

## **MULTI STATE CO OPERATIVE SOCIETIES RULES, 1985**

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## **SCHEDULE 1 :- SCHEDULE**

### **MULTI STATE CO OPERATIVE SOCIETIES RULES, 1985**

In exercise of the powers conferred by Section 109 of the Multi-State Co-operative Societies Act, 1984 (51 of 1984), the Central Government hereby make the following rules, namely

#### CHAPTER 1

#### Preliminary

### **1. Short title and commencement :-**

- (1) These rules may be called the Multi-State Co-operative Societies Rules, 1985
- (2) These rules shall come into force from the Sixteenth day of September, 1985

### **2. Definition :-**

In these rules unless the context otherwise requires

- (i) "Act" means the Multi-State Co-operative Societies Act, 1984 (51 of 1984)
- (ii) "Form" means a form appended to these rules;
- (iii) "general meeting" means a meeting of the general body including a representative general body referred to in Section 29;
- (iv) "Section" means a section of the Act;
- (v) "Schedule" means Schedule appended to these rules;
- (vi) Words and expressions defined in the Act and used but not defined in these rules shall have the meanings respectively assigned to them in the Act

#### CHAPTER 2

### **3. Application for registration :-**

(1) An application for registration of a Multi State Co-operative Society under sub-section (1) of Sec. 6 shall be made in form I and shall, subject to the provisions of subsection (2) of Section 6 and sub-rules (2) and (3) as signed by the applicants and be accompanied by:

(a) four copies of the proposed bye-laws of the multi-State cooperative Society duly signed by each of the persons who sign the application for registration;

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

(c) a certificate from the bank or banks stating the credit balance in favour of the proposed multi-State Co-operative Society;

(d) a scheme showing the details explaining how the working of the multi-State Co-operative Society will be economically sound;

(e) a certified copy of the resolution of the promoters which shall specify the name and address of one of the applicants to whom the Central Registrar may address correspondence under the rules before registration and dispatch or hand over registration documents

(2) Where any member of a multi-State co-operative society to be registered is multi-State co-operative society or a co-operative society the SSchairman or chief executive of such multi-State co-operative society or cooperative society, as the case may be, shall be authorized by that board by a resolution, to sign the application for registration and bye-laws on its behalf, and a copy of such resolution shall be appended to the application

(3) Where any member of multi-State co-operative society to be registered is a Government company, a corporate body or a society registered under the Societies Registration Act, 1860(21 of 1860) such member shall duly authorize any person to sign the application for registration and the bye- laws on its behalf and a copy of such resolution giving such authority shall be appended to the application

(4) A copy of the resolution indicating the name of one or more applicants, who are authorized to make alterations or addition to the proposed bye-laws submitted with the application, ;as may be suggested by the Central Registrar, shall be submitted

(5) The application shall either be sent by registered post or delivered

by hand to the Central Registrar

#### **4. Registration :-**

(1) On receipt of an application under rule 3, the Central Registrar shall enter particulars of the application in the register of applications to be maintained in Form II, give a serial number to the application and issue a receipt in acknowledgment thereof

(2) If the Central Registrar is satisfied that the proposed multi-State co-operative society has complied with the requirements of the Act and the rules, he may register the society and its bye-laws

(3) Where the Central Registrar registers a multi-State co-operative society, he shall issue to the said society a certificate of registration signed by him and bearing his official seal containing registration number and date of registration of the said society. The Central Registrar shall also issue, along with the certificate of registration, a certified copy of the bye-laws, as approved and registered by him, which shall be the registered bye-laws of the said society for the time being in force

#### **5. Extension of period of registration of societies and bye laws etc. :-**

The Central Government may, on the report of the Central Registrar, allow such further period not exceeding six months for registration of.-

(i) the multi-State co-operative society under proviso to sub-section (3) of section 7;

(ii) the amendment of bye-laws of the multi-State co-operative society under proviso to sub-section (2) of section 9; and

(iii) the amendment of bye-laws extending the jurisdiction of the cooperative society under proviso to sub-section (2) of section 18

#### **6. Refusal of registration :-**

Where the Central Registrar refuses to register a Multi-State Co-operative society under sub-section (2) of section 7, he shall communicate the order of refusal together with reasons therefor to the person authorized under clause (e) of sub-rule (1) of rule 3 to the said society.

