

the purchase of other hereditaments in the Presidency of Bombay suitable for the support of the dignity of said title, in which last-mentioned case the hereditaments so purchased shall immediately from and after the completion of the purchase thereof be and become subject to the uses and trusts of this Act, or such of them, as shall then be subsisting, and capable of taking effect in the same manner, and to the same effect, as if such last-mentioned hereditaments had expressly been named, or described in section 6. Until such insurance moneys shall have been so laid out, the Corporation may invest the same, or any part thereof, in any of the securities specified in section 17.

14. The said Mansion-houses and premises called respectively "Readymoney House" and "Fort Mansion," and all additions thereto, and also all other messuages and hereditaments which from time to time may be or become subject to the trusts declared by this Act concerning the said Mansion-houses and premises, shall be kept in good repair, order and condition by and at the expense of the person for the time being in the enjoyment of the title of Baronet conferred by the said Letters Patent, and in case any such person shall at any time neglect or refuse to keep the said Mansion-houses, hereditaments and premises or any of them in such good order and condition, it shall be lawful for the Corporation to keep or cause the same to be kept in good order and condition to defray the expense incident thereto from the income of the funds for the time being subject to the provisions of this Act.

15. The Corporation shall hold the said Mansion-houses and hereditaments known respectively as "Readymoney House" and "Fort Mansion," and also any other hereditaments for the time being vested in them by virtue of this Act, upon trust with the consent of the person entitled to and in the actual enjoyment of the title of Baronet conferred by the said Letters Patent, and with the consent of the Governor of Bombay in Council to be notified as aforesaid, to sell or exchange for other lands or hereditaments in the Presidency of Bombay the said Mansion-houses and hereditaments, and also any other such hereditaments as aforesaid, and upon any such exchange to give or receive any money for equality of exchange.

16. And it is hereby declared that any such sale as aforesaid may be made either by public auction or private contract, and that the Corporation may make any stipulations as to title or evidence or commencement of title or otherwise in any conditions of sale or contract for sale or exchange of the said hereditaments or any part thereof, and may buy in or rescind or vary any contract for sale or exchange and resell or

re-exchange without being responsible for any loss occasioned thereby.

17. And it is hereby declared that the said Corporation shall receive all moneys which may become payable upon any such sale or exchange as aforesaid, and with all convenient speed invest the same either in the purchase of any stocks, funds or securities of, or the principal and interest of which is guaranteed by the Government of the United Kingdom of Great Britain and Ireland or the Government of India, or in the purchase of other lands or hereditaments situate in the Presidency of Bombay and suitable for the support of the dignity of the said title: Provided that every such purchase of lands or hereditaments be made with the consent in writing of the person then entitled to and in the actual enjoyment of the said title.

18. And it is hereby declared that the stocks, funds and securities and the lands or hereditaments, respectively, so to be purchased or taken in exchange as aforesaid shall from and immediately after the completion of the purchase or exchange thereof, respectively, be held upon the trusts in and by this Act declared of and concerning the said trust funds and the said Mansion-houses and premises respectively or such of them, respectively, as may then be subsisting and capable of taking effect.

19. It shall be lawful for the Corporation out of the money which shall come to their hands by virtue of the trusts and provisions of this Act to retain and reimburse themselves all costs, damages and expenses which they shall or may sustain, expend or disburse in or about the execution of the aforesaid powers, trusts and provision, or in relation thereto.

20. Saving always to the King's Most Excellent Majesty, His heirs and successors, and to all and every other person and persons, bodies politic and corporate, and his, her and their respective heirs, successors, executors and administrators and every of them (other than and except the said Sir Cowasjee Jehangir, his devisees, heirs and assignes), all such estates, right, title, interest, claim and demand whatsoever of, into, out of or upon the said Mansion-houses and hereditaments called respectively "Rreadymoney House" and "Fort Mansion," or any part or parts thereof, as they, every or any of them had before the passing of this Act had, not been passed.

ACT NO. I. OF 1912.
The Indian Stamp (Amendment) Act, 1912.
 PASSED BY THE GOVERNOR-GENERAL IN COUNCIL.

*Received the assent of the Governor-General
 on the 1st March 1912.*

An Act further to amend the Indian Stamp Act, 1899.

WHEREAS it is expedient further to amend the Indian Stamp Act,* 1899; it is hereby enacted as follows :—

Short title. **1.** This Act may be called the Indian Stamp (Amendment) Act, 1912.

2. In article No. 13 of Schedule I. of the Indian Stamp Act, Amendment of Act II., 1899, (hereinafter referred to as the said Act,) as amended by the Indian Stamp (Amendment) Act 1910,† for clause (b) the following shall be substituted, namely :—

	if, drawn singly.	If drawn in set of two, for each part of the set	If drawn in set of three, for each part of the set
	Rs. As. P.	Rs. A. P.	Rs. A. P.
(b) where payable otherwise than on demand, more than one year after date or sight—			
Rs			
if the amount of the bill or note does not exceed 200	0 3 0	0 2 0	0 1 0
if it exceeds Rs. 200 and does not exceed			
400	0 6 0	0 3 0	0 2 0
Ditto 400 ditto 600	0 9 0	0 5 0	0 3 0
Ditto 600 ditto 800	0 12 0	0 6 0	0 4 0
Ditto 800 ditto 1,000	0 15 0	0 8 0	0 5 0
Ditto 1,000 ditto 1,200	1 2 0	0 9 0	0 6 0
Ditto 1,200 ditto 1,600	1 8 0	0 12 0	0 8 0
Ditto 1,600 ditto 2,500	2 4 0	1 2 0	0 12 0
Ditto 2,500 ditto 5,000	4 8 0	2 4 0	1 8 0
Ditto 5,000 ditto 7,500	6 12 0	3 6 0	2 4 0
Ditto 7,500 ditto 10,000	9 0 0	4 8 0	3 0 0
Ditto 10,000 ditto 15,000	13 8 0	6 12 0	4 8 0
Ditto 15,000 ditto 20,000	18 0 0	9 0 0	6 0 0
Ditto 20,000 ditto 25,000	22 8 0	11 4 0	7 8 0
Ditto 25,000 ditto 30,000	27 0 0	13 8 0	9 0 0
and for every additional Rs. 10,000 or part thereof in excess of Rs. 30,000.	9 0 0	9 8 0	3 0 0

3. In section 23A, sub-section (1) of the said Act, for the words and figure "Article No. 5 (b)," the words and figure "Article No. 5 (c)" shall be substituted.

* Act II. of 1899.

