69 shall *mutatis mutandis* apply to the disposal of disputes under sub-rule (1).

(3) All applications and petitions to revise any order passed at any stage of the election to the Circle Union shall be filed within 30 days from the date of the issue of the order sought to be revised.

138. *Resignation of member.*—A member may, at any time, resign his membership of the Circle Co-operative Union. The resignation letter shall be sent to the ex-officio Secretary of the Union. The resignation letter shall be placed before the next meeting of the members of the Union and on the acceptance of the same by the members he shall cease to be a member of the Union.

139. *Filling up Interim vacancies.*—Interim vacancies of the members shall be filled up by election in the manner provided in these rules for the unexpired portion of the period of office.

140. *Election Officer.*—The Co-operative Circle Officer shall be the Election Officer for the conduct of election of the members to the Circle Co-operative Union.

141. *Functions of the Circle Union.*—The functions of the Circle Co-operative Unions shall be:—

(i) to organise, assist and generally develop Co-operative Societies within the Circle;

(ii) to carry on Co-operative propaganda and to spread education on Co-operative principles and practices according to the instructions of the Registrar and the State Co-operative Union;

(iii) to offer views on matters relating to registration of societies, registration of amendments to the byelaws of societies, amalgamation and division of societies, supersession of committees, winding up of societies, and other matters referred to them by the Registrar;

(iv) to settle all matters of common interest, to advice and assist the primary societies in the Circle and to further their interests in every way;

(v) to undertake any other functions or discharge such duties as may be entrusted to it by the Registrar or the State Co-operative Union.

142. *Funds.*—The funds of the Circle Co-operative Unions shall consist of:—

(i) Grants from the Co-operative Education Fund,

(ii) Grants from State Co-operative Union,

(iii) Grants from the State Government and

(iv) Donations from other Co-operative institutions.

143. *Management of the union.*—The management of the affairs of the Union shall vest in the body constituted under Section 88. The members of the Circle Union shall from among themselves elect a Chairman.

144. *Meetings of the members of the Circle Unions.*—(1) The members of the Circle Union shall meet atleast once in every month.

(2) The Secretary shall issue notices convening the meetings. Atleast three days notice shall be given for convening a meeting of the members of the Union.

(3) Seven members shall form the quorum.

(4) The Chairman and in his absence a member elected by the members present shall preside over the meeting. All questions before the Union shall be decided by a majority of votes. Should there be equality of votes, the Chairman or other presiding officer shall have a casting vote.

(5) All the decisions of the Union shall be recorded in a minutes book and attested by all the members present in the meeting.

145. *Termination of membership.*—If a member absents himself from 3 consecutive meetings, his membership of the Union shall *ipso facto* cease. However it shall be competent to the members of the Union to reinstate him if he gives satisfactory explanation for his absence.

146. *Duties and powers of the office bearers.*—(1) The Chairman of the Union shall have a general control over the affairs of the Union.

(2) The Secretary shall be responsible for the day-to-day working of the Union, and the staff of the Union shall be under his control. He shall have custody of cash and assets and manage the funds of the Union. It shall be his duty to cause proper accounts to be maintained and audited. He shall iniate action on all matters referred to the Union and take further action subject to the decision of the members of the Union. He shall be the officer to sue and be sued on behalf of the Union. He may also incur expenditure within the budget allotment.

(3) The services of the members of the Union shall be gatuitious. However, the members, other than the Secretary may be paid sitting fees and T.A. for attending the meetings of the Union and for journey in connection with the business of the Union at the rates prescribed by the Registrar.

147. *Budget.*—The Union shall prepare the budget estimate and programme of activities for each year and forward one copy to the State Co-operative Union and another copy to the Registrar. The annual report on the working of the Union together with a statement of accounts shall also be sent to the State Co-operative Union and to the Registrar.

148. *Duties of the Unions.*—(1) The Union shall communicate its views on all matters referred to it by the Registrar, within 15 days or within the time specified bv the Registrar, in each case.

(2) The members of the Union shall elect a delegate from among themselves to the State Co-operative Union.

149. *Removal of the members of the Union.*—If the Registrar is satisfied that the members of the Circle Co-operative Union persistently make default or is negligent in the performance of their duties imposed on them as per the Act or the Rules or Commits any act

which is prejudicial to the interest of the union or wilfully disobeys or wilfully fails, to comply with any lawful order or direction, the Registrar may after giving the members an opportunity to state their objection if any by an order in writing, remove the members and appoint the Co-operative Circle Officer or any other officer of the Co-operative Department to manage its affairs till the Union is reconstituted, within a period of 3 months.

150. *Kerala State Co-operative Union.*—(1) The office of the Kerala State Co-operative Union shall be at Trivandrum.

(2) The Union shall have a seal.

(3) The Union shall undertake activities incidental or conducive to the furtherance of its objects specified in the Act.

(4) The funds of the Kerala State Co-operative Union shall consist of:—

(i) Affiliation fees and annual renewal fees from societies;

(ii) Allotments from the Co-operative Education fund;

(iii) subsidies or grants from Government;

(iv) Amounts realised from publications;

(v) Donations from societies and other sources;

151. *Affiliation of Co-operative Societies.*—(1) Application for affiliation under sub-section (1) of Section 9 shall be sent to the Secretary, Kerala State Co-operative Union in form No. 14 along with the affiliation fees prescribed.

(2) The affiliation fee and annual renewal fee payable by societies shall be at the following rates:—

Societies having a paid up share capital of:—

1.	Rs. 40 lakhs and above	Rs. 300
2.	Rs. 20 lakhs upto 40 lakhs	Rs. 200
3.	Rs. 3 lakhs upto 20 lakhs	Rs. 100
4.	Rs. 1 lakh upto 3 lakhs	Rs. 50
5.	Rs. 50,000 upto 1 lakh	Rs. 30
6.	Rs. 25,000 upto Rs. 50,000	Rs. 20
7.	Rs. 10,000 upto Rs. 25,000	Rs. 15
8	Rs. 5,000 upto Rs. 10,000	Rs. 10
9.	Below Rs. 5,000	Rs. 5

(3) The annual renewal fees shall be paid by societies within one month from the due date.

152. *Constitution of general body.*—(1) The general body of the Kerala State Co-operative Union shall consist of one delegate from

each of the Circle Co-operative Unions, Apex Societies, District Co-operative Banks and other Central Societies.