#### **7. Subject matter of bye laws :-**

The multi-State co-operative society may make bye-laws in respect of the following matters

(i) the name and registered address of the multi-State co-operative society and its branches;

(ii) the area of operation;

(iii) the objects for which the multi-state co-operative society is established and the purpose for which its funds may be applied;

(iv) the terms and qualifications for admission and withdrawal of membership;

(v) the privileges, rights, duties and liabilities of members including nominal members:

Provided that the nominal members shall not be entitled to any share in any form whatsoever in the assets or profits, of the multi-State cooperative society and shall not have a right to vote;

(vi) the consequence of default in payment of any sum due by members;

(vii) the procedure for withdrawal, removal or expulsion of members;

(viii) the manner in which and the limits up to which the funds of the society may be raised the maximum share capital which any member may hold and the purpose to which the funds may be utilized;

(ix) the mode of appointment and removal of the directors and other officers of the multi-State co-operative society and the duties and powers of the board;

(x) the mode of convening and conducting annual and special meetings of the general body and of the board, issue of notice and the business which may be transacted thereat:

(xi) the disposal of net profits;

(xii) the manner of making, altering and abrogating bye-laws;

(xiii) the powers, duties and functions of the Chairman or President and his removal on his losing support of the majority;

(xiv) the powers and duties of the Chief Executive in addition to these mentioned in Section 45;

(xv) the authorization of an officer or officers to sign documents and to institute and defend suits and other legal proceedings on behalf of the multi-State co-operative society;

(xvi) the mode of custody and investment of funds;

(xvii) the mode of keeping the accounts;

(xviii) the strength of the board;

(xix) the manner in which penalty may be levied on a member found guilty of breach of the bye-laws;

(xx) the appointment of a provisional board, wherever necessary;

(xxi) the manner of sending notices;

(xxii) the formation or use of reserve fund;

(xxiii) the purpose for which surplus if any shall be utilized in the event of the winding-up of the multi-State co-operative society;

(xxiv) the conduct of elections to the board and other bodies of a multi-State co-operative society including the number of members to be elected by different constituencies and appointment of returning officers; the procedure to be followed in case of withdrawal, ineligibility and death of members;

(xxv) the condition, if any, under which the transfer of share or interest of a member may be permitted;

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

(xxvii) the constitution and maintenance of various funds to be maintained under the provisions of the Act or rules;

(xxviii) the constitution of a representative general body consisting of delegates or members of the multi-State co-operative society and the method of election of such delegates to exercise the powers of the general body;

(xxix) the mode of conducting business such as manufacture, purchase, stocktaking and other allied matters;

(xxx) in the case of co-operative banks and multi-State thrift and credit societies.

a) the maximum loan admissible per member;

b) the maximum rate of interest on loans to members;

c) the conditions on which loans may be granted to members;

d) the procedure for grant of loans and advances and for the grant of extension of time and for repayment of such loans, advances, etc.;

e) the circumstances under which loans may be recalled

## **8. Amendment of bye laws :-**

(1) Amendment of the bye-laws of Procedure for a multi-State co-

operative society may be made by a resolution passed by a amendment of two-third majority of the members present and voting at general meeting of bye-laws the society

(2) No such resolution shall be valid unless notice of the proposed amendment has been given to the members of the multi-State co-operative society in accordance with bye-laws

(3) In every case in which a multi-State co-operative society proposes to amend its bye-laws, an application shall be made to the Central Registrar together with

(a) a copy of the resolution referred to in sub-rule(1);