† Act VI. of 1910.

ACT NO. II. OF 1912.

The Co-operative Societies Act, 1912,

PASSED BY THE GOVERNOR-GENERAL IN COUNCIL

Received the assent of the Governor-General on the 1st March 1912.

An Act to amend the Law relating to Co-operative Societies.

WHEREAS it is expedient further to facilitate the formation of Co-operative Societies for the promotion of thrift and self help among agriculturists, artisans and persons of limited means, and for that purpose to amend the law relating to Co operative Societies ; It is hereby enacted as follows :—

Preliminary.

Sort-title and extent. 1. (1) This Act may be called the Co-operative Societies Act, 1912 ; and

(2) It extends to the whole of British India.

Definitions. 2. In this Act, unless there is anything repugnant in the subject or context,—

(a) " by-laws " means the registered by-laws for the time being in force and includes a registered amendment of the by-laws :

(b) " committee " means the governing body of a registered society to whom the management of its affairs is entrusted :

(c) " member " includes a person joining in the application for the registration of a society and a person admitted to membership after registration in accordance with the by-laws and any rules :

(d) " officer " includes a chairman, secretary, treasurer, member of committee, or other person empowered under the rules or the by-laws to give directions in regard to the business of the society :

(e) " registered society " means a society registered or deemed to be registered under this Act :

(f) " registrar " means a person appointed to perform the duties of a Registrar of Co-operative Societies under this Act : and

(g) " rules " means rules made under this Act.

Registration.

3. The Local Government may appoint a person to be Registrar of Co operative Societies for the Province or any portion of it, and may appoint persons to assist such Registrar, and may, by general or special order, confer on any such persons all or any of the powers of a Registrar under this Act.

4. Subject to the provisions hereinafter contained, a society which has as its object the promotion of the economic interests of its members in accordance with co operative principles, or a society established with the object of facilitating the operations of such a society, may be registered under this Act with or without limited liability :

Provided that unless the Local Government by general or special order otherwise directs —

- (1) the liability of a society of which a member is a registered society shall be limited ;
- (2) the liability of a society of which the object is the creation of funds to be lent to its members, and of which the majority of the members are agriculturists, and of which no member is a registered society, shall be unlimited.

Restrictions on interest of member of society with limited liability and a share capital.

5 Where the liability of the members of a society is limited by shares, no member other than a registered society shall—

- (a) hold more than such portion of the share capital of the society, subject to a maximum of one-fifth, as may be prescribed by the rules ; or
- (b) have or claim any interest in the shares of the society exceeding one thousand rupees.

6. (1) No society, other than a society of which a member is a registered society, shall be registered under this Act which does not consist of at least ten persons above the age of eighteen years and, where the object of the society is the creation of funds to be lent to its members, unless such persons—

- (a) reside in the same town or village or in the same group of villages, or,
- (b) save where the Registrar otherwise directs, are members of the same tribe, class, caste or occupation.

(2) The word " limited " shall be the last word in the name of every society with limited liability registered under this Act.

7. When any question arises whether for the purposes of this Act a person is an agriculturist or a non-agriculturist, or whether any person is a resident in a town or village or group of villages, or whether two or more villages shall be considered to form a group, or whether any person belongs to any particular tribe, class, caste or occupation, the question shall be decided by the Registrar, whose decision shall be final.

Power of Registrar to decide certain questions.

Application for Registration.

8. (1) For purposes of registration an application to register shall be made to the Registrar.

(2) The application shall be signed—

(a) in the case of a society of which no member is a registered society, by at least ten persons qualified in accordance with the requirements of section 6, sub-section (1); and

(b) in the case of a society of which a member is a registered society, by a duly authorised person on behalf of every such registered society, and, where all the members of the society are not registered societies, by ten other members or, when there are less than ten other members, by all of them.

(3) The application shall be accompanied by a copy of the proposed by-laws of the society, and the persons by whom or on whose behalf such application is made shall furnish such information in regard to the society as the Registrar may require.

9. If the Registrar is satisfied that a society has complied with the provisions of this Act and the rules and that its proposed by-laws are not contrary to the Act or to the rules, he may, if he thinks fit, register the society and its by-laws.

10 A certificate of registration signed by the Registrar shall be conclusive evidence that the society therein mentioned is duly registered unless it is proved that the registration of the society has been cancelled.

11. (1) No amendment of the by-laws of a registered society shall be valid until the same has been registered under this Act, for which purpose a copy of the amendment shall be forwarded to the Registrar.

Amendment of the by-laws of registered society.

(2) If the Registrar is satisfied that any amendment of the by-laws is not contrary to this Act or to the rules, he may, if he thinks fit, register the amendment.

(3) When the Registrar registers an amendment of the by-laws of a registered society, he shall issue to the society a copy of the amendment certified by him, which shall be conclusive evidence that the same is duly registered.

Rights and liabilities of members.

12. No member of a registered society shall exercise the rights of a member unless or until he has made such payment to the society in respect of membership or acquired such interest in the society, as may be prescribed by the rules or by-laws.

13. (1) Where the liability of the members of a registered society is not limited by shares, each member shall, notwithstanding the amount of his interest in the capital, have one vote only as a member in the affairs of the society.

(2) Where the liability of the members of a registered society is limited by shares, each member shall have as many votes as may be prescribed by the by-laws.

(3) A registered society which has invested any part of its funds in the shares of any other registered society may appoint as its proxy, for the purpose of voting in the affairs of such other registered society, any one of its members.

14 (1) The transfer or charge of the share or interest of a member in the capital of a registered society, shall be subject to such conditions as to maximum holding as may be prescribed by this Act or by the rules,

(2) In case of a society registered with unlimited liability a member shall not transfer any share held by him or his interest in the capital of the society or any part thereof unless—

(a) he has held such share or interest for not less than one year; and

(b) the transfer or charge is made to the society or to a member of the society-

Duties of registered societies.

15 Every registered society shall have an address, registered in accordance with the rules, to which all notices and communications may be sent, and shall send to the Registrar notice of every change thereof.

16. Every registered society shall keep a copy of this Act and of the rules governing such society, and of its by-laws open to inspection free of charge at all reasonable times at the registered address of the society.

17. (1) The Registrar shall audit or cause to be audited by some person authorized by him by general or special order in writing in this behalf the accounts of every registered society once at least in every year.

(2) The audit under sub-section (1) shall include an examination of overdue debts, if any, and a valuation of the assets and liabilities of the society.

