

(Authoritative English text of this Department notification No. Coop-A(3)-2/2020 dated 03-08-2021 as required under clause (3) of article 348 of the Constitution of India).

**Government of Himachal Pradesh
Cooperation Department**

No. Coop.-A(3)-2/2020

Shimla-02 03-08-2021

NOTIFICATION

Whereas, the draft Himachal Pradesh Cooperative Societies Rules, 1971, were published in the Rajpatra Himachal Pradesh (extra ordinary) on 26.06.2021 vide Government notification No. Coop-A(3)-2/2020 dated 22.06.2021 for inviting objections and suggestions from the persons likely to be affected thereby as required under Section 109 of the Himachal Pradesh Cooperative Societies Act, 1968 (Act No 3 of 1969);

And whereas objections/suggestions received from the persons likely to be affected thereby within the specified period have been considered by the Government.

Now, therefore, in exercise of the powers conferred by the Section 109 of the Himachal Pradesh Cooperative Societies Act, 1968 (Act No. 3 of 1969), the Governor of Himachal Pradesh is pleased to make the following rules; namely:-

DRAFT RULES

Short title and commencement

1. (1) These rules may be called the Himachal Pradesh Cooperative Societies (Amendment) Rules, 2021.
- (2) They shall come into force from the date of their final publication in the Rajpatra (e-Gazette) Himachal Pradesh.

Amendment of rule 2

2. **In rule 2 of the Himachal Pradesh Co-operative Societies Rules, 1971, (hereinafter referred to as the 'said rules') after clause (xxviii), the following shall be inserted, namely:-**

“(xxix) “Principles of the Social Justice” means availability of equal social opportunities, access and participation to all the people in the society for the development of their personality without any discrimination on the basis of caste, sex or race”.

- Substitution of rule 5** 3. For rule 5 of the said rules, the following shall be substituted, namely:-
 "If the aims of a proposed society are not contrary to the provisions of the Act and the rules made there under and are not inconsistent with the principles of Social Justice, the Registrar on receipt of an application for registration of such cooperative society, shall register the society, and its bye-laws, either manually or electronically, containing its full postal address. A certificate of registration containing registration number, the date of registration, and the registered name, and address of the society shall be issued to the society along with a copy of the registered bye-laws, either manually or electronically".
- Substitution of rule 83** 4. For rule 83 of the said rules, the following shall be substituted, namely:-
 "83. Date of audit- The audit of every society shall be completed within six months from the close of a co-operative year to which the accounts relate".
- Insertion of rule 83 A** 5. After rule 83 of the said rules, the following rule shall be inserted, namely:-
 "83-A. Qualifications, experience, manner of preparation of the panel of auditors and authorization thereof:- (1) For the purpose of section 61 of the Act, the qualification and experience of the auditors for being included in the panel duly notified by the Government shall be as under:-
- (a) a person who is a Chartered Accountant within the meaning of the Chartered Accountants Act, 1949 and is holding a valid certificate of practice within State of Himachal Pradesh.
 - (b) a firm of more than one Chartered Accountants within the meaning of the Chartered Accountants Act, 1949 having its head office within the State of H.P.
 - (c) the certified auditors empanelled by the Registrar under self employment scheme for the unemployed youth of the State.

- (d) the retired Officers, including the District Audit Officers, the District Inspectors and the Inspectors of the Cooperation Department of the State Government; and
- (e) the Additional Registrars, the Joint Registrars, the Deputy Registrars, the Assistant Registrars, the District Audit Officers, the District Inspectors and the Inspectors of the Co-operation Department of the State.

(2) The Registrar shall prepare and maintain the panel of auditors after its approval and notification by the State Government from time to time, in the following manner,-

- (a) the Registrar shall call applications before the specified date as declared in the notice for empanelment from eligible auditors by a public notice to be displayed on the official website of the department and in any other mode, if required. Such notice shall also be published on the notice board of the office of the Registrar, Deputy Registrar and the Assistant Registrar;
- (b) every applicant shall submit only one application to the office of the Registrar or to the concerned Assistant Registrar, where he ordinarily resides;
- (c) applications received by the Registrar or the Assistant Registrar shall be scrutinized by them and after scrutiny, the Assistant Registrar shall submit list of eligible applicants to the Registrar along with their applications and documents. The Registrar may also scrutinize the applications recommended by the Assistant Registrar and thereafter, shall submit the list of eligible applicants to the State Government for approval and notification of the panel thereof.
- (d) the Registrar shall cause to display the approved list of auditors panel on the official website of the Department; and

(c) the Registrar may also classify the societies and auditors for the purpose of audit.