(b) the particulars indicating the date of the general meeting at which the amendments were made, the number of days notice given to convene the general meeting, the total number of members of the date of such meeting, the number forming the quorum, the number of members present at the meeting, the number exercising the right of voting and the number voting for the amendment;

(c) a copy of the relevant bye-laws in force with the amendment proposed to be made together with reasons justifying such amendments;

(d) four copies of the text of the bye-laws as they would stand after the amendment signed by the officers duly authorised in this behalf by the board of the multi-state co-operative society;

(e) a copy of the notice given to the members of the multi-State cooperative society and the proposal to amend the bye-laws;

(f) a certificate signed by the presiding authority of the general meeting that the procedure specified in sub-rule (1) and sub-rule (2) and in the bye-laws has been followed; and

(g) any other particulars that may be required by the Central Registrar in this behalf

(4) Every such application shall be made within ninety days from the date of the general meeting at which such amendment was passed

(5) Where the Central Registrar refuses to register the amendment of the bye-laws of a multi-State co-operative society he shall pass an order of refusal together with the reasons therefor and communicate the same by registered post to the Chief Executive of the multi-State co-operative society desiring to convert itself into a multi-State co-operative society as per provisions of section 18

## **9. Maintenance of registration file by the society :-**

(1) Every multi-State co-operative society shall maintain at its registered address a registration file containing:

(a) the certificate of registration;

(b) the registered bye-laws;

(c) all registered amendments to the bye-laws along with the certificates of registration of amendments;

(d) a copy of the Act and the rules

(2) The registration file shall be kept open for inspection at all times during working hours to the Central Registrar or any other officer authorized by him or any member of the multi-State co-operative society

#### **10. Change in name of multi State co operative society :-**

(1) The name of a multi State co-operative society may be changed under section 11 so, however, that it does not refer to any caste or religion denomination and is not inconsistent with the objects of the multi-State co-operative society

(2) Every change in the name of the multi-State co-operative society shall be made by an amendment of its bye-laws

(3) After the change in the name is approved by the Central Registrar the multi-State co-operative society shall send original registration certificate for amendment to the Central Registrar who shall return the same to the multi-State co-operative society duly amended

#### **CHAPTER 3**

Members Of Multi State Co Operative Societies And Their Rights And Liabilities

#### **11. Conditions to be complied with for admission for membership :-**

(1) No person shall be admitted as a member of a multi- State co-operative society unless

(a) he has applied in writing in the form, if any, laid down by the multi-State co-operative society or in the form specified by the Central Registrar, if any, for membership;

(b) his application is approved by the board of multi-State cooperative society;

(c) he has purchased the minimum number of shares and paid the value thereof in full or in part in such calls as may be laid down in the bye laws of the multi-State co-operative society;



(d) he has fulfilled all other conditions laid down in the Act, rules and the bye-laws;

(e) in the case of a multi-State co-operative society or a co-operative society or the national co-operative society or any other corporation owned or controlled by the Government or any Government company or body of persons whether incorporated or not, the application for membership shall be accompanied by a resolution authorizing it to apply for such membership

(2) No person shall be eligible for admission as a member of a multi-State co-operative society if he

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

(b) has been adjudged by a competent court to an insolvent or an undercharge insolvent;

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

(3) Notwithstanding anything contained in these rules or the bye-laws of the Multi-State Co-operative Society, if a member becomes or has already become subject to any disqualification specified in sub-rule (2), he shall be deemed to have ceased to be a member of the society from the date when the disqualification was incurred

(4) No individual being a member of a primary level multi-State cooperative society or a multi-State urban co-operative bank, shall be the member of any other Multi-State Co-operative Society or co-operative society of the same class without the general or special permission of the Central Registrar and where an individual has become a member of two such co-operative societies aforesaid, then either or both of the societies shall be bound to remove him from membership on written requisition from the Central Registrar to that effect

(5) No multi-State co-operative society shall admit members within thirty days prior to the date of the meeting of its general body

## **12. Individual members in the National Co operative Union of India :-**

The ex-Presidents of the National Co-operative Union of India Limited, New Delhi who have served their full term of office and other individuals not exceeding 15 in number with the knowledge and experience in the field of co-operation may be admitted as members of

the National Cooperative Union of India Limited, New Delhi, provided that: The ex-President and other individual admitted as members shall not be eligible to vote or contest in any election in National Co-operative Union of India Limited.