(3) The Registrar, the Collector or any person authorised by general or special order in writing in this behalf by the Registrar shall at all times have access to all the books, accounts, papers and securities of a society, and every officer of the society shall furnish such information in regard to the transactions and working of the society as the person making such inspection may require.

Privileges of registered societies.

18. The registration of a society shall render it a body corporate by the name under which it is registered, with perpetual succession and a common seal, and with power to hold property, to enter into contracts, to institute and defend suits and other legal proceedings and to do all things necessary for the purposes of its constitution.

19. Subject to any prior claim of the Government in respect of land-revenue or any money recoverable as land-revenue or of a landlord in respect of rent or any money recoverable as rent, a registered society shall be entitled in priority to other creditors, to enforce outstanding demand due to the society from a member or past member—

(a) in respect of the supply of seed or manure or of the loan of money for the purchase of seed or manure—upon the crops or other agricultural produce of such member or person at any time within eighteen months from the date of such supply or loan;

(b) in respect of the supply of cattle fodder for cattle, agricultural or industrial implements or machinery, or raw materials for manufacture, or of the loan of money for the purchase of any of the foregoing things—upon any such things so supplied, or purchased in whole or in part from any such loan, or on any articles manufactured from raw materials so supplied or purchased.

20. A registered society shall have a charge upon the share or interest in the capital and on the deposits of a member or past member and upon any dividend, bonus or profits payable to a member or past member in respect of any debt due from such member or past member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of any such debt.

21. Subject to the Provisions of section 20, the share or interest of a member in the capital of a registered society shall not be liable to attachment or sale under any decree or order of a Court of Justice in respect of any debt or liability incurred by such member, and neither the Official Assignee under the Presidency-towns Insolvency Act,* 1909, nor a Receiver under the Provincial Insolvency Act,† 1907 shall be entitled to or have any claim on such share or interest,

22. (1) On the death of a member a registered society may transfer the share or interest of the deceased member to the person nominated in accordance with the rules made in this behalf, or, if there is no person so nominated, to such person as may appear to the committee to be the heir or legal representative of the deceased member, or pay to such nominee, heir or legal representative, as the case may be, a sum representing the value of such member's share or interest, as ascertained in accordance with the rules or by-laws.

Provided that—

(i) in the case of a society with unlimited liability, such nominee, heir or legal representative, as the case may be, may require payment by the society of the value of the share or interest of the deceased member ascertained as aforesaid;

(ii) in the case of a society with limited liability, the society shall transfer the share or interest of the deceased member to such nominee, heir or legal representative, as the case may be, being qualified in accordance with the rules and by-laws for membership of the society, or on his application within one month of the death of the deceased member to any person specified in the application, who is so qualified.

(2) A registered society may pay all other moneys due to the deceased member from the society to such nominee heir or legal representative as the case may be.

(3) All transfers and payments made by a registered society in accordance with the provisions of this section shall be valid and effectual against any demand made upon the society by any other person.

23. The liability of a past member for the debts of a registered society as they existed at the time when he ceased to be a member shall continue for a period of two years from the date of his ceasing to be a member.

* Act III. of 1909

† Act III. of 1907

24. The estate of a deceased member shall be liable for a period of one year from the time of his decease for the debts of a registered society as they existed at the time of his decease.

Liability of the estates
deceased members.

25. Any register or list of members or shares kept by any registered society shall be *prima facie* evidence of any of the following particulars entered therein :—

- (a) the date at which the name of any person was entered in such register or list as a member ;
- (b) the date at which any such person ceased to be a member.

26. A copy of any entry in book of a registered society regularly kept in the course of business, shall if certified in such manner as may be prescribed by the rules, be received, in any suit or legal proceeding, as *prima facie* evidence of the existence of such entry, and shall be admitted as evidence of the matters, transactions and accounts therein recorded in every case where, and to the same extent as, the original entry itself is admissible.

Proof of entries in so-
cieties' books.

Exemption from com-
pulsory registration of
instruments relating to
shares and debentures
of registered society.

27. Nothing in section 17, sub-section (1) clauses (b) and (c), of the Indian Registration Act,* 1908, shall apply to—

- (1) any instrument relating to shares in a registered society, notwithstanding that the assets of such society consist in whole or in part of immovable property ; or
- (2) any debenture issued by any such society and not creating, declaring, assigning, limiting or extinguishing any right title or interest to or in immovable property except in so far as it entitles the holder to the security afforded by a registered instrument whereby the society has mortgaged, conveyed or otherwise transferred the whole or part of its immovable property or any interest therein to trustees upon trust for benefit of the holders or such debentures ; or
- (2) any endorsement upon or transfer of any debenture issued by any such society.

Power to exempt from
income-tax, stamp-duty
and registration-fees.

28. (1) The Governor-General in Council by notification in the Gazette of India may in the case of any registered society or class of registered society remit—

- (a) the income-tax payable in respect of the profits of the society or of the dividends or other payments received by the members of the society on account of profits ;

* Act XVI. of 1908.

"(2) The Local Government by notification in the local official Gazette may in the case of any registered society or class or registered society remit—

- (a) the stamp-duty with which, under any law for the time being in force, instruments executed by or on behalf of a registered society or by an officer or member and relating to the business of such society, or any class of such instruments are respectively chargeable; and
- (b) any fee payable under the law of registration for the time being in force."*

Property and funds of registered societies

Restrictions on loans. **29.** (1) A registered society shall not make a loan to any person other than a member.

Provided that, with the general or special sanction of the Registrar, a registered society may make loans to another registered society.

(2) Save with the sanction of the Registrar, a society with unlimited liability shall not lend money on the security of moveable property.

(3) The Local Government may, by general or special order, prohibit or restrict the lending of money on mortgage of immoveable property by any registered society or class of registered societies

30. A registered society shall receive deposits and loans from persons who are not members only to such extent and under such conditions as may be prescribed by the rules or by-laws.

Restrictions on borrowing.

31. Save as provided in sections 29 and 30, the transactions of a registered society with persons other than members shall be subject to such prohibitions and restrictions, if any, as the Local Government may, by rules, prescribe.

Restrictions on other transactions with non-members.

32. (1) A registered society may invest or deposit its funds—

Investment of funds.

- (a) in the Government Savings Bank, or
- (b) in any of the securities specified in Section 20 of the Indian Trusts Act† 1882, or
- (c) in the shares or on the security of any other registered society, or

* The words within quotations have been inserted by Act 38 of 1920.

† Act II. of 1882.

(d) with any Bank or person carrying on the business of banking, approved for this purpose by the Registrar, or

(e) in any other mode permitted by the rules.

