

66. Supervision and Inspection.- (1) The Registrar shall supervise or cause to be supervised by a person authorised by him by general or special order in writing in this behalf, the working of every society as frequently, as he may consider necessary. The supervision under this sub-section may include an inspection of the books of the society.

(2) The Registrar may, on his own motion, or on the application of a creditor of a society, inspect or direct any person authorized by him, by order in writing in this behalf, to inspect the books of the society:

Provided that no such inspection shall be made on the application of a creditor unless the applicant,-

(a) satisfies the Registrar that the debt is a sum then due and that he has demanded payment thereof and has not received satisfaction within a reasonable time; and

(b) deposits with the Registrar such a sum as security for the costs of the proposed inspection as the Registrar may require.

(3) Where the inspection under sub-section (2) is made on the application of a creditor, the Registrar shall communicate the result of such inspection to such creditor.

^{57a}[(4) The Registrar or any person authorised by the Registrar under sub-section (1) or sub-section (2) shall at all reasonable time have free access to and have power to inspect the books, records, accounts, documents, securities, cash balance and other properties belonging to the society and may summon any person in possession of or responsible for the custody of such books, records, accounts, documents, securities, cash balance and other properties, to produce the same for inspection at any place at the Headquarters

of the society or any branch thereof or where there is no working office for the society, at the office of the Registrar or at the office of any of his subordinate officers.

(4A)It shall be the duty of every officer and employee of the society to co-operate with and assist in such supervision or inspection, to furnish any information that may be required for the purpose and to produce the books, records, cash balance etc. referred to in subsection (4), on demand by such officer, failing which it shall be treated an offence under sub section (4) of section 94].

(5)The Registrar or the person authorized by him under subsection (1) or sub-section (2) may, by order in writing, direct the society or its officers to take such action, as may be specified in such order, within the time that may be mentioned in such order.

(6)The Circle Co-operative Union shall have the power to direct that a non-official member thereof shall be present at an inspection under subsection (2):

Provided that such non-official member shall not have the power to make the inspection himself.

(7)Apex Society or Federal Co-operative Society or a financing bank shall have the right to inspect the books of any registered society which is affiliated to it, through its officers.

(8)An officer of an Apex Society or Federal Co-operative Society or a financing bank, inspecting the books of a society shall at all reasonable times have the access to the books, accounts, documents, securities, cash and other properties belonging to the society and may call for such information, statements and return, as may be necessary to ascertain the financial condition of the society and the safety of the sums lent to it.

(9)An officer referred to in sub-section (8) shall also have power to summon any person in possession of or responsible for the custody of any books, accounts, documents, securities, cash and other properties, referred to in that sub-section to produce the same for inspection or verification at any place at the headquarters of the society or any branch thereof.

(10)Apex Society or Federal Co-operative Society or the financing bank may also report to the Registrar about the action to be taken against the society, as a result of the inspection by tits officers.

^{57b}[(11)Notwithstanding anything contained in sub section (1) and (2) above, the Registrar or his subordinate officers authorized by him under sub section (1) shall have power to hold an enquiry with necessary records of a society, on any petition received, and to inspect the affairs of the society periodically, in such cases, the inspecting officers shall have same powers as specified in sub section (4).

Explanation I- The “affairs of a society” for the purpose of this sub section includes, among other things, matters relating to administration, management and the business of a society.

Explanation II- The duty of the officers and chief executive of a society and the nature of offences and penalties mentioned in ⁵⁷[sub section (4A)] shall be applicable to this sub section also.]

57 substituted by [Act 22/2013](#)

57a substituted & 57b inserted by [Act 7/2010](#)