**13. Refund of Shares :-**

The total refund of share capital of a multi-State co-operative society in any co-operative year shall not exceed 10 percent of the paid-up share capital of the Multi-State Co-operative Society on the last day of the co-operative year immediately preceding.

**14. Nomination of their share or interest :-**

(1) For the purpose of transfer of his share or interest under sub-section (1) of section 27, a member of a multi-State co-operative society may nominate a person to whom in the event of his death, his share in interest shall be transferred. Such member may, from time to time, revoke or vary such nomination

(2) A nomination made by a member shall not be valid and shall not in the event of death of the member have effect unless,-

(a) it is made in writing and is signed by the member in the presence of two witnesses attesting the same;

(b) it is recorded in the books of multi-State co-operative society, kept for the purpose

**15. Procedure of ascertaining the value of share or interest of a member :-**

Where the member of a multi-State co-operative society ceases to be a member thereof, the sum representing the value of his share or interest in the capital of the multi-State co-operative society to be paid to him or his nominee, or heir or legal representative, as the case may be, shall be ascertained in the following manner, namely

(i) In the case of a multi-State co-operative society with unlimited liability, it shall be the actual amount received by the multi-State cooperative society in respect of such share or interest;

(ii) In the case of a multi-State co-operative society with limited liability it shall be the amount arrived at by the valuation based on the financial position of such society is shown in the last audited balance sheet preceding cessation of membership:

Provided that the amount so ascertained shall not exceed the actual amount received on the multi-State co-operative society in respect of such share or interest

**16. Restriction on holding of shares :-**

No member referred to in clauses (a) and (b) of sub-section (1) of section 19 shall hold more than one-fifth of the share capital of the multi-State co-operative society or have or claim any interest in the shares of the multi State co-operative society exceeding ten thousand rupees, whichever is less.

**17. Shares not to be hypothecated :-**

The shares of a multi-State co-operative society shall not be hypothecated to that society or any other multi-State co-operative society by the members as a security for a loan.

**18. Prohibition on admission of members and transfer of shares on the eve of general meeting :-**

(1) No multi-State co-operative society shall admit members or approve the transfer of shares within thirty days prior to the date fixed 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 vote at the said general meeting

**19. Disqualification of defaulting member :-**

A member of a multi-State co-operative society or a representative of defaulting member society shall not be eligible to seek election to any office in, or continue, as a member of board of such multi-state co-operative society, if he or the society of which he is the representative, commits default in the payment of annual subscription or other sums due to such multi-state co-operative society, shall forfeit the right to hold such office with effect from the date on which he, or the society of, which he is the representative, becomes defaulter as per bye-laws of the multi-State co-operative society or as determined by the board of directors of the multi-State co-operative society.

**CHAPTER 4**

Direction And Management Of Multi State Co operative Societies

**20. Annual General Meeting :-**

Every multi-State co-operative shall hold the annual general meeting of its members (referred to in Section 30) within six months of the close of the co-operative year.