(2) Any investments or deposits made before the commencement of this Act which would have been valid if this Act had been in force are hereby ratified and confirmed.

33. No part of the funds of a registered society shall be divided by way of bonus or dividend or otherwise among its members :
 Funds not to be divided by way of profit.

Provided that after at least one-fourth of the net profits in any year have been carried to a reserve fund, payments from the remainder of such profits and from any profits of past years available for distribution may be made among the members to such extent and under such conditions as may be prescribed by the rules or by-laws :

Provided also that in the case of a society with unlimited liability no distribution of profits shall be made without the general or special order of the Local Government in this behalf.

34. Any registered society may, with the sanction of the Registrar, after one fourth of the net profits in any year has been carried to a reserve fund, contribute an amount not exceeding ten per cent. of the remaining net profits to any charitable purpose, as defined in section 2 of the Charitable Endowments Act* 1890.
 Contribution to charitable purpose.

Inspection of affairs.

35. (1) The Registrar may of his own motion, and shall on the request of the Collector, or on the application of a majority of the committee, or of not less than one-third of the members, hold an inquiry or direct some person authorized by him by order in writing in this behalf to hold an inquiry into the constitution, working and financial condition of a registered society.
 Inquiry by Registrar.

(2) All officers and members of the society shall furnish such information in regard to the affairs of the society as the Registrar or the person authorized by the Registrar may require.

36. (1) The Registrar shall, on the application of a creditor of a registered society, inspect or direct some person authorized by him by order in writing in this behalf to inspect the books of the society :
 Inspection of books of indebted society.

Provided that—

(a) the applicant satisfies the Registrar that the debt is a sum then due and that he has demanded payment

* Act I, of 1890.

thereof and has not received satisfaction within a reasonable time ; and

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

(2) The Registrar shall communicate the results of any such inspection to the creditor.

37. Where an inquiry is held under section 35, or an inspection is made under section 36, the Registrar may apportion the costs, or such part of the costs as he may think right, between the society, the members or creditor demanding an inquiry or inspection, and the officers or former officers of the society.

38. Any sum awarded by way of costs under section 37 may be recovered, on application to a Magistrate having jurisdiction in the place where the person from whom the money is claimable actually and voluntarily resides or carries on business, by the distress and sale of any moveable property within the limits of the jurisdiction of such Magistrate belonging to such person.

Dissolution of society.

39. (1) If the Registrar, after an inquiry has been held under section 35 or after an inspection has been made under section 36 or on receipt of an application made by three-fourths of the members of a registered society, is of opinion that the society ought to be dissolved, he may cancel the registration of the society.

(2) Any member of a society may, within two months from the date of an order made under sub-section (1), appeal from such order.

(3) Where no appeal is presented within two months from the making of an order cancelling the registration of a society the order shall take effect on the expiry of that period.

(4) Where an appeal is presented within two months, the order shall not take effect until it is confirmed by the appellate authority.

(5) The authority to which appeals under this section shall lie shall be the Local Government :

Provided that the Local Government may, by notification in the local official Gazette, direct that appeals shall lie to such Revenue-authority as may be specified in the notification.

40. Where it is a condition of the registration of a society that it should consist of at least ten members, the Registrar may, by order in writing, cancel the registration of the society if at any time it is proved to his satisfaction that the number of the members has been reduced to less than ten.

Effect of cancellation
of registration,

41. Where the registration of a society is cancelled, the society shall cease to exist as a corporate body—

- (a) in case of cancellation in accordance with the provisions of section 39, from the date the order of cancellation takes effect ;
- (b) in case of cancellation in accordance with the provisions of section 40, from the date of the order.

42. (1) Where the registration of a society is cancelled under section 39 or section 40, the Registrar may appoint a competent person to be liquidator of the society.

(2) A liquidator appointed under sub-section (1) shall have power—

- (a) to institute and defend suits and other legal proceedings on behalf of the society by his name of office ;
- (b) to determine the contribution to be made by the members and past members of the society respectively to the assets of the society ;
- (c) to investigate all claims against the society and, subject to the provisions of this Act, to decide questions of priority arising between claimants ;
- (d) to determine by what persons and in what proportions the costs of the liquidation are to be borne ; and
- (e) to give such directions in regard to the collection and distribution of the assets of the society, as may appear to him to be necessary for winding up the affairs of the society.

(3) Subject to any rules, a liquidator appointed under this section shall, in so far as such powers are necessary for carrying out the purposes of this section, have power to summon and enforce the attendance of witnesses and to compel the production of documents by the same means and (so far as may be) in the same manner as is provided in the case of a Civil Court under the Code of Civil Procedure,* 1908.

(4) Where an appeal from any order made by a liquidator under this section is provided for by the rules, it shall lie to the Court of the District Judge.

(5) Orders made under this section shall, on application, be enforced as follows :—

- (a) When made by a liquidator, by any Civil Court having local jurisdiction in the same manner as a decree of such Court ;

(b) when made by the Court of the District Judge on appeal, in the same manner as a decree of such Court made in any suit pending therein.

(6) Save in so far as is hereinbefore expressly provided, no Civil Court shall have any jurisdiction in respect of any matter connected with the dissolution of a registered society under this Act.

Rules.

43. (1) The Local Government may, for the whole or any part of the Province and for any registered society or class of such societies, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may—

- (a) subject to the provisions of section 5, prescribe the maximum number of shares or portion of the capital of a society which may be held by a member ;
- (b) prescribe the forms to be used and the conditions to be complied with in the making of applications for the registration of a society and the procedure in the matter of such applications ;
- (c) prescribe the matters in respect of which a society may or shall make by-laws and for the procedure to be followed in making, altering and abrogating by-laws, and the conditions to be satisfied prior to such making, alteration or abrogation ;
- (d) prescribe the conditions to be complied with by persons applying for admission or admitted as members, and provide for the election and admission of members, and the payment to be made and the interests to be acquired before the exercise of the right of membership ;
- (e) regulate the manner in which funds may be raised by means of shares or debentures or otherwise ;
- (f) provide for general meetings of the members and for the procedure at such meetings and the powers to be exercised by such meetings ;
- (g) provide for the appointment, suspension and removal of the members of the committee and other officers, and for the procedure at meetings of the committee, and for the powers to be exercised and the duties to be performed by the committee and other officers ;
- (h) prescribe the accounts and books to be kept by a society and provide for the audit of such account and the

charges, if any, to be made for such audit, and for the periodical publication of a balance-sheet showing the assets and liabilities of a society ;