(2) The members of the Circle Co-operative Unions and the managing committee members of the Apex Societies, District Co-operative Banks and Central Societies shall from among themselves elect their delegates by a resolution passed at the meeting of the Union or of the Managing Committee, as the case may be;

153. *Election to the Managing Comittee.*—(1) The election of a member of the Managing Committe under clause (a) of sub-section (4) of Section 89 shall be made by the delegates of the Circle Co-operative Unions of districts concerned.

(2) The delegates of Apex Societies and District Co-operative Banks under clauses (b) and (c) of sub-section 4 of Section 89 shall be elected by the delegates of the Apex Societies or the District Co-operative Banks, as the case may be from among themselves—

(3) The representatives of employees under clause (c) of sub-section 4 of Section 89 shall be elected by members of all Circle Co-operative Unions elected under clause (d) of sub-section (1) of section 88 from among themselves.

154. *Settlement of disputs.*—(1) Any dispute relating to any matter in the constitution of the general body and managing committee of the Kerala State Co-operative Union shall be referred to the Government and the decision thereon shall be final.

(2) The procedure prescribed for the disposal of references under Section 69 of the Act shall mutatis mutandis apply to the disposal of disputes, except that the authority to hear and dispose of the dispute shall be the Government.

(3) All applications and petitions to revise any order passed at any stage of the constitution of the general body and the managing committee shall be filed within 30 days from the date of the issue of the order sought to be revised.

(4) The Secretary shall appoint as many Returning Officers as may be necessary for the conduct of election to the Managing Committee of the Kerala State Co-operative Union.

155. *Procedure for the conduct of election.*—(1) The leection to the Managing Committee of the Kerala State Co-operative Union shall be conducted in the manner specified below.

(2) The election shall be held after giving 15 clear days' notice to the voters.

(3) The notice shall contain information regarding:—

(a) the number of members to be elected;

(b) the area of constituency from which the members are to be elected;

(c) the date on which the place at which and the hours between which nomination papers shall be filed by delegates, such date being not less than seven clear days before the date fixed for election.

(d). The date on which the place at which and the hours between which the polling will take place.

(4) The Secretary shall prepare a list as it stood on the date 30 days prior to the date fixed for the poll of the voters in each constituency and publish copies of the list by affixing them to the Notice Board at the Head Office of the State Union and at the offices of all the Circle Co-operative Unions not less than 15 day prior to the date fixed for election. The list shall specify the serial number, name of the delegate and address of the institutions which he represents and district. The list of delegates of the Circle Co-operative Union, Apex Societies, District Co-operative Banks and Central Societies shall be prepared separately. A copy of the list shall be supplied to any delegate on payment of such fees as may be specified by the Secretary.

Explanation.—For the purpose of this sub rule the constituencies shall be as stated hereunder:—

(1) Delegates of Circle Co-operative Unions of each of the Districts (9 delegates one from each revenue district).

(2) Delegates of Apex Societies—Two

(3) Delegates of District Co-operative Banks—Two and

(4) Representatives of the employees of all the Circle Co-operative Unions elected in the manner prescribed under clause (d) of sub-section (i) of Section 88—Two

156. *Nomination of candidate.*—(1) The nomination of a candidate shall be made in Form No. 16B. The form shall, on application, be supplied to any member free of cost by the State Co operative Union.

(2) Every nomination paper shall be signed by two members whose names are included in the lists referred to under sub rule (4) of rule 155. One member shall sign the form as proposer and another as seconder for the nomination. The nomination paper shall also contain a declaration signed by the candidate proposed for election to the effect that he is willing to stand for election.

(3) If the nominations given are for election as a representative of Circle Co-operative Unions the proposers and the seconders shall be the delegates of the Circle Co-operative Unions of the concerned Districts. In the case of Apex and District Co-operative Banks, the

proposers and seconders shall be the delegates of Apex and District Co-operative Banks, respectively. In the case of representatives of employees the proposers and seconders shall be the members of employees of the Circle Co-operative Unions.

(4) every nomination paper shall be presented in person to the Returning Officer by the candidate himself or by his proposer or seconder, before the date and hour specified in the notice.

(5) The Returning Officer shall enter on the nomination paper its serial number and certify the date and hour at which the nomination paper is received by him and also immediately acknowledge receipt of the nomination paper.

(6) On the day following the date fixed for the receipt of nomination papers, the Returning Officer shall take up the scrutiny of the nomination papers.

The candidate and his proposer and his seconder may be present at the time of scrutiny.

(7) The Returning Officer shall examine the nomination papers and shall decide all objections which may be made at the time to any nomination and may either on such objections or on his own motion after such summary enquiry, if any, as he thinks necessary, reject any nomination for valid reasons:.

Provided that the nomination of a candidate shall not be rejected merely on the ground of an incorrect description of his name or of the name of his proposer or seconder, or of any other particulars relating to the candidate or his proposer or seconder, as entered in the list of members referred to in sub-rule (4) if the identity of the candidate, proposer or seconder, as the case may be, is established beyond reasonable doubt.

(8) The Returning Officer shall give all reasonable facilities to the contesting candidates or their representatives to examine all the nomination papers and satisfy themselves that the inclusion of the contesting candidates is valid.

(9) The Returning Officer shall endorse on each nomination paper his decision accepting or rejecting the same and if the nomination paper is rejected shall record in writing a brief statement of his reasons for such rejection.

(10) The list of valid nominations as decided by the Returning Officer shall be published at the place specified in the notice on the same day on which the scrutiny of the nomination papers is completed.

157. *Withdrawal of candidature.*—Any candidate may withdraw his candidature by notice in writing signed by him and delivered at any time after the presentation of his nomination paper before 5 p.m. on the day following the day on which the valid nominations

are published to the Returning Officer by such candidate. A notice of withdrawal of candidature once given shall be final.

158. *Conduct of election.*—(1) If for any constituency for which election is to be held, the number of candidate in respect of whom valid nomination papers have been filed does not exceed the number of candidates to be elected for that constituency, the candidates for whom valid nominations have been received shall be deemed to have been duly elected for the constituency as the case may be and the names of such candidates shall be published at the place specified in the notice. The Returning Officer may make an announcement to this effect.

(2) If the number of candidates for any constituency exceeds the number to be elected, the Returning Officer shall arrange for taking a poll on the date fixed for the purpose. The Returning Officer may arrange to open polling booths.

(3) The Returning Officer shall be provided with the ballot boxes, ballot papers, copy of the list of members referred to in sub-rule (4) of rule 155 and such other articles as may be necessary for the conduct of the election. The ballot box shall be so constructed that ballot papers can be introduced therein but cannot be taken out therefrom without the box being unlocked.