**21. Constitution of smaller general body :-**

(1) Without prejudice to the provision of sub-section (3) of Section 29, a multi-State cooperative society with a membership exceeding one thousand may provide in its bye-laws for the constitution of a smaller

general body. The smaller general body so constituted shall exercise such powers as may be specified in the bye-laws of the multi-State co-operative society

(2) The bye-laws of such society may specify the principle or the basis for constitution of a representative general body and procedures thereto

## **22. Interim board and general meeting for first election :-**

(1) The board of directors selected by the applicants for the registration of the multi-State co-operative society shall hold office till the directors are elected in the first general meeting of the multi-State co-operative society

(2) The first general meeting for this purpose shall be held within six months of the registration of the multi-State co-operative society

## **23. Notice for general meeting :-**

(1) Annual general meeting of a multi-State co-operative society may be called by giving not less than fourteen days notice in writing

(2) Special general meeting of a multi-State co-operative society may be called by giving not less than seven days notice in writing

(3) When a general meeting is called by the Central Registrar under the second proviso to sub-section (1) of Section 30, he may determine

(i) the period of notice of such meeting which shall not be less than seven days,

(ii) the time and place of such meeting, and

(iii) the subjects to be considered in such meeting, The central registrar or any person authorised by him may preside over such meeting

(4) The notice of general meeting shall be accompanied by a copy each of the audited balance sheet, profit and loss account, together with the auditor's report thereon, relating to the preceding year and the report ;of the board

## **24. Quorum at a general meeting :-**

(1) Unless otherwise provided in the bye-laws, the quorum for a general meeting shall be one-fifth of the total number of members of the multi-State co-operative society

(2) No business shall be transacted at any general meeting unless there is a quorum at the time when the business of the meeting is due to commence

(3) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned:

Provided that a meeting which has been called on requisition of the members shall not be adjourned but dissolved

(4) If at any time, during the meeting sufficient number of members are not present to form the quorum, the Chairman or the member presiding over the meeting on his own, or on his attention being drawn to this fact, shall adjourn the meeting and the business that remains to be transacted at this meeting, if any, shall be disposed of in the usual manner at the adjourned meeting

(5) Where a meeting is adjourned under sub-rule (3) or sub-rule (4), the adjourned meeting shall be held either on the same day or on such date, time and place as may be decided by the Chairman or the member presiding over the meeting

(6) No business shall be transacted at any adjourned meeting other than the business on the agenda of the adjourned meeting

(7) No quorum shall be necessary in respect of an adjourned general meeting

## **25. Voting in general meeting :-**

(1) All resolutions which are put to vote at the general meeting shall be decided by a majority of the members present and voting unless otherwise required under Act, these rules or the bye-laws of the multi-State co-operative society. Voting shall be by show of hands unless a poll is demanded by atleast ten members present at the meeting. If no poll is demanded, declaration by the Chairman/President of such meeting that a resolution has been carried or lost and an entry to that effect in the minutes of the proceedings shall be conclusive proof of the fact that such resolution has been duly carried or lost

(2) If a poll is demanded, the votes shall be taken by ballot as may be decided by the Chairman of the meeting unless otherwise specified in the bye-laws in this behalf, and the result of the poll shall be deemed to be the decision of the general meeting regarding the resolution over which the poll is demanded

(3) Where a poll is taken the number of members voting for or against a resolution shall be recorded in the minutes of the proceedings

(4) In the case of equality of votes whether on a show of hands or on a poll, the Chairman of the meeting at which show of hands takes place or the poll is taken, shall have a second or casting vote

**26. Minutes of the general meeting :-**

Minutes of the proceedings of the general meeting shall be entered in a minutes book kept for the purpose and shall be signed by the Chairman of the meeting. The minutes so signed, shall be an evidence of the correct proceedings of that meeting.

**27. Procedure for conduct of elections :-**

(1) Notwithstanding anything contained in these rules, and without prejudice to the generality of the powers of the Central Government under sub-section (1) of Section 35, the election of the members of the board of directors of the national cooperative society specified in the Second Schedule to the Act and such other multi-State co-operative society or class of multi-State co-operative society or class of Multi-State Co-operative Societies as the Central Government may, by general or special order, notify, shall be conducted by such returning officer or officers as may be appointed by the Central Registrar in this behalf. The election in such societies shall be conducted in the manner specified in Schedule