(3) Every cooperative society shall, at each annual general meeting, approve the auditor from the panel notified by the State Government under sub-rule (2) to conduct the audit of accounts of the society:

Provided that no auditor shall be engaged to conduct the audit of a cooperative society for more than two consecutive years:

Provided further that, the society shall not approve the name of such auditor, who is a member of that society.

(4) Every cooperative society shall, within seven days of the approval of the auditor, except the Government Officer or Official, give appointment and intimation thereof to every auditor so appointed:

Provided that in the case of approval of Government Officer or Official as an auditor, the cooperative society shall, within seven days of such approval, request the Registrar to give appointment to such auditor.

(5) Every auditor, except the Government Officer or Official, appointed under sub-rule (4) shall, within thirty days of the receipt from the cooperative society of the intimation of his appointment, inform the Registrar in writing that he has accepted or refused to accept the appointment:

Provided that, no auditor shall accept audit of more than twenty societies for audit in a financial year excluding societies having paid up share capital of less than rupees one lakh.

(6) The criteria for removal of the name of auditor, except the Government Officer or Official, from the panel shall be as follows, namely :-

- (a) non-submission of audit report as specified in section 63, to the society and the Registrar within the period of ten days from the date of completion of audit and in any case before the issuance of notice of the general body meeting;

- (b) non-disclosure of the true and correct picture of accounts as specified in sections 62 and 63;
- (c) after giving consent for audit by the auditor and after issuance of order of appointment of auditor, audit is not completed within stipulated period as specified in appointment letter or section 62;
- (d) non-submission of specific special report stating that, any person is guilty of any offence relating to the accounts or any other offences within a period of fifteen days from the date of submission of audit report to the society and the Registrar;
- (e) failure to file special report to the Registrar if any;
- (f) failure to file the First Information Report, if required thereof;
- (g) if on the scrutiny of audit note or in the special audit it is found that the auditor is responsible for any commissions or omissions during discharge of his duties as an auditor which are detrimental to the interest of that society;
- (h) if the auditor is a member of the society and has conducted the audit of the same society; or
- (i) if the auditor has conducted audit, without appointment order issued by the society with the prior approval of general body or the Registrar, if any, as the case may be".

**Amendment
of rule 84**

6. In rule 84 of the said rules, for sub-rule (3), the following shall be substituted, namely:-

“(3) If the Government Officer or Official has conducted audit of a society, the audit fee assessed under sub-rule (1) shall be deposited by the society in the Government treasury within a period of one year after the close of cooperative year for which it was assessed:

Provided that if the audit of a society is conducted by an auditor other than the Government Officer or official, the audit fee assessed under sub-rule (1) shall be paid by the society to such auditor as remuneration in the manner provided under sub-rule (4) to (7).

(4) After submission of audit report to the society and the Registrar, remuneration equivalent to the audit fees assessed and fixed by the Registrar from time to time under sub-rule (1) shall be paid by the society to the auditor, other than the Government Officer or Official, who has conducted audit of the society.

(5) When auditor is appointed by the Registrar on his own as per sub-section (5) of section 61, remuneration of such auditor shall be at rates as per sub-rule (1).

(6) If the Registrar, orders special audit of a society after recording reasons thereof, shall specify remuneration payable to such auditors as per sub-rule (1).

(7) When special audit is requisitioned by members of society, the remuneration of auditor shall be as per sub-rule (1):

Provided that, when such special audit is requisitioned by the members of the society, the remuneration of auditor shall be deposited by members of such society with the Registrar, prior to commencement of such audit:

Provided further that, if it is found in the special audit, that the appointed auditor has not conducted audit as per the auditing standards and norms as notified from time to time and if it is proved that he is negligent in performing audit of the society and he has not detected fraud, mis-utilisation of funds, inadequate provisioning, resulting into loss or profit to the society, then audit fees shall be recoverable as per sub-section (1) of section 90 of the Act, from the said auditor who had conducted the audit and same shall be refundable, to the society and remuneration of special audit shall be refundable to the members demanding special audit. The said auditor shall also be subject to action under sub clause (g) of sub - rule (6) of rule 83 (A) :

Provided also that, nothing in the preceding proviso shall apply to the Government Auditors.

By order

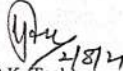
(Akshay Sood)
Secretary (Co-operation) to the
Govt. of Himachal Pradesh.