(4) A candidate contesting the election may, by a letter to the Returning Officer, appoint an agent to represent him at every booth where polling is held. Sufficiently in advance before the commencement of polling. Such letter shall contain the consent in writing of the agent concerned.

(5) Immediately before the commencement of the poll, the Returning Officer shall show the empty ballot box to such persons as may be present at the time and shall then lock it up and affix his seal upon it in such manner as to prevent its being opened without breaking the seal. The candidate or his agent may also affix his own seal, of he so desires.

(6) The ballot papers shall contain the names of the candidates and the seal of the Union/or the signature of the Returning Officer.

(7) Each polling booth shall contain a separate compartment in which the members can record their votes screened from observation.

(8) No ballot paper shall be issued to a member unless the Returning Officer is satisfied that the member concerned is the same person as noted in the list furnished to him.

(9) On receiving the ballot paper, a member shall forthwith proceed to the polling compartment, make the mark 'X' or '+' on the ballot paper against the name or names of the candidate or candidates for whom he desires to vote and put the ballot paper in the ballot box with the utmost secrecy.

(10) If owing to blindness or other physical infirmity or illiteracy, a member is unable to mark the ballot paper, the Returning Officer shall ascertain from him the candidate or candidates in whose favour be desires to vote, make the mark on his behalf openly and put the ballot paper in the ballot box.

159. *Counting of votes.*—The counting of votes shall commence after the polling is completed. Vote shall be counted by or under the Supervision of the Returning Officer. Each candidate and his authorised agent shall have a right to be present at the time of counting.

160. *Rejection of ballot papers.*—(1) A ballot paper shall be rejected:—

(a) if it bears any mark by which the member who voted can be identified, or

(b) if it does not bear the seal of the Union or the signature of the Returning Officer, or

(c) if the mark indicating the vote thereon is placed in such manner as to make it doubtful to which candidate the vote has been cast, or

(d) if the voter has not voted for such number of candidates as are to be elected or voted for more candidates than the number required to be elected.

(2) The authority competent to reject a ballot paper shall be the Returning Officer.

161. *Announcement of results.*—(1) The number of votes secured by each candidate and the results of the election shall be announced by the Returning Officer as soon as the counting is over and also reported to the Secretary of the Union on the same day along with the election records in a separate sealed cover. The candidate or his authorised agent may also affix his seal on the cover if so desired.

(2) The Secretary of the Union shall take custody of the above said sealed cover and shall preserve them for three months from the date of the poll. They shall be destroyed after the said period of three months, if no dispute relating to or in connection with that election is referred to Government.

(3) If for any reason it appears to the Returning Officer that the election or anything in connection with it ,cannot be held or completed on the day as hereinbefore fixed, he may postpone the same to other dates,from time to time, as he deems fit.

162. *Time limit for the first election.*—Notwithstanding anything contained in any other rule, for the first election of members to the Circle Co-operative Union, the time limit prescribed for the various stages of election shall not be applicable.

163. *Disqualification for membership in the Managing Committee.*—No person shall be eligible for appointment as a member of the Managing Committee of the Kerala State Co-operative Union, if he:—

i) has been sentenced for any offence other than an offence of a political charactor or an offence involving moral deliquency, such sentence not having reversed or the offence pardoned, provided that this disqualification shall not apply where more than 5 years have elapsed from the date of the expiration of such sentence; or

(ii) is of unsound mind, a deaf-mute; or

(iii) is a near relation of a paid employee of the Union provided if any question arises as to whether a person is or is not a near relation of a paid employee the question shall be referred to the Government for decision;

(iv) is disqualified to become a member of the Circle Union or the society he represents.

164. *Determination of membership in the Managing Committee.*—(1) A member of the Managing Committee of the Union shall cease to hold office as such,

(i) if he acquired any of the disqualification mentioned in rule 163

(ii) if the Society which elected him as a delegate withdraws him or appoints another delegate in his stead.

(2) In the case of members representing employees of societies they shall cease to hold office when they cease to be employees of societies.

165. *Election of Chairman.*—The members of the Managing Committee shall elect one of its members to be the Chairman of the Union.

166. *Term of the members, Managing Committee and General Body.*—(1) The members of the Managing Committee shall hold office for a period of three years from the date of assumption of office.

(2) The term of the delegate of Circle Unions and societies constituting the general body shall be for a period of three years and coterminus with that of the term of the Managing Committee.

(3) An elected member of the Managing Committee may resign from the committee of the Union. The resignation letter shall be sent to the Secretary of the Union and the letter shall be placed in the next meeting of the Managing Committee for consideration. The resignation shall come into effect when it is accepted by the

Managing Committee. In the case of nomnees of Government,resignation letter shall be to the Secretary to Government (Co-operative Department) and resignation shall take effect on the date of acceptance of the same by Government. It shall be competent to Government to replace Government nominees to the Union at any time.

167. *Filling up of Interim vacancies on the Committee of Management.*—Interim vacancies of members, except that of Government nominees shall be filled up by cooption by the remaining members of the Managing Committee for unexpired portion of the original period of office. In the case of Government nominees, Government shall have the right to nominate a person or persons as the case may be.

168. *Meeting of the General Body and powers.*—(1) The supreme authority of the Union shall vest in the General Body.

(2) The general body meeting of the State Co-operative Union shall be held every year within three months of the close of the Co-operative year. The Managing Committee may also at any time call a general meeting of the State Co-operative Union for the conduct of its business, and shall call such a meeting within one month after receipt of a requisition from 1/5th of the delegates to the Union or from the Registrar of Co-operative Societies.

(3) The quorum for the General body meeting shall be 20 or 1/4th of the delegates of the State Co-operative Union whichever is less.

(4) The general body shall have, among other matters, the following powers:—

(i) consideration and approval of the budget, and programme of activities of the State Co-operative Union.

(ii) approval of the annual report and audited accounts of the Union.

(iii) other matters referred to it by the Managing Committee or by the Registrar.

(5) The General Body shall not, however, interfere with the action of the Managing Committee or of any officer of the Union performed in exercise of the powers conferred on them.

(6) The Chairman shall preside at the meeting of the General Body. In his absence, the delegates assembled may choose a Chairman from among themselves. Every delegate shall have only one vote. All question shall be decided by a majority of votes of the delegates and in case of equality of votes, the Chairman shall have a casting or second vote.