(2) Notwithstanding anything contained in sub-rule (1) where a requisition to appoint a returning officer to conduct an election is received from not less than 1/5 of the total number of members eligible to vote in a multi-State co-operative society sixty days in advance of the date for election, the Central Registrar shall appoint a returning officer to conduct election in the manner specified in the Schedule

**28. Election of office bearers :-**

As soon as the members of the board have been elected, the returning officer referred to in sub-rule (1) of Rule 27, or the person presiding over the general meeting, as the case may be, shall, notwithstanding anything contained in the bye-laws of the multi-State co-operative society specifying the period of notice, convene a meeting of the newly elected members of the board for the purpose of election of the President/Chairman, Vice-President/Vice-Chairman or other elected officebearers of the society, by whatever name they are called. Such a meeting of the board shall not be conducted unless a majority of the number of members of the newly constituted board, as per by-laws, present.

**29. Custody of record of elections conducted :-**

After declaration of the result of election, the returning officer, (referred to under sub-rule (1) of Rule (27) or the Chairman of the meeting, as the case may be, shall hand over the ballot papers and records, if any, relating to the election of the members of the board of directors and the office-bearers to the Chief Executive of the multi-State co-operative

society in sealed cover. They shall be preserved by the Chief Executive of the society for a period of six months from the date of election or till such time a dispute or an appeal thereof regarding elections, if any, is disposed of, whichever is later, and shall thereafter be destroyed.

**30. Restrictions and conditions for payment of honorarium to the Chairman and the President :-**

A multi-State co-operative society may provide in its bye-laws for the payment of honorarium to the elected Chairman or President of the board of directors. Out of profits, in respect of specific services rendered by him, on such scale as may be laid-down in the bye-laws of such society, but in no case exceeding the limit and terms and conditions hereunder referred to:

- (a) that the society's financial position is sound;
- (b) that for its recurring expenses it does not depend on grants or subsidies from the Central Government or the State Government; and
- (c) that the honorarium to be paid, ;whether as a consolidated amount or in the shape of daily allowance in respect of the days of halt at the headquarters, in addition to the sitting fees in respect of the board meetings as and when such meetings are held, is limited to rupees twenty-five thousands per year

**31. Central Government or State Government nominees on the board :-**

(1) Where the Central Government or the State Government has subscribed to the share capital of a multi-State co-operative society, or has guaranteed the repayment of principal and payment of interest on debentures issued by such society, or has guaranteed the repayment of principal and payment of interest on loans and advances to such society, or has provided grant or subsidy to such society, the Central Government or the State Government, as the case may be, or any other person authorized by the Central Government or the State Government, shall have the right to nominate on the board such number of persons not exceeding 3 or 1/3rd of the total number of members thereof, whichever is less

(2) Notwithstanding anything contained in these rules, the bye-laws of a multi-State co-operative society may provide for the nomination by the Central or State Government of persons in excess of the limits referred to in sub-rule (1)

**32. Additional measures and acts to be undertaken by the board :-**

The board may take any of the measures or do any of the acts

mentioned below as may be necessary or expedient for the purposes of carrying out its functions under the Act and the rules made thereunder:

- (i) placing before the general body the annual report and the audit report;
- (ii) recommending the distribution of profits to the general body;
- (iii) taking decisions on matters relating to withdrawals, transfer, retirement, refund or forfeiture of shares;
- (iv) purchasing, selling, or otherwise acquiring or disposing of movable property of such value as may be specified in the by-laws;
- (v) laying down criteria for determining default by members;
- (vi) determining the terms and conditions of collaboration with other co-operative societies and others;
- (vii). sanctioning of contracts of any values, unless otherwise specified in the bye-laws of a multi-State co-operative society;
- (viii) appointment of trustee or trustees, attorney or attorneys, agent or agents for the business of the multi-State co-operative society;
- (ix) acceptance or rejection of resignation from the members of the board

### **33. Meeting of the board :-**

- (i) The board shall meet at least once in every quarter, provided that the total number of the meetings of the board shall not ordinarily exceed six in a year:

Provided further that this provision will not apply to multi-state thrift and credit societies

- (ii) The meeting of the board of the multi-State co-operative society shall ordinarily be held at the registered office of such society

### **34. Committees of the board :-**

- (i) The board of a multi-State cooperative society may constitute an Executive Committee or other committees or sub-committees as may be considered necessary
- (ii) Besides the Executive Committee, the number of other committees or sub-committees referred to in sub-section (1) of section 46 shall not exceed two:

Provided that the board may with the approval of the Central Registrar constitute more than two Committees



**35. Constitution of National Co operative Societies Selection Committee :-**

(1)

(i)	The Secretary to the Government of India, Department of Agriculture and co <sub>operation</sub>	Chairman;
(ii)	The Additional Secretary to the Government of India,	Member;

	<p>Department of <small>Agriculture</small> and <small>Co-</small> <small>operation,</small> dealing with co- operation.</p>	
(iii)	<p>Chairman of two national co-operative societies to be nominated by the Central Government</p>	<p>Member;</p>
(iv)	<p>One expert in the</p>	<p>Member;</p>

	management to	
(v)	<div>be nominated by the Central Government</div> <div>Director,</div> The Managing National Cooperative Development Corporation	Member;
(vi)	Central Societies Registrar of Co-operative	Member Secretary.

(2) The selection Committee shall prepare a list of persons eligible for appointment to the post of the Chief Executive and other managerial posts in the national co-operative societies, the maximum pay-scale of which exceeds rupees four thousand per month in the manner hereinafter provided

(3) The Central Registrar shall, on the requisition received from the national co-operative society, convene the meeting of the Selection Committee for the purpose of preparation of list for the appointments to the post or posts for which the requisition has been received

(4) The Selection Committee shall,

(a) take appropriate steps to advertise, circulate or otherwise call for the names for the posts referred to in sub-rule(2);

(b) screen the names received and prepare list of persons, after interview if necessary, suitable for appointment for the said posts in order of merit and forward it to the Central Government for its onward transmission to the concerned national co-operative society:

Provided that in the case of the existing Chief Executive or persons employed in ;other managerial posts in the national co-operative society on the date of the coming into force of these rules, who are in regular employment of the society, no such reference to the Selection Committee will be necessary:

Provided further that in the case of the Chief Executives or persons employed in other managerial posts who are on deputation with the national co-operative society on the date of the enforcement of these rules, a reference to the Selection Committee shall be necessary on the expiry of the terms of deputation of such Chief Executive or persons

(5) The national co-operative society shall appoint the persons to the post of the Chief Executive and other managerial posts mentioned in sub-rule (2) from the list of persons recommended by the Selection Committee

(6) The Selection Committee may co-op. two experts at the time of selection of persons according to the requirements of posts or category of posts for which the list of persons is to be prepared

#### CHAPTER 5

#### Settlement Of Disputes

### **36. Procedure in proceedings before Central Registrar :-**

(1) A reference to the Central Registrar of any dispute under Section 74 shall be in writing. Every such reference shall be accompanied with a fee of rupees ten for the money claims not exceeding rupees one thousand and rupees fifty in all other cases

(2) On receipt of a reference under sub-rule (1) the Central Registrar may elect to decide the dispute himself or refer it for disposal to any other person who has been invested with powers of the Central

## Registrar under Section 76 by the Central Government

(3) The Central Registrar or other person deciding the dispute shall record a brief note of the evidence of the parties and witnesses who appear before him and upon the evidence so recorded and after consideration of any documentary evidence produced by the parties, a decision shall be given in accordance with justice, enquiry and good conscience by the Central Registrar or other persons deciding the dispute. The decision given shall be in writing. In the absence of any party duly summoned to attend, the dispute may be decided ex-parte decision may, on sufficient cause for non-attendance being shown, be set aside by the Central Registrar or other person deciding the dispute, and the dispute ordered to be re-taken on the register of disputes and disposed of:

Provided that no application for setting aside an ex-parte decision shall lie unless made within thirty days from the date of such decision and the party for whose non-attendance such decision was made had been duly served with the notice, or in other cases within thirty days from the date of knowledge of such decision having been made

(4) The decision shall be communicated to the parties by,

(i) Pronouncement of the decision; or

(ii) registered post to any party which may be absent on the date the decision is given

(5) The Central Registrar or the person deciding the dispute, shall have power to appoint or remove a guardian for the party to the dispute, if any such party is a minor or a person with unsound mind or mental infirmity and is incapable of protecting his interests

(6) A duly certified copy of the decision shall, on application, be given to the parties to the dispute by the Central Registrar or the person deciding the dispute, on payment of copying charges at the rate of rupee one per page

### CHAPTER 6

#### Appeals And Revisions

### **37. Appeals against order of Central Registrar :-**

For the purpose of clause (a) of sub-section (2) of Section 90 of the Act, an appeal against any decision or order shall be made if the decision or order was made by

(a) the Central Registrar appointed under sub-section(I) of Section 4 of the Act, to [the Special Secretary or Additional Secretary to the Government of India whosoever looks after Co-operation, in the

## Department of Agriculture and Co-operation

(b) any officer of the Central government or any officer of the State Government of the rank of Registrar on whom powers of the Central registrar have been conferred under sub-section (2) of Section 4 of the Act, to the Additional Secretary to the Government of India in the Department of Agriculture and Co-operation;

(c) any other officer of the State Government on whom powers of Central registrar have been conferred under sub-section (2) of Section 4 of the Act, to the Chief Director (Co-operation) in the Ministry of Agriculture and Co-operation

### **38. Procedure regarding appeals and application for revision :-**

(1) An appeal under sub-section (2) of Section 90 or an application for revision under Section 92 shall be either presented in person or sent by registered post to the appellate or revising authority

(2) The appeal or the application for revision shall be in the form of a memorandum and shall be accompanied by the original or certified copy of the order appealed from or sought to be revised

(3) Every appeal or application for revision shall

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

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

(c) set forth concisely and under distinct head the grounds of objection to the order appealed from or sought to be revised together with a memorandum of evidence;

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

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

(4) Where,

(a) an appeal under sub-section (2) of Section 90 is preferred after the expiry of sixty days specified in the said sub-section, or

(b) an application for revision under sub-section (1) of Section 92 is made after the expiry of ninety days from the date on which the application relates is communicated to the applicant, it shall be accompanied by a petition supported by an affidavit setting forth the facts on which the appellant or the applicant relies to satisfy the

appellate or revising authority that he had sufficient cause for not preferring the appeal of the application for revision within the period mentioned in clauses (a) and (b)

(5) On receipt of the appeal or the application for revision, the appellate or revising authority shall as soon as possible examine it and ensure that

(a) the person presenting the appeal or the 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 application 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 appellate or revising authority may, before passing orders under section 90 or under section 92 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 appellate or 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 and the information obtained from the subordinate officer

(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) Every order of the appellate or revising authority under subsection (2) of section 90 or 92 shall be in writing and it shall be communicated to the appellant or applicant and 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 of the application for revision was made

### **39. Application for Review :-**

(1) Every application under section 93 shall be in the form of a

memorandum setting forth concisely and under distinct heads the new and important fact which after the exercise of due diligence, were not then within the knowledge of the applicant or could not be produced by him when the order was made or mistake or errors apparent on the face of the record or other reasons on the basis of which review is sought. It shall be accompanied by a memorandum of evidence

(2) The application shall be accompanied by the original or a certified copy of the order to which the application relates

(3) No application for review shall be entertained unless it is accompanied by such additional number of copies as there are parties to the original order

(4) The application shall, so far as it may be necessary, be disposed of by the appellate authority in such manner as may be deemed fit, provided that no order prejudicial to any person shall be passed unless such person has been given an opportunity of making his representation

SCHEDULE 1  
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