



The Nagaland Co-Operative Societies (Amendment) Act, 2005

Act 7 of 2006

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THE NAGALAND CO-OPERATIVE SOCIETIES (AMENDMENT) ACT, 2005

(Act No. 7 of 2005)

Received the assent of the Governor on 16.5.2006 and published
in the Nagaland Gazette Extraordinary dated 12.6.2006.

An

Act

to amend the Assam Cooperative societies Act, 1949

It is hereby enacted in the Fifty Seventh Year of the Republic of India
as follows :

1. Short title, extent and commencement :

- (1) This Act may be called the Nagaland Cooperative Societies (Amendment) Act, 2006.
 - (2) It shall extend to the whole State of Nagaland.
 - (3) It shall come into force on such date as the State Government may, by notification in the official Gazette appoint.
2. The following shall be inserted after Chapter XIV and Section 84 of the Assam Cooperative Societies Act, 1949 as applicable to the State of Nagaland :

Chapter XIV A

Section 84 A : Notwithstanding anything contained in the Assam Cooperative Societies Act, 1949, in the case of an Insured Cooperative Bank, unless the context otherwise requires,

- (1) "Eligible co-operative bank" means a co-operative bank the law for the time being governing which provides that,
 - (i) an order for the winding up, or an order sanctioning a scheme

of compromise or arrangement or of amalgamation or reconstruction, of the bank may be only with the previous sanction in writing of the Reserve Bank of India;

- (ii) an order for the winding up of the bank shall be made if so required by the Reserve Bank of India in the circumstances referred to in Section 13D of the Deposit Insurance and Credit Guarantee Corporation Act, 1961 (Act No. 47 of 1961).
- (iii) If so required by the Reserve Bank of India in the public interest or for preventing the affairs of the bank being conducted in a manner detrimental to the interest of the depositors or for securing the proper management of the depositors or for securing the proper management of the bank, an order shall be made for supersession or removal of the committee of management or other managing body (by whatever name called) of the bank and the appointment of an administrator therefor for such period or periods, not exceeding five years in the aggregate, as may from time to time be specified by the Reserve Bank of India;
- (iv) an order for the winding up of the bank or an order sanctioning a scheme of compromise or arrangement or of amalgamation or reconstruction or an order for the supersession of the committee of management or other managing body (by whatever name called) of the bank and the appointment of an administrator therefor made with the previous sanction in writing or on the requisition of the Reserve Bank shall not be liable to be called in question in any manner; and

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- (v) the liquidator or the insured cooperative bank or transferee bank, as the case may be, shall be under an obligation to repay the Deposit Insurance and Credit Guarantee Corporation established under the Deposit Insurance and Credit Guarantee Corporation Act, 1961 (Central Act No. 47 of, 1961) in the circumstances, to the extent and in the manner referred to in Section 21 of that Act.
- (2) “existing banking company” means a banking company carrying on the business of banking at the commencement of the Deposit Insurance and Credit Guarantee Corporation Act 1961 which either holds a licence at such commencement under section 22 of the Banking Regulation Act, 1949 or having applied for such licence has not been informed by notice in writing by the Reserve Bank that a licence cannot be granted to it and includes the State Bank and a subsidiary bank, but does not include a defunct banking company;
- (3) “existing co-operative bank” means a co-operative bank carrying on the business of banking at the commencement of the Deposit Insurance Corporation (Amendment) Act, 1968, which either holds a licence at such commencement under section 22 of tyhe Banking regulation Act, 1949, or having applied for such licence has not been informed by notice in writing by the Reserve Bank that a licence cannot be granted to it but does not include a defunct co-operative bank;
- (4) “financial institution” means any financial institution within the meaning of clause (c) of section 45 I of the Reserve Bank of India Act, 1934;

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- (5) “insured bank” means a corresponding new bank or a banking company or a Regional Rural Bank or an eligible co-operative bank for the time being registered under the provisions of the Deposit Insurance and Credit Guarantee Corporation Act 1961 and includes for the purposes of sections 16, 17, 18 and 21 of that Act.
- (i) a banking company referred to in clause (a) or clause (b) of sub-section (1) of section 13 of that Act, or
- (ia) a corresponding new bank to which the provisions of clause (a) of sub-section (1) of section 13 that Act apply, or
- (ii) a co-operative bank referred to in clause (a) or clause (b) of section 13C of that Act the registration whereof has been cancelled under section 13 of that Act or as the case may be, under section 13C of that Act.
- (6) “insured deposit” means the deposit or any portion thereof the repayment whereof is insured by the Corporation under the provisions of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
- (7) “new banking company” means a banking company which begins to transact the business of banking after the commencement of the Deposit Insurance and Credit Guarantee Corporation Act, 1961 under a licence granted to it under section 22 of the Banking Regulation Act, 1949,
- (8) “new co-operative bank” means a co-operative bank which begins to transact the business of banking after the commencement of the Deposit Insurance Corporation (Amendment) Act, 1968, under a licence granted to it under

section 22 of the banking Regulation Act, 1949, and includes a primary credit society becoming a primary co-operative Bank after such commencement;

- (9) "premium" means the sum payable by an insured bank under section 15 of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
- (10) "prescribed" means prescribed by regulations made under the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
- (11) "Regional Rural Bank" means a Regional Rural Bank established under section 3 of the Regional Rural Banks Act, 1976;
- (12) "Reserve Bank" means the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934;
- (13) "State Bank" means the State Bank of India constituted under the State Bank of India Act, 1955;
- (14) "subsidiary bank" shall have the meaning assigned to it in section 2 of the State Bank of India (Subsidiary Banks) Act, 1959;
- (15) the expressions "central co-operative bank", "co-operative society" and "State Co-operative bank" shall have the meanings respectively assigned to them in the National Bank for Agriculture and Rural Development Act, 1981.
- (16) the expressions "primary co-operative bank" and "primary credit society" shall have the meanings respectively assigned to them in Part V of the Banking Regulation Act, 1949."