(7) Atleast fifteen days' notice shall be given to the delegates for convening the general body meeting .

169. *Meeting of the Managing Committee.*—(1) The Chairman shall preside at the meeting of the Managing Committee. In his absence, the members may choose a Chairman from among themselves to preside over the meeting.

(2) The quorum for the meeting shall be nine and seven days' clear notice shall be given for the meeting.

(3) All question shall be decided by a majority of the votes of the members present and voting. When votes are equal the Chairman shall exercise a second or casting vote.

(4) If a member absents himself from 3 consecutive meetings of the Managing Committee, the membership shall ipso facto cease. However, it shall be competent to the Managing Committee to reinstate him if satisfactory explanation is given for his absence.

170. *Powers and duties of the Managing Committee.*—(1) It shall be the duty of the Managing Committee to carry out the objects of the Union and shall have power:

(a) to affiliate Co-operative Societies and collect affiliation and annual renewal fees;

(b) to raise and invest funds;

(c) to prepare and submit budget and programme of activities for the ensuing year to the general body meeting;

(d) to arrange for the convening of the general body and for the timely election of the members of the Managing Committee;

(e) to accept the resignation of the elected members of the Managing Committee and to Co-opt another in their places;

(f) to incure expenditure out of the funds of the Union, to watch the utilisation of funds and to maintain proper accounts;

(g) to frame regulations for the day-to-day conduct of business of the Union and lay-down the duties and functions of each officer employed by the Union;

(h) to appoint sub-committee or committees from among themselves to facilitate the working of the Union and to delegate powers to such sub-committee or committees;

(i) to submit annual report and statement of accounts to the general body meeting and to Government;

(j) to offer views on matters relating to amendments of bye-laws of societies, supersession of committee etc., and other matters referred to it by the Registrar;

(k) generally to perform all such other other functions as are necessary to fulfil the object of the Union, and for the conduct of business of the Union.

(2) No proceedings of the Managing Committee shall be invalid on account of any defect in the constitution of the Committee.

171. *Remuneration payable to members.*—The services of the members of the Managing Committee shall be gratuitous. However, they may be paid T.A. and sitting fees for attending the meetings of the committee at the rates decided by the Registrar.

Notes:

1. No D.A. shall be paid for any day for which sitting fees is paid.
2. Only one sitting fees shall be paid to a member even if he attends more than one committee meetings on one and the same day.

172. *Removal of the members of the Managing Committee.*—If Government is satisfied that the Managing Committee of the Kerala State Co-operative Union persistently makes default or is negligent in the performances of the duties imposed on it by the Act or Rules or commits any act which is prejudicial to the interest of the Union or wilfully disobeys or fails to comply with any, lawful order or direction issued under this Act or Rules, Government may, after giving the committee an opportunity to state its objection, if any, by order in writing, remove the members and appoint an officer of the Co-operative Department or a committee of three members to manage its affairs. Government may also direct the Registrar to constitute a new Managing Committee within a period of three months.

173. *Powers of Chairman and Secretary.*—Subject to such resolutions as the Managing Committee may from time to time pass the Chairman and Secretary shall have the powers mentioned below:—

(1) The Chairman shall have a general control over all the affairs of the State Union.

(2) (i) The Secretary shall be responsible for the day-to-day working of the Union and the staff shall be under his direct control.

(ii) He shall take action to carry out the decisions of the Managing Committee.

(iii) He shall manage the funds of the Union, cause proper accounts to be maintained and audited.

(iv) He shall issue notice convening the meetings.

(v) He shall prepare the annual report and statement of accounts and submit the same to the Managing Committee and to other authorities. He shall be the officer to sue and be sued on behalf of the Union.

174. *Estblishment.*—The Registrar shall with the approval of Government, fix the strength of the Establishment, scale of pay, qualifications, mode of recruitment and service conditions of employees.

175. *Audit of Accounts of Co-operative Union.*—(1) The Registrar shall audit or cause to be audited by a person authorised by him by general or special order in writing in this behalf, the accounts of every Circle Co-operative Unions and the Kerala State Co-operative Union atleast once in each year free of cost.

(2) The audit shall include the verification of cash balance and securities, and a valuation of the assets and liabilities of the various Unions and an assessment as to whether the activities of the Unions have been conducted fairly and honestly.

(3) The audit report shall be in the form specified by the Registrar.

CHAPTER XIV

MISCELLANEOUS

176. *Registrar's power to rescined resolution.*—Notwithstanding anything contained in the bye-laws of a registered society, it shall be competent for the Registrar to rescind any resolution of any meeting of any society or of the committee of any society, if it appears to him that such resolution is ultra vires of the objects of the society, or is against the provisions of the Act, Rules, Bye-laws or of any direction or instructions issued by the Department, or calculated to disturb the peaceful and orderly working of the society or is contrary to the better interest of the society.

177. *Societies to furnish statistics on employment to the Labour Bureau.*—Every society which employs paid establishment shall, if so required by general or special orders of the Government, furnish to the labour bureau constituted by the Government of India in the Ministry of Labour and Employment, statistics connected with the employees at such periodical intervals and in such form and within such time as may be required by the said Bureau.

178. *Use of premises.*—No society or Union shall except with the previous sanction of the Registrar, use or allow to be used any premises used for its business or portion thereof for any purpose other than such business or other cooperative activities:

Provided that the premises may be allowed to be used for the conduct of poll in connection with the elections to the State or Central legislature:

Provided further that no such sanction shall be granted to any society for using or allowing to be used any such premises or portion thereof for political purposes.

179. *Restriction of officers of Society appearing as legal practitioners.*—(1) No officer of a society shall appear as a legal practitioner:—

(i) against such society or against any other society which is a member of the former society; or

(ii) otherwise than in an honorary capacity, on behalf of any other society which is a member of the former society.

(2) Any such person who contravenes the provisions of sub-rule (1) shall cease to be the officer of such society.

180. *Societies not to act without previous sanction of Registrar in certain matters.*—No society shall do any act which is not expressly provided for by the bye-laws of such society without the previous express sanction of the Registrar for the same.

181. *Power to exempt from Rules.*—The State Government may, by general or special order and subject to such conditions as they deem fit, exempt any registered society or class of such societies from any of the provisions of these rules or may direct that such provisions shall apply to such society or class of societies with such modifications as may be specified in the order.

By order of the Governor,

R. SADASIVA PANICKER,

Joint Secretary to Government.