No. Coop. A(3)-2/2020,
Copy forwarded to:

Dated Shimla-2,

03-08-, 2021

1. The Secretary to the Governor , Himachal Pradesh, Shimla-171002.
2. Private Secretary to the Hon'ble Chief Minister, Himachal Pradesh, Shimla-171002.
3. Private Secretary to the Hon'ble Cooperation Minister, Himachal Pradesh, Shimla.
4. All the Secretaries to the Government of Himachal Pradesh.
5. The Secretary, H.P. Vidhan Sabha, Shimla-171004.
6. The LR-cum- Pr. Secretary (Law) to the Government of Himachal Pradesh.
7. All the Head of the Departments, Himachal Pradesh.
8. The Registrar, H.P. High Court Shimla-171001.
9. The Registrar Cooperative Societies, Himachal Pradesh Shimla-171009 with request to upload this notification on official website.
10. The DLR-cum-Deputy Secretary (Law) Himachal Pradesh Shimla-2.
11. The Controller, Printing and Stationary, Shimla-171005 for immediately publication in the Rajpatra (e-Gazette) (Extra-Ordinary).
12. All the Deputy Commissioner, Himachal Pradesh
13. The Additional Registrar, Cooperative Societies, Dharamshala, District Kangra, H.P.
14. All the Additional /Joint/Deputy/Assistant Registrar Cooperative Societies, H.P.
15. Guard file.


(P.K. Taak)

Deputy Secretary (Cooperation) to the
Government of Himachal Pradesh

हिमाचल प्रदेश सरकार
सहकारिता विभाग

संख्या :- कूप-ए(3)-2/2020

तारीख, शिमला-2,

03-08-2021

अधिसूचना

हिमाचल प्रदेश कोऑपरेटिव सोसाइटीज नियम, 1971, को प्रारूप तारीख 26.06.2021 के राजपत्र (असाधारण) हिमाचल प्रदेश में अधिसूचना संख्या कोप-ए(3)-2/2020, तारीख 22.06.2021 द्वारा हिमाचल प्रदेश कोऑपरेटिव सोसाइटीज अधिनियम, 1968 (1969 का 3) की धारा 109 के अधीन यथाअपेक्षित; उन व्यक्तियों से, जिनको उनसे प्रभावित होने की सम्भावना थी, आक्षेप(पों) या सुझाव (वों), आमन्त्रित करने के लिए प्रकाशित किया गया था;

और विनिर्दिष्ट अवधि के भीतर सम्भाव्य प्रभावित होने वाले व्यक्तियों से प्राप्त किए गए आक्षेप(पों) / सुझाव (वों) पर विचार किया गया;

अतः हिमाचल प्रदेश के राज्यपाल, हिमाचल प्रदेश कोऑपरेटिव सोसाइटीज अधिनियम, 1968 (1969 का 3) की धारा 109 द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए निम्नलिखित नियम बनाते हैं; अर्थात् :-

संक्षिप्त नाम और प्रारंभ।

- 1.(1) इन नियमों का संक्षिप्त नाम हिमाचल प्रदेश कोऑपरेटिव सोसाइटीज (अमैण्डमेन्ट) रूल्ज, 2021 हैं।
- (2) ये नियम राजपत्र (ई-गजट), हिमाचल प्रदेश में इनके अंतिम प्रकाशन की तारीख से प्रवृत्त होंगे।

रूल 2 का संशोधन।

2. हिमाचल प्रदेश कोऑपरेटिव सोसाइटी रूल्ज, 1971 (जिन्हें इसमें इसके पश्चात् 'उक्त नियम' कहा गया है) के रूल (2) में क्लॉज (xxviii) के पश्चात् निम्नलिखित अन्तःस्थापित किया जाएगा, अर्थात् :-

“(xxix)“Principles of the Social Justice” means availability of equal social opportunities, access and participation to all the people in the society for the development of their personality without any discrimination on the basis of caste, sex or race”.

रूल 5 का प्रतिस्थापन।

3. उक्त नियमों के रूल 5 के स्थान पर निम्नलिखित रखा जाएगा, अर्थात् :-

“If the aims of a proposed society are not contrary to the provisions of the Act and the rules made there under and are not inconsistent with the principles of Social Justice, the Registrar on receipt of an application for registration of such cooperative society, shall register the society, and its bye-laws, either manually or electronically, containing its full postal

address. A certificate of registration containing registration name, and address of the society shall be issued to the society along with a copy of the registered bye-laws, either manually or electronically”.