- (i) prescribe the returns to be submitted by a society to the Registrar and provide for the persons by whom and the from in which such returns shall be submitted ;
- (j) provide for the persons by whom and the from in which copies of entries in books of societies may be certified.
- (k) provide for the formation and maintenance of a register of members and, where the liability of the members is limited by shares, of a register of shares ;
- (l) provide that any dispute touching the business of a society between members or past members of the society or persons claiming through a member or past member or between a member or past member or persons so claiming and the committee or any officer shall be referred to the Registrar for decision or, if he so directs, to arbitration, and prescribe the mode of appointing an arbitrator or arbitrators and the procedure to be followed in proceedings before the Registrar or such arbitrator or arbitrators, and the enforcement of the decisions of the Registrar or the awardsof arbitrators ;
- (m) provide for the withdrawal and expulsion of members and for the payments, if any, to be made to members who withdraw or are expelled and for the liabilities of past members ;
- (n) provide for the mode in which the value of a deceased member's interest shall be ascertained, and for the nomination of a person to whom such interest may be paid or transferred ;
- (o) prescribe the payments to be made and the conditions to be complied with by members applying for loans, the period for which loans may be made, and the amount which may be lent, to an individual member ;
- (p) provide for the formation and maintenance of reserve funds, and the objects to which such funds may be applied, and for the investment of any funds under the control of the society ;
- (q) prescribe the extent to which a society may limit the number of its members ;
- (r) prescribe the conditions under which profits may be distributed to the members of a society with unlimited liability and the maximum rate of dividend which may be paid by societies ;

- (3) subject to the provisions of section 39, determine in what cases an appeal shall lie from the orders of the Registrar and prescribe the procedure to be followed in presenting and disposing of such appeals ; and
- (4) prescribe the procedure to be followed by a liquidator appointed under section 42, and the cases in which an appeal shall lie from the order of such liquidator.

(3) The Local Government may delegate, subject to such conditions, if any, as it thinks fit, all or any of its powers to make rules under this section to any authority specified in the order of delegation.

(4) The power to make rules conferred by this section is subject to the condition of the rules being made after previous publication.

(5) All rules made under this section shall be published in the local official Gazette and on such publication shall have effect as if enacted in this Act.

Miscellaneous.

44. (1) All sums due from a registered society or from an officer or member or past member of a registered society as such to the Government, including any costs awarded to the Government under section 37, may be recovered in the same manner as arrears of land-revenue.

(2) Sums due from a registered society to Government and recoverable under sub-section (1) may be recovered, firstly, from the property of the society ; secondly, in the case of a society of which the liability of the members is limited, from the members subject to the limit of their liability ; and, thirdly, in the case of other societies, from the members.

45. Notwithstanding anything contained in this Act, the Local Government may, by special order in each case and subject to such conditions, if any, as it may impose, exempt any society from any of the requirements of this Act as to registration.

46. The Local Government may, by general or special order, exempt any registered society from any of the provisions of this Act or may direct that such provisions shall apply to such society with such modifications as may be specified in the order.

47. (1) No person other than a registered society shall trade or carry on business under any name or title of which the word "co-operative" is part without the sanction of the Local Government:

Provided that nothing in this section shall apply to the use by any person or his successor in interest of any name or title under which he traded or carried on business at the date on which this Act comes into operation.

(2) Whoever contravenes the provisions of this section shall be punishable with fine which may extend to fifty rupees and in the case of a continuing offence with further fine of five rupees for each day on which the offence is continued after conviction therefor.

48. The provisions of the Indian Companies Act,* 1882, shall not apply to registered societies.

49. Every society now existing which has been registered under the Co-operative Credit Societies Act,† 1904 shall be deemed to be registered under this Act, and its by-laws shall, so far as the same are not inconsistent with the express provisions of this Act, continue in force until altered or rescinded.

50. [*Repealed*].—*Repealed by Act (XVII. of 1914).*

* Act VI. of 1882. See now Act VII of 1913 by which the former Act has been repealed.

† Act X. of 1904.

ACT NO. III OF 1912.

The Indian Post Office (Amendment) Act, 1912.

PASSED BY THE GOVERNOR-GENERAL OF INDIA OF COUNCIL.

Received the assent of the Governor-General on the 1st March, 1912,

An Act further to amend the Indian Post Office Act, 1898.

Whereas it is expedient further to amend the Indian Post Office Act,* 1898; It is hereby enacted as follows—

Short title.

1. This Act may be called the Indian Post Office (Amendment) Act, 1912.

Substitution of new sub-sections (1) and (2) in section 21 of Act VI. of 1898.

2. For sub-sections (1) and (2) of section 21 of the said Act, the following sub-sections shall be substituted, namely—

"21. (1) The Governor-General in Council may make rules as to the transmission of articles by post.

(2) In particular and without prejudice to the generality or the foregoing power, such rules may—

(a) specify articles which may not be transmitted by post ;

(b) prescribe conditions on which articles may be transmitted by post ;

(c) provide for the detention and disposal of articles in course of transmission by post in contravention of rules made under clause (a) or clause (b) ;

(d) provide for the granting of receipts for, and the granting and obtaining of certificates of, posting and delivery of postal articles and the sums to be paid, in addition to any other postage, for such receipts and certificates ; and

(e) regulate covers, forms, dimensions, maximum weights, and enclosures, and the use of postal articles, other than letters, for making communications.

3. (1) In section 23, sub-section (2), of the said Act, after the words "in contravention of" the words "and figures "section 20, clause (a), or of" shall be inserted.

(2) In sub-section (3) of the same section of the said Act, for clause (b) the following shall be substituted, namely :—

"(b) any postal article sent by post in contravention of the provisions of section 20 may be disposed of in such manner as the Governor-General in Council may by rule direct."

4. In section 24 of the said Act, for the words "Where a postal articles, suspected to contain any contraband goods" the words "Except as otherwise provided in this Act, where a postal article suspected to contain any goods of which the import by post or the transmission by post is prohibited by or under any enactment for the time being in force," shall be substituted.

Amendment of section 24 of same Act. 5. In section 25 of the said Act, for the words "all such goods found" the words "all postal articles reasonably believed or found to contain such goods" shall be substituted; and to the same section the following shall be added, namely:—

"In carrying out any such search, such officer of the Post Office may open or unfasten, or cause to be opened or unfastened, any newspaper or any book, pattern or sample packet in course of transmission by post."