~~Chap~~ CHAPTER XV

ESTABLISHMENT

Rules 182 to 200.

APPENDIX—I

I. *Registers to be maintained by State Cooperative Union:—*

1. Minutes Book
2. Register of affiliated societies
3. Register of affiliation/renewal fees
4. Co-operative Education Fund Register
5. Register of Circle Co-operative Union, Apex Societies, District Co-operative Bank and other Central Societies.
6. Register of delegates to the State Union
7. Receipt Book
8. Voucher File
9. Day Book
10. General Current Register
11. Despatch Register
12. Managing Committee Members' Sitting Fee Register.
13. General Ledger
14. Acquittance Roll
15. General Information Register
16. Any other register that may be prescribed by Registrar

II. Register to be maintained by Circle Co-operative Union:—

1. Minutes Book
2. Register of Societies in the Circle.
3. Register of full time paid employees of Societies in the Circle.
4. Day Book
5. Receipt Book
6. Voucher File
7. Letter File
8. Members' Sitting Fee Register
9. Despatch Register
10. Register of the names of the nominees of committee members of societies and that of the District Coop. Bank.
11. General Information Register of Societies
12. Any other Register that may be prescribed by the Registrar.

APPENDIX II

[See Section 6 (1) of the Act and Sub-rule (i) of Rule 3]

Form of Applications for Registration as a Cooperative Society under the Kerala Cooperative Societies Act, 1969.

1. Name of proposed society:
2. The Headquarters of the Society:
3. (a) Name of Place:
   (b) Name of village/town
   (c) Taluk:
   (d) District:
   (e) The nearest railway station or well-known place and distance therefrom:
4. Area of operation of the society (name of town/villages including wards, if any, to be specified)
5. Total population/household in the area of operation mentioned in column (3) above:
6. Name and postal address of the person (the chief promoter to whom communication relating to the registration of the proposed society may be addressed:
6. (a) Liability of Members:
7. Whether 3 copies of the draft byelaws accepted by the applicants and duly attested by all the applicants referred to in column (10) below, are enclosed.
8. Whether the membership of the society is limited to individuals only.
9. Names of persons elected by the applicants to the committee, to conduct the affairs of the society for a period of 3 months from the date of registration of the society or for such further period as the Registrar may consider necessary.
   1.
   2.
   3.
   4.
10. Whether a list of promoters, in duplicate showing their names, father's name, age, profession, place of residence, number of shares taken and signature or thumb impression, is enclosed as required in clause (c) of sub-rule (1) of Rule 3.
11. Whether a certificate obtained from the Central Bank stating the share suspense remitted in favour of the convener of the proposed society, is enclosed as required in clause (b) of sub-rule (1) of Rule 3.
12. Whether the individual applicants are members of a different family.

We declare that the information given above including that in the enclosures is correct to the best of our knowledge and belief.

Chief Promoter:

Applicants (1)
(2)
(3)

Note:—1. In the case of a representative of society, a copy of the resolution of the committee of that society authorising him to sign on its behalf this application and byelaws should be enclosed with this appliction.

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

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

Enclosures:— (1) Bank balance certificate.

(2) List of persons who have contributed to the share capital together with the amount contributed, by each of them and the entrance fee to be paid by them

(3) The scheme showing the details as to how the working of the socitey will be economically sound.

*(4) A copy of resolution authorising a member of the committee of the registered society to sign the application on behalf of the society.

†(5) A copy of the document authorising any person to sign the application on its behalf issued by statutory or non-statutory Board, Committee or Corporation.

FORM OF ACKNOWLEDGEMENT

Sent by registered post on...../delivered by hand by.....to in the office of the Assistant Registrar/Deputy Registrar/Registrar.....

Chief Promoter:

Received by registered post/hand delivery on.....by.....in the office of the Assistant Registrar/Deputy Registrar/Registrar,..... Entered in the register of registration proposals as Serial No.....

(*Signature of the Officer receiving the application*)

*To be forwarded when any member of the society to be registered is itself a registered society.

†To be forwarded when any member of the society to be registered statutory or non-statutory Board, Committee or Corporation constituted for the purpose of development of an industry.

ACKNOWLEDGEMENT

Received Registration proposal No.....on.....for the registration of.....Society from the chief promoter Sri.....

(*Assistant Registrar/Deputy Registrar/ Registrar*)

Place:
Date:

FORM 2

(*See* sub-rule (i) of Rule 4)

Serial No.	*Name of the proposed society*	*Date of receipt with initials of Registrar:*	*Nature of disposal (Orders in appeal, if any, to be indicated)*
(1)	(2)	(3)	(4)

No. of the Society, if registered	*Date of starting*	*Address of society:*	*Remarks*
(5)	(6)	(7)	(8)

FORM 3

(*See* sub-rule (iv) of Rule 4)

Certificate of registration issued under Section 8 of the Kerala Cooperative Societies Act 1969.

(Act....21....of 1969..)

I do hereby certify in exercise of the powers conferred on me under Section 7 of the Kerala Cooperative Societies Act, 1969. (Act..21....of 1969..), that the.....P.O., in.....Taluk/District is registered by me to-day as a Cooperative Society under the said Act, on the basis of limited-liability and that the bylaws of the aforesaid society are also hereby registered under the said section.

The Registration No. of the said society is.....Date of registration of the society is.....

A copy of the bye-law of the society as registered and attested by me is appended to this certificate.

Place:
Date:

(Seal)

Registrar of Cooperative Societies.

FORM 4

[*See* sub-rule (vii) of Rule 11 (i)]

Register of Cooperative Societies registered under the Act.

District.....

Registered Sl. No.	*Full name & address of the society:*	*Taluk*	*Authorised share capital*	*Date of registration of society:*
(1)	(2)	(3)	(4)	(5)

File No.	*Class of society as per rule* 15	*Sub classes*	*Initial of Registrar*
(6)	(7)	(8)	(9)

Date of registration of amendment of byelaws	*Clauses to which amendments relate*	*Initial of Registrar*	*Order No. and date of winding up by the Registrar*
(10)	(11)	(12)	(13)

Page No. and date of Government Gazette Notifying winding up.	*Number and date of cancellation*	*Remarks*
(14)	(15)	(16)

FORM 5

[*See* sub-rule (1) of Rule 10]

Order under Rule 10(1)

By Registered Post/A.D.

To the President

.....Co-operative Society,

.....

Sir,

It appears to me that an amendment/amendments of the byelaws of your society as indicated in the attached statement is/are necessary and that it/those is/are desirable in the interest of your society.

