

Salient features of U.P. Coop Societies Act 1965

Registrar- The State Government may appoint a person to be the Registrar of Co-operative Societies for the State

Registration- if the Registrar is satisfied- that the application complies with provisions of this Act and the rules the Registrar shall register the society and its bye-laws;

Co-operative societies to be bodies corporate- the registration of a society shall be render it a body corporate by the name under which it is registered, having perpetual succession and a common seal, and with power to hold property, enter into contracts, institute and defend suits and other legal proceedings and to do all things necessary for the purpose of which it was constituted.

Amendment of bye-laws of a co-operative society- a Co-operative society may, subject to the provisions of this Act and the rules can amend its bye-laws.

Amalgamation and merger of co-operative societies- Any two or more co-operative societies may, after duly informing the Registrar, at their respective ordinary general meetings, called for the purpose resolve to amalgamate into one society or to merge into any one of them.

Division of co-operative societies. any co-operative society may, after duly informing the Registrar, at the general meeting called for the purpose resolve to divide itself into two or more societies.

Persons who may be members of a co-operative society – No person shall be a member of a co-operative society except the following

- 1- An individual who is of the age of the majority and who is of sound mind and is not disqualified from contracting
- 2- Any other co-operative society
- 3- State Government
- 4- Central Government

Vote of members-A member of a co-operative society shall, notwithstanding the quantum of his interest in the capital of the society, have one vote in the affairs of the society.

Admission to and withdrawal from membership - A person may be admitted as a member of a co-operative society subject to the provisions of this Act the rules and the bye-laws. A member of a cooperative society may withdraw from the membership of the society.

Universal membership for primary agricultural credit society –Any individual who is qualified for admission to membership under the provisions of this Act, the rules and the bye-laws and makes an application in the manner prescribed, for membership of a primary agricultural credit society shall be deemed to have been admitted to the membership of such society from the date of receipt of such application in the office of the society.

Removal or expulsion of a member by a society or the Registrar A co-operative society may, by resolution, remove or expel a person from it membership.

Final authority in co-operative society –Subject to the provisions of this Act and the Rules, the final authority of a co-operative society shall vest in the general body of its members in general meeting

Committee of Management –The management of every co-operative society shall vest in a Committee of Management constituted in accordance with this Act, the rules and the bye-laws,

Chairman- Every co-operative society shall have a Chairman and Vice-Chairman elected, nominated or appointed in accordance with the provisions of this Act, the rules and the bye laws.

The Secretary, his emoluments and functions –There shall be a Secretary of every co-operative society, to be appointed and removable by the society

Annual general meeting – A meeting of the general body of a co-operative society shall be held, once in a co-operative year within such period as may be prescribed

Removal of an officer of a co-operative society – if in the opinion of the Registrar, any officer of a co-operative society has contravened or omitted to comply with, any provisions of this Act, the rules or the bye-laws of the society, or has forfeited his right to hold office, the Registrar may, without prejudice to any other action may or can be taken against him call upon the society to remove, within a specified period, whereupon the society shall pass such orders. On the failure of society to take action the Registrar may remove or remove and disqualify the officer from holding any office under that society.

Promotion of co-operative movement by Government- it shall be the duty of the State Government to encourage and promote the co-operative movement in the state and to take such steps in the direction as may be necessary.

Other forms of State aid to co-operative societies – The State Government may give loans or make advances to co-operative societies.

Audit - The Registrar, or any other person appointed by the State Government, shall audit or cause to be audited at least once in each co-operative year.

Inquiry by Registrar The Registrar may, of his own accord, himself, or by a person authorized by him by order in writing hold an enquiry into the constitution, working and financial condition of a co-operative society.

Surcharge If in the course of an audit, inquiry, inspection or the winding up of a co-operative society it is found that any person, who is or was entrusted with the organization or management of such society or who is or has at any time been an officer or an employee of the society, has made or caused to be made any payment contrary to this Act, the rules or the bye-laws or has caused any deficiency in the assets of the society by breach of trust or willful negligence or has misappropriated or fraudulently retained any money or other property belonging to such society, the Registrar of his own motion or on the application of the committee, liquidator or any creditor, inquire himself or direct any person authorized by him by an order in writing in this behalf to inquire into the conduct of such person. Where an inquiry is made the Registrar may make an order of surcharge requiring him to restore the property or repay the money as the Registrar may consider just and equitable.