Amendment of section 26 (1) of same Act. 6. In section 26, sub-section (1), of the said Act, for the words "shall be delivered to the Government or to an officer thereof mentioned in the order, to be disposed of in such manner as the Governor-General in Council may direct," the following shall be substituted, namely:—

"shall be disposed of in such manner as the authority issuing the order may direct."

Amendment of section 35 of same Act. 7. (1) In section 35, sub-section (2), of the said Act, at the end of clause (c) the word "and" shall be omitted, and after clause (d) the following shall be added, namely:—

"(e) provide for the retention and repayment to the addressee in cases of fraud, of money recovered on the delivery of any value-payable postal article; and

(f) prescribe the fees to be charged for inquiries into complaints regarding the delivery of or payment for value-payable postal articles."

(2) After sub-section (3) of the same section the following shall be added, namely:—

"(4) No suit or other legal proceeding shall be instituted against the Secretary of State for India in Council or any officer of the Post Office in respect of anything done, or in good faith purporting to be done, under any rule made under clause (e) of sub-section (2)."

Addition to section 48 of same Act. 8. To section 48 of the said Act the following shall be added, namely:—

"or

(e) any wrong payment or delay in payment of a money-order beyond the limits of British India by an officer of any post office, not being one established by the Governor-General in Council."

ACT NO. IV. OF 1912.

The Indian Lunacy Act, 1912.

PASSED BY THE GOVERNOR-GENERAL IN COUNCIL.

*Received the assent of the Governor-General on the 16th
March 1912.*

An Act to consolidate and amend the law relating to Lunacy.

Whereas it is expedient to consolidate and amend the law relating to lunacy; It is hereby enacted as follows :—

PART I.

PRELIMINARY.

CHAPTER I.

Short title and extent. 1. (1) This Act may be called Indian Lunacy Act, 1912.

(2) It extends to the whole of British India, including British Baluchistan, the Santhal Pargannas, and the Parganna of Spiti.

2. Nothing contained in Part II. shall be deemed to affect the powers of any High Court which is or hereafter may be established under the Indian High Courts Acts.* 1861 to 1911, over any person found to be a lunatic by inquisition or over the property of such lunatic, or the rights of any person appointed by such Courts as guardian of the person or manager of the estate of such lunatic.

Definitions. 3. In this Act, unless there is anything repugnant in the subject or context,—

(1) "asylum" means an asylum "mental hospital"† for lunatics established or licensed by Government :

(2) "cost of maintenance" in an asylum includes the cost of lodging, maintenance, clothing, medicine and care of a lunatic and any expenditure incurred in removing such lunatic to and from an asylum "together with any other charges specified in his behalf by the Governor-General in Council in exercise of any power conferred upon him by this Act."†.

* 24 & 25 Vict, c. 100, to 1 & 2 Geo. 5, c. 18.

† The words within quotations have been inserted by Act 6 of 1922.

(3) "District Court" means the principal Civil Court of original jurisdiction in any area outside the local limits for the time being of the Presidency-towns :

(4) "criminal lunatic" means any person for whose "detention"* in, or removal to an asylum, jail or other place of safe custody an order has been made in accordance with the provisions of section 466 or section 471 of the Code of Criminal Procedure,† 1898, or of section 30 of the Prisoners Act,‡ 1900 ; "or under section 130A of the Indian Army, Act, 1911"§

(5) "lunatic" means an idiot or person of unsound mind :

(6) "Magistrate" means an Presidency Magistrate, District Magistrate, Sub-Divisional Magistrate or a Magistrate of the first class specially empowered by the Local Government to perform the functions of a Magistrate under this Act :

(7) "medical officer" means a gazetted medical officer of Government, and includes a medical practitioner declared by general or special order of the Local Government to be a medical officer for the purpose of this Act ;

(8) "medical practioner" means a holder of a qualification to practise medicine and surgery which can be registered in the United Kingdom in accordance with the law for the time being in force for the registration of medical practioners, and includes any person declared by general or special order of the Local Government to be a medical practitioner for the purposes of this act :

(9) "prescribed" means prestribed by this Act or by rule made there under :

(10) "reception order" means an order made under the provisions of this Act for the reception into an asylum of a lunatic other than a lunatic so found by inquisition :

(11) "relative" includes any person related, by blood, marriage or adoption : and

(12) "rule" means rule made under this Act.

* The words within quotatians has been substitute by act 11 of 1925.

† Act V. of 1898.

‡ Act III. of 1900.

§ The words within quotations have been inserted by Act 33 of 1923.

‡ The words within quotations have been inserted by Act 6 of 1922.

PART II.

RECEPTION, CARE AND TREATMENT OF LUNATICS.

CHAPTER II.

RECEPTION OF LUNATIC.

4. (1) No person other than a criminal lunatic or a lunatic so found by inquisition shall be received or detained in an asylum without a reception order save as provided by sections 8, 16 and 98 :

Reception of persons in
asylum.
Provided that any person in charge of an asylum may, with the consent of two of the visitors of such asylum, which consent shall not be given except upon a written application from the intending boarder, received and lodge as a boarder in such asylum any person who is desirous of submitting himself to treatment.

(2) A boarder received in an asylum under the proviso to subsection (1) shall not be detained in the asylum for more than twenty-four hours after he has given to the person in charge of the asylum notice in writing of his desire to leave such asylum.

Reception Orders on petition.

5. (1) An application for a reception order shall be made by Application for reception order. petition accompanied by a statement of particulars to the Magistrate within the local limits of whose jurisdiction the alleged lunatic ordinarily resides, shall be in the form prescribed and shall be supported by two medical certificates on separate sheets of paper, one of which certificates shall be from a medical officer.

(2) If either of the medical certificates is signed by any relative partner or assistant of the lunatic or of the petitioner, the petition shall state the fact, and, where the person signing is a relative, the exact manner in which he is related to the lunatic or petitioner.

(3) the petition shall also state whether any previous application has been represented for an inquiry into the mental capacity of the alleged lunatic in any Court; and if such application has been made, a certified copy of the order made thereon shall be attached to the petition.

(4) No application for a reception order shall be entertained in any area outside the Presidency towns unless the Local Government has, by notification in the local official Gazette, declared such area as an area in which reception orders may be made.

Application by whom to be presented. 6. (1) The petition shall be presented, if possible, by—

- (a) the husband or wife of the alleged lunatic, or
- (b) by any other relative of his,

(2) If the petition is not so presented, it shall contain a statement of the reasons why it is not so presented, and of the connection of the petitioner with the alleged lunatic, and the circumstances under which he presents the petition.

(3) No person shall present a petition unless he has attained the age of majority as determined by the law to which he is subject and has within fourteen days before the presentation of the petition, personally seen the said lunatic.

