

Chhattisgarh Co-Operative Societies (Recovery Of Losses) Act, 2007

1 of 2008

[21 January 2008]

CONTENTS

1. Short Title, Extent And Commencement
2. Definitions
3. Act Not In Derogation Of Any Other Law
4. Procedure For Making Good, Losses Caused To Un-Aided Co-Operative Society
5. Recovery Of Money
6. Restoration Of Possession
7. Service Of Notice
8. Registrar And Other Officers Etc. To Be Public Servants
9. Indemnity For Acts Done In Good Faith
10. Powers Of Civil Courts
11. Power To Make Rules
12. Repeal

Chhattisgarh Co-Operative Societies (Recovery Of Losses) Act, 2007

1 of 2008

[21 January 2008]

An Act to make provisions for the recovery of losses caused to un-aided cooperative societies and matters ancillary thereto. Be it enacted by Chhattisgarh Legislature in the Fifty-eighth year of Republic of India as follows:-- * Published in Chhattisgarh Rajpatra (Asadharan) dated 21-1-2008 Pages 28(5-7).

1. Short Title, Extent And Commencement :-

- (1) This Act may be called the Chhattisgarh Co-operative Societies (Recovery of Losses) Act, 2007.
- (2) It shall be deemed to have come into force retrospectively with effect from 1st November, 2000.
- (3) It extends to the whole of the State of Chhattisgarh.

2. Definitions :-

(1) In this Act, unless the context otherwise requires:--

(a) "Aid" means and includes loans, financial aid, guarantee of repayment, debentures, advances, grant in any form or any kind of financial support;

(b) "State" means the State of Chhattisgarh;

(c) "State Government" means the State Government of Chhattisgarh;

(d) "Un-aided Co-operative Society" means the co-operative society not receiving any aids from the Government.

(2) Words and expressions used in this Act but not defined shall have the same meaning assigned to them in the Act time being in force with the object to organise and develop co-operatives as democratic instruments and peoples institutions based on self help, and mutual aid, and for curbing exploitation and ensuring socio-economic development of people with particular emphasis on weaker sections of society.

3. Act Not In Derogation Of Any Other Law :-

The provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force.

4. Procedure For Making Good, Losses Caused To Un-Aided Co-Operative Society :-

(1) Notwithstanding anything contained in any law for the time in force, if in the course of an audit, inspection or supervision or otherwise of un-aided co-operative society, it is found that any person, who is or was entrusted with organisation or management of such society or any deceased, past or present chairman, secretary, member of Board of Directors, officer or employee of the society has made any payment contrary to the provisions of the Acts or acquired property by misappropriating the fund of the society or rules or byelaws made thereunder for time being in force with object to organise and develop co-operatives as democratic instruments and peoples institutions based on self help, and mutual aid, and for curbing exploitation and ensuring socioeconomic development of people with particular emphasis on weaker sections of society or has caused any deficiency or loss by gross negligence or misconduct or has misappropriated or fraudulently retained any money or other property or acquired any property in his own name

or others name out of the misappropriated fund belonging to such society, the Registrar may on his own motion or on the application of the Hoard of Directors, liquidator or any creditor make an order requiring such person or in the case of a deceased person, his legal representative who inherits his estate to repay or restore the money or property or any part thereof, with interest at such rate or to pay contribution and costs or compensation to such extent as the Registrar may consider just and equitable:

Provided that no order under this sub-section shall be made unless the person concerned is given a reasonable opportunity of being heard in the matters:

Provided further that the liability of a legal representative of the deceased, shall be to the extent of the property of the deceased which has come to the hands of such legal representative.

(2) Any person aggrieved by the order made under sub-section (1) may within thirty days from the date of communication of the order to him, appeal to the State Government.

5. Recovery Of Money :-

Any order passed under sub-section (1) or (2) of section 4 for recovery of money if such money is not deposited within 30 days from the date of order shall be recovered in the following manner:-

-

(a) on a certificate signed by the Registrar or any person authorised by him in this behalf be deemed to be decree of a Civil Court and shall be executed in the same manner as a decree of such Court; or

(b) be executed according to the law for the time being in force for the recovery of arrears of land revenue; or

(c) be executed by the Registrar or any other person empowered by the Registrar in this behalf, by the attachment and transfer in the manner as may be prescribed or sale or sale without attachment of any property of the person or a society against whom the order, decision or award has been obtained or passed:

Provided that any application for the recovery under clause (b) shall be made to the Collector and shall be accompanied by a certificate signed by the Registrar or by any person authorised in this behalf.

6. Restoration Of Possession :-

An order of delivery of possession of immovable property against any person passed under this Act shall be executed by the Registrar in the following manner, namely:--

- (a) by serving a notice on the person or persons in possession requiring him/them within such time as may appear reasonable after the receipt of the said notice, to vacate the same; and
- (b) if such notice is not obeyed, by removing or deputing a subordinate to remove any person who may refuse to vacate the same; and
- (c) if the officer removing any such person is resisted or obstructed by any person, appoint any officer, who shall hold a summary inquiry into the facts of the case, and if satisfied that the resistance or obstruction was without any just cause, and that such resistance or obstruction still continues may, without prejudice to any proceeding to which such person may be liable under any law for the time being in force for the punishment of such resistance or obstruction, take or cause, to be taken such steps and use or cause to be used, such force as may, in the opinion of such officer, be reasonably necessary for securing compliance with the order.

7. Service Of Notice :-

(1) Every notice or order issued or made under this Act or the rules may be served in person or on by properly addressing it to the last known place of residence or business of such person by registered post with acknowledgment due letter containing the notice or order.

(2) An acknowledgment purporting to be signed by such person or an endorsement by a postal employee that the person refused to take delivery may be deemed to be prima facie proof of service:

Provided that if service of the notice cannot be effected by any manner provided under this Act, or rules made thereunder, a copy thereof shall be affixed at the notice board of the Registrar or Officer whom power has been delegated and last known place of residence of the person noticed or at some place of public resort in such place.

8. Registrar And Other Officers Etc. To Be Public Servants :-

Every officer or person as well as employee exercising or authorised to exercise the powers under this Act or the Rules made thereunder shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code, 1860 (XIV of 1860).

9. Indemnity For Acts Done In Good Faith :-

No suit, prosecution or other legal proceedings shall lie against the Registrar or any person subordinate to him or acting under his authority, in respect of anything done or purporting to have been done by him in good faith under this Act.

10. Powers Of Civil Courts :-

(1) In exercise the powers conferred on him by or under his Act, the Registrar or other persons empowered by the Registrar shall have all the powers of a civil court while trying a suit, under the Code of Civil Procedure, 1908 (V of 1908), in respect of the following matters, namely:--

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) proof of facts by affidavits; and
- (d) issuing commission for examination of witnesses.

(2) In the case of any affidavit, any officer appointed by the Registrar, his nominee or board of nominees or the liquidator, as the case may be, may administer oath to the deponent.

11. Power To Make Rules :-

(1) State Government may make rules for carrying out the purposes of this Act.

(2) All Rules made under this Act shall be laid before Legislative Assembly as soon as possible.

12. Repeal :-

Chhattisgarh Co-operative Societies (Recovery of Losses) Ordinance, 2007 (No. 7 of 2007) is hereby repealed.