रूल 83 का प्रतिस्थापन ।

4. उक्त नियमों के रूल 83 के स्थान पर निम्नलिखित रखा जाएगा, अर्थात् :-

“ 83. Date of audit- The audit of every society shall be completed within six months from the close of a co-operative year to which the accounts relate”.

रूल 83-क का अन्तःस्थापन ।

5. उक्त नियमों के रूल 83 के पश्चात् निम्नलिखित रूल अन्तःस्थापित किया जाएगा, अर्थात् :-

“83-A. Qualifications, experience, manner of preparation of the panel of auditors and authorization thereof :- (1) For the purpose of the section 61 of the Act , the qualification and experience of the auditors for being included in the panel duly notified by the Government shall be as under:-

- (a) a person who is a Chartered Accountant within the meaning of the Chartered Accountants Act, 1949 and is holding a valid certificate of practice within State of Himachal Pradesh.
- (b) a firm of more than one Chartered Accountants within the meaning of the Chartered Accountants Act, 1949 having its head office within the State of H.P.
- (c) the certified auditors empanelled by the Registrar under self employment scheme for the unemployed youth of the State.
- (d) the retired Officers, including District Audit Officers, District Inspectors and the Inspectors of the Cooperation Department of the State Government; and
- (e) the Additional Registrar, the Joint Registrar, the Deputy Registrar, the Assistant Registrar, the District Audit Officer, the District Inspector and the Inspectors of the Co-operation Department of the State.

(2) The Registrar shall prepare and maintain the panel of auditors after its approval and notification by the State Government from time to time in the following manner,-

- (a) the Registrar shall call applications before the specified

date as declared in the notice for empanelment from eligible auditors by a public notice to be displayed on the official website of the department and in any other mode, if required. Such notice shall also be published on the notice board of the office of the Registrar, Deputy Registrar and the Assistant Registrar;

- (b) every applicant shall submit only one application to the office of the Registrar or to the concerned Assistant Registrar, where he ordinarily resides;
- (c) applications received by the Registrar or the Assistant Registrar shall be scrutinized by them and after scrutiny, the Assistant Registrar shall submit list of eligible applicants to the Registrar along with their applications and documents. The Registrar may also scrutinize the applications recommended by the Assistant Registrar and thereafter, shall submit the list of eligible applicants to the State Government for approval and notification of the panel thereof;
- (d) the Registrar shall cause to display the approved list of auditors panel on the official website of the Department; and
- (e) the Registrar may also classify the societies and auditors for the purpose of audit.

(3) Every cooperative society shall, at each annual general meeting, approve the auditor from the panel notified by the State Government under sub-rule (2) to conduct the audit of accounts of the society:

Provided that no auditor shall be engaged to conduct the audit of a cooperative society for more than two consecutive years:

Provided further that, the society shall not approve the name of such auditor, who is a member of that society.

(4) Every cooperative society shall, within seven days of the approval of the auditor, except the Government Officer or Official, give appointment and intimation thereof to every auditor so appointed:

Provided that in the case of approval of Government Officer or Official as auditors, the cooperative society shall, within seven days of such approval, request the Registrar to give appointment to such auditor.

(5) Every auditor, except the Government Officer or Official, appointed under sub-rule (4) shall, within thirty days of the receipt from the cooperative society of the intimation of his appointment, inform the Registrar in writing that he has accepted or refused to accept the appointment:

Provided that, no auditor shall accept audit of more than twenty societies for audit in a financial year excluding societies having paid up share capital of less than rupees one lakh.

(6) The criteria for removal of the name of auditor, except the Government Officer or Official, from the panel shall be as follows, namely:-

- (a) non- submission of audit report as specified in section 63, to the society and the Registrar within the period of ten days from the date of completion of audit and in any case before the issuance of notice of the general body meeting;
- (b) non- disclosure of the true and correct picture of accounts as specified in sections 62 and 63;
- (c) after giving consent for audit by the auditor and after issuance of order of appointment of auditor, audit is not completed within stipulated period as specified in appointment letter or section 62;
- (d) non- submission of specific special report stating that, any person is guilty of any offence relating to the accounts or any other offences within a period of fifteen days from the date of submission of audit report to the society and the Registrar;
- (e) failure to file special report to the Registrar if any;
- (f) failure to file the First Information Report, if required thereof;
- (g) if on the scrutiny of audit note or in the special audit it is found that the auditor is responsible for any commissions or omissions during discharge of his duties as an auditor which are

- detrimental to the interest of that society;
- (h) if the auditor is an member of the society and has conducted the audit of the same society; or
- (i) if the auditor has conducted audit, without appointment order issued by the society with the prior approval of general body or the Registrar, if any, as the case may be.