I am to request you to consider this/these amendment/amendments in the interest of your society and to call upon you by this order under rule 10 (1) of the Kerala Cooperative Societies Rules, 1969 to take necessary steps to make the amendments to the byelaws of your society within two months from the date of receipt of this order failing which action will be taken as provided under section 12(6) of the Kerala Cooperative Societeis Act 1969.

Yours faithfully,

Registrar of Cooperative Societies.

No.
Date

(Seal of the officer)

Statement accompanying order under rule 10(1)

Sl. No.	*The exact wording of existing byelaws*	*Byelaw as it would read after amendment*	*Exact wording of byelaws, if it is a new one*	*Reasons why amendment is considered necessary*

Registrar of Cooperative Societies

FORM NO. 6

Notice Under Rule 10 (1)

To

The President,

.....Cooperative Society,

.....

Sir,

Whereas you were called upon to make amendment to the byelaws of your society as per this office order No.....dated.....and whereas you have failed to make the amendment within the time specified therein, you are hereby called upon to show cause in writing within.....days from the receipt of this notice as to why the proposed amendment of your byelaws. as indicated in this office notice referred to above should not be registered If you desire to be heard in person, you may attend or send your representative duly authorised on.....at.....a.m./p.m. in my office and put your defence before me, if any.

If you fail to send your written statement or your representative on the date specified above and if your statement is found unsatisfactory, necessary further action according to the provisions of Section 12 (6) of the Kerala Cooperative Societies Act, 1969 will be taken.

Yours faithfully,

Registrar of Cooperative Societies.

No.

Date:

Place:

(Seal of the Officer)

FORM NO. 7

(*See* rule 51)

[Form of declaration to be made under clause (i) of Section 36 of the Kerala Cooperative Societies Act, 1969, creating a charge upon the land or other immovable property owned by a member of a cooperative society of which the majority of the members are agriculturists in respect of any loan which such society may make to the member.]

KNOW ALL MEN BY THESE PRESENTS THAT I/We son/sons of..... aged about.....residing at.....(hereinafter called the borrower/ borrowers which expression shall, where the context so permits, include his/their heirs, successors, executors, legal representatives, administratros and assigns) having been admitted to the membership.....society..... with limited/unlimited liability (hereinafter called the society) and being desirous of borrowing loan from the society do hereby declare and create a charge over the property more fully described in the Schedule hereto (hereinafter called the charged property) in favour of the society as required by section 36 of the Kerala Cooperative Societies Act, 1969, for due repayment of the loan which the society may make and for all future advances which the society may make to me/us subject to the maximum amount of Rs. (Rupees..... .....only) together with interest on such amount of the loan and advances.

The said borrower doth/borrowers do hereby declare that he has/they have good title to the charged property holds/hold the property as a tenant entitled to fixity of tenure and futher covenant and undertake to make good any loss or damage that may be occasioned by reason of either defect in title or interests or otherwise.

The said borrower/borrowers further declares/declare that there are no encumbrances on the charged property other than the charge hereby created; and

The said borrower doth/borrowers do hereby undertake not to transfer the said property or this interest in the said property by way of sale, mortgage, gift or otherwise until the entire amount of the loan or loans taken by the borrower/borrowers from the society together with interest therein is paid to the society.

The said borrower doth/borrwoers do hereby further agree and declare that this deed is subject to and shall be deemed to include all the conditions under section 36 of the Kerala Cooperative Societies Act, 1969.

Now the condition of the above written charge is such that if the borrower duly pays/borrowers duly pay the entire amount due from him/them and also conforms/conform to the provisions of the Act and the rules and the bvelaws of the society then the above written charge shall become ineffective, otherwise it shall remain in full force and virtue.

THE SCHEDULE

Village
Taluk
District
Survey Number
Boundaries
Extent

IN WITNESS WHEREOF I/We.....have set my hand/our hands in the presence of Witnesses:—

1.
2.

(Signed)

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 charge.....created under the declaration in the Registration Record and to return the declaration to the Society after its registration.

President

.....*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.....196.....

Sub-Registrar.

FORM 8

[*See* Rule 51 (2)]

Register of Declaration made under Section 36.

Sl. No.	*Date of entry in the register*	*Name of the member*	*Date of declaration*	*Name of the village in which land is situated*	*Survey No.*
(1)	(2)	(3)	(4)	(5)	(6)

Area		*Assessment*		*Approximate value*	*Encumbrances if any*	
Hectare	*Ares*	*Rs.*	*Ps.*		*Nature*	*Amount*
(7)	(8)	(9)		(10)	(11)	(12)

Amount of maximum loan	*Remarks, if any*	*Initial of the Secretary*
(13)	(14)	(15)

FORM No. 9

(*See* sub-rule (2) of rule 52)

Form of requisition under sub-section (2) of section 37 of Kerala Co-operative Societies Act, 1969, from a society to an employer or officer disbursing the salary or wages of a member of such society for the deducting of amount due to it from the salary or wages payable to such member.

To

The

(the employer or the officer disbursing the salary or wages)

Sir,

With refrrence to the agreement executed by the following members of our society authorising you to deduct from their salary/wages the amounts due from them to the society, we request you to be good enough to recover from their salary/wages for the month of.....196 the following amounts due from them to the society. We request that the amount so recovered may be remitted to our society at the earliest.

(Mode of remittance)

2. Particulars of the amounts to be recovered from them are given below:—

Sl. No. & Name of members	*Share capital payable*	*Loans due*		
		Principal	*Interest*	*Penal interest*
(1)	(2)	(3)	(4)	(5)

Deposits payable			*Total*	*Remarks*
Amount	*Penalty if any*	*Other items (details)*		
(6)	(7)	(8)	(9)	(10)

For the Co-operative Society
President/Secretary.

FORM No. 10

[*See* sub-rule (5) of Rule 52]

Form of remittance under sub-section (2) of section 37 of the Kerala Co-operative Societies Act, 1969, of recoveries effected from the members on account of the dues to a Co-operative Society.

To

The President/Secretary,

.....Co-operative Society]

Sir,

With reference to your requisition, dated the.....for the recovery of amounts due to your society for the month .....19.... I remit herewith Rs.....(Rupees.....in words)]

Details of the amount recovered are furnished below—

	Amount recovered		
Name of the member	*Rs.*	*P.*	*Date of recovery*
Total			

Less cost of remittance if any

Net amount remitted

Please acknowledge receipt:

Yours faithfully,

Employer or Officer disbursing salary of wages.

