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Registered No.
PY/44/2021-23

புதுச்சேரி மாநில அரசிதழ்
La Gazette de L'État de Poudouchéry
The Gazette of Puducherry

PART - II

சிறப்பு வெளியீடு	EXTRAORDINAIRE	EXTRAORDINARY
அதிகாரம் பெற்ற வெளியீடு	Publiée par Autorité	Published by Authority

எண் } புதுச்சேரி	தங்கடகழமை	2023	௯	நவம்பர்	20	௨
No. } 91 Poudouchéry	Lundi	20		Novembre	2023	
No. } Puducherry	Monday	20th		November	2023	
(29 Kartika 1945)						

GOVERNMENT OF PUDUCHERRY
CHIEF SECRETARIAT (COOPERATION)

(G.O. Ms. No. 5/Coop., Puducherry, dated 15th November 2023)

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of Section 170 of the Puducherry Co-operative Societies Act, 1972, the Lieutenant-Governor of Puducherry hereby makes the following rules, further to amend the Puducherry Co-operative Societies Rules, 1973, issued in G.O. Ms. No. 61, dated 13th May, 1974 of the Development Department, Government of Puducherry and published in the Extraordinary Gazette of Government of Puducherry, No. 78, dated 29th June, 1974, namely:-

[1713]

1. Short title and commencement.— (i) The rules may be called “The Puducherry Co-operative Societies (Amendment) Rules, 2023”.

(ii) They shall come into force from the date of publication in the Official Gazette.

2. Amendment of rule 2.— In the Puducherry Co-operative Societies Rules, 1973, for the existing rule 2, the following shall be substituted, namely:-

2. In these rules, unless the context otherwise requires, -

(a) “Act” means, the Puducherry Co-operative Societies Act, 1972 (Act No. 7 of 1973);

(b) “Agricultural loan” mean, loan granted to farmers or land tenants for cultivation purpose;

(c) “Consumer loan” mean, loan granted for the purchase of consumer durables, such as, motor car, motorcycle, moped, scooter, electrical appliance, electronic appliance, solar system, furniture, *etc.*;

(d) “Decree” means, any Decree, Order, decision or Award referred to in Section 133;

(e) “Decree holder” mean, any Society or any person or the Government in whose favour a Decree has been passed;

(f) “Default” means, failure on the part of the Society member or other person, to repay to the Financing Bank or 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 Bye-laws;

(g) “Defaulter” means, any Society against which or any person against whom a Decree has been obtained;

(h) “Form” means, a Form set out in the Schedule to these rules;

(i) “General Body” or “a meeting of the General Body” mean, in relation to a Society which has provided for the constitution of a representative General Body under clause [b] of

sub-section (1) of section 31, such representative General Body in respect of the powers exercisable by the representative General Body or a meeting of such representative General Body;

(j) "Housing loan" mean, loan granted for the purchase of vacant residential plot and purchase, construction or modification of residential house/flat/apartment and commercial complex;

(k) "Jewel loan" mean, loan granted on the pledge of jewels;

(l) "Long-term loan" mean, loan granted on the registered mortgage of immovable property and repayable within a period of twenty (20) years from the date of the grant of the loan;

(m) "Medium-term loan" mean, loan repayable within a period of ten (10) years from the date of the grant of the loan;

(n) "Non-agricultural loan" mean, loan granted to farmer or land tenant to carry out agricultural allied activities and loan granted to small-scale/medium-scale entrepreneur for non-cultivation purpose;

(o) "Region" means, any of four regions, viz., Puducherry, Karaikal, Mahe and Yanam comprised in the Union territory of Puducherry;

(p) "Registrar of the region" mean, a person subordinate to the Registrar and empowered by him to exercise within a region, under section 133 and 134;

(q) "Section" means, a section of the Act;

(r) "Short-term loan" mean, loan repayable within three (3) years from the date of the grant of the loan;

(s) "Society" means, a Registered Society;

(t) "Surety loan" mean, loan granted to monthly salary earning members on the surety of another monthly salary earning member; and

(u) "Working Capital" mean, such portion of the reserve fund, paidup share capital, loans and deposits received by a Society and debentures issued by a Society as have not been invested in buildings and other fixed assets.

3. Amendment of rule 49.— In the Puducherry Co-operative Societies Rules, 1973, for the existing rule 49, the following shall be substituted, namely: -49 - Restriction on grant of Joans. -

(1) Societies may grant short-term loan, medium-term loan and long-term loan to their members, subject to the objects specified in their registered Bye-laws and in accordance with the provisions of the Act and the Rules made thereunder.

(2) For issuing loans, the Committee of management of Societies shall invariably frame subsidiary regulations and submit the same to the Registrar for approval.

(3) The Committee of management is the Competent Authority to sanction loans to the members strictly subject to the provisions of the subsidiary regulations approved by the Registrar.

(4) Disbursement of loan shall be made by means of “an account payee cheque”, Electronic Clearing Service (ECS) or Real Time Gross Settlement (RTGS). Under any circumstance, loans shall not be disbursed in cash.

(5) Loans granted by the Societies shall be recovered from the borrowers, either in one *lump sum* or in equal monthly instalments or in equated monthly instalments, as the case may be, along with interest due thereon.

(6) Long-term loans shall be granted only on the registered mortgage of immovable properties.

(7) Financing Bank may grant short-term loan, medium-term loan and long-term loan to its affiliated Member-Societies and to its individual members.

(8) Co-operative Land Development Bank may grant short-term loan, medium-term loan and long-term loan to its individual members.

(9) Co-operative Urban Bank may grant short-term loan, medium-term loan and long-term loan to its members.

(10) With the prior approval of the Registrar, Co-operative Land Development Bank and Co-operative Urban Bank may grant short-term and medium-term loan to other Societies.

(11) State Co-operative Housing Federation may grant loan to its affiliated Primary Member-Societies for issuing housing loan to their individual members.

(12) Primary Housing Societies may grant medium-term and long-term housing loans only on the registered mortgage of housing properties.

(13) Primary Housing Societies may grant short-term loans to their members for purchase of building materials and modification of existing buildings.

(14) Primary Level Agricultural Credit Societies may grant –

- (a) short-term jewel loans,
- (b) short-term and medium-term agricultural loans,
- (c) medium-term non-agricultural loans, and
- (d) medium-term surety loans/consumer loans.

(15) Primary Level Non-agricultural Credit Societies may grant short-term loans to their monthly salary earning members with or without the surety of another monthly salary earning member.

(16) Primary Level Non-agricultural Credit Societies may grant medium-term surety loans to their monthly salary earning members only on the surety of another monthly salary earning member.

4. This issues with the approval of the Finance Department *vide* I.D.No. 30511/FC/FD/F5/A2/2023, dated 27-10-2023.

(By order of the Lieutenant-Governor)

A. PUNITHAMARY,
Under Secretary to Government
(Cooperation).