Registrar's power to order remedying of defects – If as a result of audit held an inquiry an inspection, the Registrar is of opinion that the society is not working on sound lines,

or its management is defective he may, without prejudice to any other action under this Act, make an order directing the society or its officers to take such action not inconsistent with this Act, Rules and the bye-laws as may be specified in the order to remedy the defects within the time specified therein.

Disputes which may be referred to arbitration Notwithstanding anything contained in any law for the time being in force, if any dispute relating to the constitution, management or the business of a cooperative society other than a dispute regarding disciplinary action taken against a paid servant of a society arises such dispute shall be referred to the Registrar. On receipt of a reference the Registrar may refer it for decision to an arbitrator appointed by him

Winding up of co-operative societies If the Registrar, after an inquiry has been held, or an inspection has been made, or on receipt of an application made by not less than three fourth of the members of a co-operative society, is of the opinion that the society ought to be wound up, he may pass an order directing it to be wound up.

Liquidator - Where the Registrar has made an order for the winding up of a co-operative society, he may appoint a person to be liquidator for the purpose and if necessary fix his remuneration

Enforcement of Charge- The Registrar or any other gazetted officer subordinate to him and authorized by him in this behalf may, on the application of a co-operative society and on being satisfied of the existence of the debt or outstanding demand made an order directing the payment of such debt or outstanding demands due to the society by

any member or past or deceased member, by sale of property or any interest therein.

Execution of certain orders and awards – Every award made and capable of execution in the manner provided below, and every order so capable of execution made by the Registrar, if not carried out be executed.

Appeal against the awards, orders and decisions – An appeal against an order, decision or award to be appealed against will be preferred to the authority concerned in the Act.

Review of order of appellate authority – The appellate authority may on the application of any party, review its order in any case and pass in reference thereto such order as it thinks fit.

Finality of orders and decisions – Every award and every order where no appeal has been preferred against such award and every decision in appeal under the said sections, shall be final and binding on the parties concerned and shall not be questioned in any Court.

Offences and penalties under the Act - it shall be an offence under this Act, if a Committee of Management of a co-operative society or a member or an officer thereof fails without reasonable cause to submit any return, report or information required under the provisions of this Act by the Registrar or by a person of a rank not below that specified by the state government duly authorized by the Registrar in this behalf, or willfully makes a false return or furnishes false information or fails to maintain proper account.

Powers of Registrar to direct amalgamation or merger of co-operative societies – Where in the opinion of the

Registrar amalgamation or merger of two or more co-operative societies is necessary or desirable for increasing their strength or usefulness, he may, notwithstanding anything to the contrary contained in this Act, after consulting the financing bank, if any, to which the societies are indebted, call upon such societies by order in writing, to amalgamate or merge, within such time as may be specified by him, into one society, and thereupon the societies shall take all such steps.

Power of Registrar to direct division of a co-operative society into two or more co-operative societies – Where in the opinion of the Registrar it is essential in public interest or in the interest of the co-operative movement, or desirable for the purpose of securing better management of a co-operative society, that any co-operative society should be divided to form two or more societies, he may, notwithstanding anything to the contrary contained in this Act, after consulting the financing bank, if any, to which the society is indebted, call upon such society by order in writing to divide itself into two or more societies with such constitutions, assets, liabilities, rights, duties and obligations as may be specified in the order and thereupon the society shall take all such steps as may be necessary.

Writing off of non-recoverable assets – A co-operative society may, with the previous approval of the Registrar, write off such of the assets as are bad and cannot be recovered.

Power to remove difficulties – The State Government may from time to time, by notification make such incidental and consequential order as may appear to it to be necessary or desirable for the removal of any difficulty in any matter

relating to elections under the provisions of this Act or rules made there under.