FORM No. 11

[*See* sub-rule (8) of Rule 52]

Form of register showing the recovery and remittance of moneys due to Co-operative Societies

Name of the Co-operative Societies	*Date of receiptr of demand from the society*	*Name of the employee from whom dues have to be recovered*	*Demand*	*Date of recovery*
(1)	(2)	(3)	(4)	(5)

Amount recovered	*Date of remittance*	*Amount remitted*	*Chalan No. and date of remittance or signature of the authorised representative of the society*	*No. and date of the official printed receipt of the society*
(6)	(7)	(8)	(9)	(10)

Remarks (here enter the reasons for the difference in any between the amounts in Column (4) and (6)	*Intial of the officer disbursing the salary or wages*
(11)	(12)

FORM No. 12

[*See* sub-rule (1) of Rule 72]

Certified that Sri...../.....Society Ltd., No.....holds in his/its favour the decision/award/order No. ..... dated.....issued by the....., a true copy of which is herewith attached (with the office seal affixed) for the recovery of an amount of Rs.....and that no steps for the execution of the said decision/ award/order under clauses (a) (b) or (c) of section 76 of the Kerala Co-operative Societies Act 1969 have so for been initiated.

This certificate is issued to Sri...../.....Society Ltd., No. .....for the purpose of applying for execution of the said decision/ award/order through the Civil Court/the Collector.

Place: *Registrar*
Date: (Seal)

FORM Nol 13

[*See* Sub Section (1) of Section 79 and Rule 94]

Certified that a sum of Rs.....(Rupees.....only) is due to Government from the.....Society/Sri..... a member/ past member/Officer of the.....Society, towards.....and that no amount has so for been remitted by the party/only Rs.....(Rupees.....only) has so for been remitted by the party. The balance amount of Rs..... (Rupees.....only) has to be recovered from the party.

This certificate is issued for the purpose of applying for steps being taken to realise the amount as if arrears of public revenue due on land, through the Revenue authorities.

Place:
Date:

(Seal)

Registrar of Co-operative Societies.

FORM No, 14

[*See* Section 90 (1)]

Application for affiliation to the Kerala State Co-operative Union

1. Name of District.
2. No. and Name of the society.
3. Date of registration.
4. Date of commencement.
5. Address
6. Class of society (*i.e.* Credit, Consumers, Marketing, Industrial Etc.)
7. Area of operation.
8. Total paid up share capital (including Government's contribution as on 30th June).
9. Working capital as on 30th June (Share capital, Deposits, Borrowings and other funds less investments in buildings and other fixed assets).
10. Activities undertaken.
11. (a) Names of Managing Committee members as on the date of application.
    (b) Date of election of the Managing Committee and date of expiry of the term of the Committee.

12l Particulars of full time paid employees of the society.

Sl.No.	*Name*	*Designation*	*Qualification*	*Age*	*Pay scale*	*Pay drawn (Pay D.A. D.P. etc.)*
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Date of entry in service	*Date of appontment in the present post*	*Security*	
		Cash	*Furnished other*
(8)	(9)	(10)	(11)

13. Name of the Co-operative Circle in which that office of the society is located.

14. Name of unit office:,

15. Affiliation/Renewal/Fees remitted Receipt No. date and place of remittance

16. Resolution No. and date (enclose copy) of the committee.

Signature of President/Secretary.

Certified that the particulars furnished above are correct.

(Seal of the Society) *President/Secretary.*

Note: (1) The application should be in triplicate. One copy is to be sent to the State Cooperative Union, the second copy to the Cooperative Circle Officer and the third to the Registrar.

(2) Rate of affilaition/renewal fees:—

Societies having a paid up share capital of:—

1.	Rs. 40 lakhs and above	Rs. 300
2.	Rs. 20 lakhs upto 40 lakhs	Rs. 200
3.	Rs. 3 lakhs upto 20 lakhs	Rs. 100
4.	Rs. 1 lakh upto 3 lakhs	Rs. 50
5.	Rs. 50,000 upto 1 lakh	Rs. 30
6.	Rs. 25,000 upto Rs. 50,000	Rs. 20
7.	Rs. 10,000 upto Rs. 25,000	Rs. 15
8.	Rs. 5,000 upto Rs. 10,000	Rs. 10
9.	Below Rs. 5,000	Rs. 5

FORM No. 15

Form of Appeal Memorandum to the Kerala Cooperative Tribunal

[*See* Rule 96 (Vide Section 82(1)]

Before the Kerala Cooperative Tribunal, Trivandrum.

No..... of..... 19....

Appellant (s)
Versus
Respondent

1. Authority passing the original order in dispute showing the No. and date of order.
2. Date of communication of the order now appealed against.
3. Address to which notices may be sent to the appellant.
4. Address to which notices may be sent to the respondent.
5. (a) In th case of monetary disputes, the amount involved.
   (b) In the case of non-monetary disputes, specify whether it is election dispute or other disputes.
   (c) In any other relief claimed.
6. Grounds of appeal, etc.

(Sd). *Appellant(s)*

(Sd.) *Authorised representatives, if any.*

VERIFICATION

I/We the applicant(s) do hereby declare that what is stated above is true to the best of my/our knowledge and belief.

Verified today the.....day of.....19....

(Sd.) *Appellant(s)*

(Sd.) *Authorised representative, if any*

FORM No. 15(1)

Form of Application for Review to the Kerala Cooperative Tribunal

(Vide Rule 96 and Section 85)

Before the Kerala Cooperative Tribunal, Trivandrum.

No..... of..... 19..

Appellant(s)
Versus
Respondent(s)

1 Number and date of the original order of the Co-operative Tribunal now sought to be reviwed.

2. Date of communication of the order

3. (a) In the case of monetary disputes, the amount involved.
   (b) In the case of non-monetary disputes, specify wether it is Election dispute or other disputes.
   (c) Any other relief claimed.

4. Finding arrived at by the Cooperative Tribunal.

5. Fresh facts which were not before the Tribunal when it passed the original order, etc.

(Sd.) *Applicant*(s)

(Sd) *Authorised representative, if any.*

VERIFICATION

I/We the applicant(s) do hereby declare that what is stated above is true to the best of my/our knowledge and belief.

Verified today the .....day of .....19..

(Sd.) *Applicant(s)*

(Sd.) *Authorised representative, if any*

FORM No. 15-A

[*See* Rule 97 (4)]

Cause—Title in Principal Applications other than Memoranda of Appeals and Applications for review.