(4) The petition shall be signed and verified by the petitioner and the statement of prescribed particulars by the person making such statement.

7. (1) Upon the presentation of the petition the Magistrate shall consider the allegations in the petition and the evidence of lunacy appearing by the medical certificates.

(2) If he considers that there are grounds for proceeding further he shall personally examine the alleged lunatic unless for reasons to be recorded in writing he thinks it unnecessary or inexpedient so to do.

(3) If he is satisfied that a reception order may properly be made forthwith, he may make the same accordingly.

(4) If he is not so satisfied, he shall fix a date (notice whereof shall be given to the petitioner and to any other person to whom in the opinion of the Magistrate notice should be given) for the consideration of the petition, and he may make such further or other enquiries of or concerning the alleged lunatic as he thinks fit.

8. Upon the presentation of the petition the Magistrate may make such order as he thinks fit for the detention of alleged lunatic pending enquiry suitable custody of the alleged lunatic pending the conclusion of the inquiry.

9. The petition shall be considered in private in the presence of the petitioner, the alleged lunatic (unless the Magistrate in his discretion otherwise directs), any person appointed by the alleged lunatic to represent him and such other persons as the Magistrate thinks fit.

10. (1) At the time appointed for the consideration of the petition, the Magistrate may either make a reception order or dismiss the petition, or may adjourn the same for further evidence or inquiry, and may make such order as to the payment of the costs of the inquiry by the person upon whose application it was made, or out of the estate of the alleged lunatic if found to be of unsound mind, or otherwise, as he thinks fit.

(2) If the petition is dismissed, the Magistrate shall record in writing his reasons for dismissing the same, and shall deliver or cause to be delivered to the petitioner a copy of such order.

11. No reception order shall be made under section 7 or section 10 save in the case of a lunatic who is dangerous and unfit to be at large, unless—
Further provisions as to reception orders on petition.

- (a) the Magistrate is satisfied that the person in charge of an asylum is willing to receive the lunatic, and
- (b) the petitioner or some other person engages in writing to the satisfaction of the Magistrate to pay the cost of maintenance of the lunatic.

11A* (1) when an arrangement has been made with any European State with respect to the reception of lunatics in asylums in British India, the Governor-General in Council may, by notification in the Gazette of India, direct that reception orders may be made under this Act in the case of any lunatic or class of lunatics residing in the territories in India of such foreign European State, and shall in such notification specify the province or provinces within which such reception orders may be made.

(2) On publication of a notification under sub-section (1), the provisions of this Act as to the making of reception orders on petition and for temporary detention in suitable custody shall apply in the case of such lunatics, with the following modifications, namely :—

- (a) an application for a reception order may be made by petition presented by such officer or agent of the foreign State in which the alleged lunatic ordinarily resides as may by general or special order be approved by the Local Government in this behalf ;
- (b) the functions of the Magistrate shall be performed by such officer as that Local Government may, by general or special order appoint in this behalf, and such officer shall be deemed to be the Magistrate having the jurisdiction of the alleged lunatic for all the purposes of the said provisions ;
- (c) for the purposes of sections 5 and 18 (1), the expressions " medical officer " and " medical practitioner " shall include such person or class of persons as the Local Government may specify in this behalf ;
- (d) the Magistrate may in his discretion extend the period prescribed by section 19 within which the alleged lunatic must have been medically examined ; and
- (e) sections 6 (1), (2), (3) 11 and 34 of the Act shall not apply and with such other modifications, restrictions or adaptations as the Governor-General in Council may, by notification in the Gazette of India, direct for the

* Section 11A has been added by Act XII. of 1916.

purpose of facilitating the application of the said provisions.

(3) A reception order made under this section shall be deemed to be a reception order made under section 7 or section 10, as the case may be.

12. When any European who is subject to the provisions of the Army Act * has been declared a lunatic in accordance with the provisions of the military regulations in force for the time being, and it appears to any administrative medical officer that he should be removed to an asylum, such administrative medical officer may, if he thinks fit, make a reception order under his hand for the admission of the said lunatic into any asylum which has been duly authorized for the purpose by the Governor-General in Council.

13. (1) Every officer in charge of a police-station may arrest or cause to be arrested all persons found wandering at large within the limits of his station whom he has reason to believe to be lunatics, and shall arrest or cause to be arrested all persons within the limits of his station whom he has reason to believe to be dangerous by reason of lunacy. Any person so arrested shall be taken forthwith before the Magistrate.

(2) Every officer in charge of a police-station who has reason to believe that any person within the limits of his station is deemed to be a lunatic and is not under proper care and control, or is cruelly treated or neglected by any relative or other person having the charge of him, shall immediately report the fact to the Magistrate.

14. Whenever any person is brought before a Magistrate under the provisions of sub-section (1) of section 13 the Magistrate shall examine such person, and if he thinks that there are grounds for proceeding further shall cause him to be examined by a medical officer and may make such other inquiries as he thinks fit ; and if the Magistrate is satisfied that such person is a lunatic and a proper person to be detained, he may, if the medical officer who has examined such person, gives a medical certificate with regard to such person, make a reception order for the admission of such lunatic into an asylum :

Provided that if any friend or relative desires that the lunatic be sent to a licensed asylum and engages in writing to the satisfaction of the Magistrate to pay the cost of maintenance of the lunatic in such asylum, the Magistrate shall, if the person in charge of

* 44 & 45 Vict., c. 58.

such asylum consents, make a reception order for the admission of the lunatic into the licensed asylum mentioned in the engagement.

Provided further that if any friend or relative of the lunatic enters into a bond with or without sureties for such sum of money as the Magistrate thinks fit conditioned that such lunatic shall be properly taken care of, and shall be prevented from doing injury to himself or to others, the Magistrate, instead of making a reception order, may, if he thinks fit, make him over to the care of such friend or relative.

15 (1) If it appears to the Magistrate, on the report of a police-officer or the information of any other person that any person within the limits of his jurisdiction deemed to be a lunatic is not under proper care and control, or is cruelly treated or neglected by any relative or other person having the charge of him, the Magistrate may cause the alleged lunatic to be produced before him, and summon such relative or other person as has or ought to have the charge of him.

(2) If such relative or other person is legally bound to maintain the alleged lunatic, the magistrate may make an order for such alleged lunatic being properly cared for and treated, and, if such relative or other person wilfully neglects to comply with the said order, the Magistrate may sentence him to imprisonment for a term which may extend to one month.