रूल 84 का संशोधन।

6. उक्त नियमों के रूल 84 में सब-रूल (3) के स्थान पर निम्नलिखित रखा जाएगा, अर्थात् :-

“(3) If the Government Officer or Official has conducted audit of a society, the audit fee assessed under sub-rule (1) shall be deposited by the society in the Government treasury within a period of one year after the close of cooperative year for which it was assessed:

Provided that if the audit of a society is conducted by an auditor other than the Government Officer or official, the audit fee assessed under sub-rule (1) shall be paid by the society to such auditor as remuneration in the manner provided under sub-rule (4) to (7).

(4) After submission of audit report to the society and the Registrar, remuneration equivalent to the audit fees assessed and fixed by the Registrar from time to time under sub-rule (1) shall be paid by the society to the auditor, other than the Government Officer or Official, who has conducted audit of the society.

(5) When auditor is appointed by the Registrar on his own as per sub-section (5) of section 61, remuneration of such auditor shall be at rates as per sub-rule (1).

(6) If the Registrar, orders special audit of a society after recording reasons thereof, shall specify remuneration payable to such auditors as per sub-rule (1) above.

(7) When special audit is requisitioned by members of society, the remuneration of auditor shall be as per sub-rule (1):

Provided that, when such special audit is requisitioned by the members of the society, the remuneration of auditor shall be deposited by members of such society with the Registrar, prior to commencement

of such audit:

Provided further that, if it is found in the special audit, that the appointed auditor has not conducted audit as per the auditing standards and norms as notified from time to time and if it is proved that he is negligent in performing audit of the society and he has not detected fraud, mis-utilisation of funds, inadequate provisioning, resulting into loss or profit to the society, then audit fees shall be recoverable as per sub-section (1) of section 90 of the Act, from the said auditor who had conducted the audit and same shall be refundable, to the society and remuneration of special audit shall be refundable to the members demanding special audit. The said auditor shall also be subject to action under sub clause (h) of sub - rule (6) of rule 83 (A) :

Provided also that, nothing in the preceding proviso shall apply to the Government Auditors.

आदेश द्वारा,

(अक्षय सूद)

सचिव (सहकारिता)

हिमाचल प्रदेश सरकार

03-08-2021

पृष्ठांकन संख्या: उपरोक्त
प्रतिलिपि अंग्रेषित है :-

तारीख:

1. सचिव, राज्यपाल, हिमाचल प्रदेश सरकार, शिमला-171002।
2. निजी सचिव, माननीय मुख्यमंत्री, हिमाचल प्रदेश, शिमला-171002।
3. निजी सचिव, माननीय सहकारिता मंत्री, हिमाचल प्रदेश, शिमला-171002।
4. समस्त सचिव, हिमाचल प्रदेश सरकार।
5. सचिव, हिमाचल प्रदेश, विधान सभा, शिमला-171004।
6. विधि परामर्शी एवं प्रधान सचिव (विधि), हिमाचल प्रदेश सरकार, शिमला।
7. समस्त विभागाध्यक्ष, हिमाचल प्रदेश।
8. रजिस्ट्रार, हिमाचल प्रदेश, उच्च न्यायालय, शिमला -171001।
9. पंजीयक, सहकारी सभाएं, हिमाचल प्रदेश, शिमला-9।
10. उप विधि परामर्शी एवं अवर सचिव (विधि) हिमाचल प्रदेश सरकार, शिमला-171002।
11. नियन्त्रक, मुद्रण एवं लेखन सामग्री, शिमला-5 को राजपत्र (असाधारण) में प्रकाशित करने हेतु।
12. समस्त जिलाधीश, हिमाचल प्रदेश।
13. अतिरिक्त पंजीयक, सहकारी सभायें, धर्मशाला, जिला कांगड़ा, हिमाचल प्रदेश।
14. समस्त अतिरिक्त/संयुक्त/उप/सहायक पंजीयक, सहकारी सभाएं, हिमाचल प्रदेश।
15. गार्ड नस्ति।

(प्रवीन कुमार टाक)

उप सचिव (सहकारिता)

हिमाचल प्रदेश सरकार