Before the Kerala Cooperative Tribunal, Trivandrum.

Application of restroation/setting aside abatement No.....of 19..

(Name and surname) Applicant

Versus

(Name and surname) Respondent

FORM No. 15-B

See Rule 102 (2)

Cause—Title in Interlocutory Applications

Before the Kerala Coopeative Tribunal, Trivandrum.

Appeal/Application for No'.....19....

(Name and surname) Appellant/Applicant

Versus

(Name and surname) Respondent

FORM No. 15-C

[*See* Rule 109 (2)]

FORM OF NOTICE

Before the Kerala Cooperative Tribunal, Trivandrum.

Appeal

————————No.....of 19..

Application for

(Name and surname) Appellant/Applicant

Versus

(Name and surname) Repondent

To

The above named appellant/applicant:

You have filed an appeal/application for.....against the order of the....his/its appeal/revision/petition No.....of 19.....date..... It does not comply with the provisions of the Kerala Cooperative Societis Act, 1969 and the rules made thereunder in the following respects:

1.

2.

3.

You are hereby required to remedy the defects within.....days of the receipt of this notice by you. If the defects are not cured within the above period your appeal/application is liable to be rejected by the Tribunal without further notice.

Given under my hand and the seal of the Appellate Tribunal this..... day of .....19....

By order.

(Seal) Member.

FORM No. 15-D

[*See* Rule 109(2)]

FORM OF NOTICE

Before the Kerala Coopertive Tribunal, Trivandrum.

Appeal
——————No..... of 19....
Application for

(Name and surname) Appellant/Applicant

Versus

(Name and surname) Respondent

To

The above named Appellant/Applicant.

Please take notice that the appeal/application for.....filed by you Against the order of the—in his/its appeal/revision petition No.....of 19.....dated .....has been placed before the Tribunal for orders regarding its admission as it is defective as already intimated to you/by notice dated.....The Tribunal will hear the matter on.....at..... .....am. at.....

If you want to be heard, you should be present at the time of the hearing in person or through your pleader or autho rised agent to do so, the Tribunl may pass orders in your absence.

Given under my hand and the seal of the Tribunal this.....day. of.....19.....

(By order)

(Seal) Member

FORM No. 15-E

[*See* Rule 109 (6)]

FORM OF NOTICE

Before the Kerala Co-operative Tribunal, Trivandrum.

Appeal
Application for ——————— No.....of 19....

(Name and surname) Appellant/Applicant

Versus

(Name and surname) Respondent

To

The above named appellant/applicant.

The appeal/applicatiou for.....before the Tribunal against the orders of the..... in his/its appeal/revision petition/order No.....of 19.....dated.....stands posted for hearing on..... at..... a.m. at.....

Please take notice that if you fail to appear, on the above date or on any other date to which the hearing may be adjourned, either in person or by pleader it will be disposed of *exparte*.

Given under my hand and the seal of the Tribunal this day of.....19....

(By order)

Copy to:—The Respondent with copies of the Appeal Memorandum/Application for.....and the order impugned.

(Seal)

FORM No. 15-F

[Rule 121 (1)]

Here affix 25 p. Court Fee Stamps.

Form of Applicantion for copies

Appeal
——————— No.....of 19.....
Application for

To

The Kerala Cooperative Tribunal
Trivandrum.

Sir,

It is requested that certified copies of the documents hereunder mentioned may be furnished to me.

Name and address of the applicant in full
and his status, if any, in the case.

Sl. No.	*Date of Documents*	*Description of documents*	*Order if any under which application is made*
1.			
2			
3			
4			

Date: (*Signature of Applicant*)

FORM No. 15-G

GENERAL FORM OF NOTICE

Before the Kerala Cooperative Tribunal, Trivandrum.

Appeal
——————No. .....of 19.....
Application for

(Name and surname) Appellant/Applicant

Versus

(Name and surname) Respondent

To

.....

Please take notice that.....
.....will be heard by the Tribunal at....a.m. on .....at..... If you fail to appear at the hearing, the matter will be disposed of *exparte*.

Given under my hand and the seal of the Tribunal, This.....day of .....19.....

(Seal) (By order)

Copy to:

FORM No. 15-H

[*See* Rule 109(1)]

Regional Office of the Kerala Cooperative Tribunal,..... .....(Place)
Date:

To:

.....

Sir,

The appeal filed by you against the order of the.....
hasbeen received in this office and numbered as T.A./No.....of 19....

FORM No. 16-A

[*See* Rule 129(F)(1)]

Nomination for the election of members to Cooperative Circle Union.

1. Name of the candidate:
2. Father's name:
3. Address:
4. Signature of candidate:
5. No. name and address of the society which he represents/of which he is a paid employee
6. Serial No. of the candidate inthe list prepared under Rule 100 (iv) (E)
7. Name and address of the proposer and
   (a) his serial No. in the list.
   (b) No., name and address of the society he represents/of which he is a paid employee
8. Signature of the proposer:
9. (a) Name and address of the seconder and his serial No. in the list.
   (b) No., name and address of the society he represents/of which he is a pdid employee
10. Signature of the Seconder.

Candidates' Declaration

I declare that I am willing to stand for election.

Signature of Candidate

Endorsement by the Election Officer

This nomination was presented to me in person at .....(Place) on .....(date) at .....(hour) by Shri.....

Initial Of Election Officer

FORM No. 16-B

[*See* Rule 156(1)]

Nomination for Election of Members of the Managing Committee of the Kerala State Co-opertive Union

1. Name of the candidate:
2. Father's name:
3. Address:
4. Signature of the candidate:
5. Name of the Cooperative Union/Apex Society/ District Cooperative Bank which he represents:
6. Serial No. of the candidate in the list of delegates (voters) (see sub-rule 10(4) of Rule 101.
7. Name and address of the proposer:
8. Signature of the proposer:
9. Name of the Cooperative Circle Union/Apex Society/District Cooperative Bank which he represents:
10. Sl. No. of the propoesr in the voters list:

Candidates' Declaration

I declare that I am willing to stand for election.

Signature of the Candidate.

Endorsement by the Returning Officer.

This nomination was Presented to me in person at..... (place) on..... (date) at..... (hour) by Sri .....

Initial of Returning Officer

By order of the Governor,

R. SADASIVA PANICKER,
Joint Secretary to Government.

E 1107(A)

KERALA COOP. SOCs RULES, 1969

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