(3) If there is no person legally bound to maintain the alleged lunatic, or if the Magistrate thinks fit so to do, he may proceed as prescribed in section 14, and upon being satisfied in manner aforesaid that the person deemed to be a lunatic is a lunatic and a proper person to be detained under care and treatment may, if a medical officer gives a medical certificate with regard to such lunatic, make a reception order for the admission of such lunatic into an asylum.

16 (1) When any person alleged to be a lunatic is brought before a Magistrate under the provisions of section 13 or section 15, the Magistrate may, by an order in writing, authorize the detention of the alleged lunatic in suitable custody for such time not exceeding ten days as may be, in his opinion, necessary to enable the medical officer to determine whether such alleged lunatic is a person in respect of whom a medical certificate may be properly given.

(2) The Magistrate may, from time to time, for the same purpose by order in writing, authorize such further detention of the alleged lunatic for periods not exceeding ten days at a time as he thinks necessary:

Provided that no person shall be detained in accordance with the provisions of this section for a total period exceeding thirty days from the date on which he was first brought before the Magistrate.

17. All acts which the Magistrate is authorized or required to do by sections 14, 15 or 16 may be done in the Presidency towns or Rangoon by the Commissioner of Police; and all duties which an officer in charge of a police-station is authorized or required to perform, may be performed in any of the Presidency towns by an officer of the police-force not below the rank of inspector.

Further provisions as to reception orders and medical certificates.

18. (1) Every medical certificate under this Act shall be made and signed by a medical practitioner or a medical officer, as the case may be, and shall be in the form prescribed.

(2) Every medical certificate shall state the facts upon which the person certifying has formed his opinion that the alleged lunatic is a lunatic, distinguishing facts observed by himself from facts communicated by others; and no reception order on petition shall be made upon a certificate founded only upon facts communicated by others.

(3) Every medical certificate made under this Act shall be evidence of the facts therein appearing and of the judgment therein stated to have been formed by the person certifying on such facts, as if the matters therein appearing had been verified on oath.

19. (1) A reception order required to be founded on a medical certificate shall not be made unless the person who signs the medical certificate, or, where two certificates are required, each person who signs a certificate, has personally examined the alleged lunatic, in the case of an order upon petition, not more than seven clear days before the date of the presentation of the petition, and, in all other cases, not more than seven clear days before the date of the order.

(2) Where two medical certificates are required, a reception order shall not be made unless each person signing a certificate has examined the alleged lunatic separately from the other.

20. A reception order, if the same appears to be in conformity with this Act, shall be sufficient authority for the petitioner or any person authorized by him, or in the case of an order not made upon petition, for the person authorized so to do by the person making the order, to take the lunatic and convey him to the place mentioned

in such order and for his reception and detention, therein, or in any asylum to which he may be removed in accordance with the provisions of this Act, and the order may be acted on without further evidence of the signature or of the jurisdiction of the person making the order.

"Provided that no reception order shall be continue to have effect—

- (a) after the expiry of thirty days from the date on which it was made, unless the lunatic has been admitted to the place mentioned therein within that period; or
- (b) after the discharge under the provisions, of this Act, of the lunatic from such place or from any asylum to which he may have been removed."†

21. Any authority making a reception order under this Part shall forthwith send a certified copy of the order to the person in charge of the asylum into which such lunatic is to be admitted.

Copy of reception order to be sent to person in charge of asylum.

22. Subject to the provisions of section 85, no Magistrate shall make a reception order for the admission of any lunatic into any asylum established by Government outside the Province in which the Magistrate exercises jurisdiction.

Restriction as to asylum into which reception orders may direct admission.

Detention of lunatics pending removal to asylum.

23. When any reception order has been made under sections 7, 10, 14 or 15, the Magistrate may, for reasons to be recorded in writing, direct that the lunatic, pending his removal to any asylum, be detained in suitable custody in such place as the Magistrate thinks fit.

Detention of lunatics pending removal to asylum.

Reception and detention of criminal lunatics.

24. An order under section 456 or section 471 of the Code of Criminal Procedure,† 1898, or under section 30 of the Prisoners Act,‡ 1900 "or under the provisions of section 103A of the Indian Army Act, 1911" § directing the reception of a criminal lunatic into any asylum which is prescribed for the reception of criminal lunatics shall be sufficient authority for the reception and detention of any person named therein in such asylum or in any other asylum to which he may be lawfully transferred.

Reception and detention of criminal lunatics.

* The words within quotations have been inserted by Act 32 of 1923.

† Act V. of 1898.

‡ Act III. of 1900.

§ The words within quotations have been inserted by Act 33 of 1923.

Reception after inquisition.

Reception after inquisition.

25. A lunatic so found by inquisition may be admitted into an asylum—

- (1) in the case of an inquisition under Chapter IV. on an order made by or under the authority of the High Court;
- (2) in the case of an inquisition under Chapter V. on an order made by the District Court.

26. (1) When any lunatic has been admitted into an asylum in accordance with the provisions of section 25, the High Court or the District Court, as the case may be, shall, on the application of the person in charge of the asylum, make an order for the payment of the cost of maintenance of the lunatic in the asylum, and may from time to time direct that any sum of money payable under such order shall be recovered from the estate of the lunatic or of any person legally bound to maintain him :

Provided that, if at any time it shall appear to the satisfaction of the Court that the lunatic has not sufficient property, and that no person legally bound to maintain such lunatic has sufficient means for the payment of such cost, the Court shall certify the same instead of making such order for the payment of the costs as aforesaid,

(2) An order under sub-section (1) shall be enforced in the same manner and shall be of the same force and effect and subject to the same appeal as a decree made by the Court in a suit in respect of the property or person therein mentioned.

Amendment of order or certificate.

27. If, after the reception of any lunatic into any asylum, on a reception order, it appears that the order upon which he was received or the medical certificate or certificates upon which such order was made is or are defective or incorrect, the same may at any time afterwards be amended by the person or persons signing the same with the sanction of two or more of the visitors of the said asylum, one of whom shall be a medical officer.

CHAPTER III. CARE AND TREATMENT.

Visitors.

28. (1) The local Government shall appoint for every asylum not less than three visitors, one of whom at least shall be a medical officer.

(2) The Inspector-General of Prisons (where such office exists) shall be a visitor *ex-officio* of all the asylums within the limits of his jurisdiction.

29. Two or more of the visitors, one of whom shall be a medical officer, shall, once at least in every month, together inspect every part of the asylum of which they are visitors, and see and examine as far as circumstances will permit, every lunatic and boarder therein, and the order and certificate for the admission of every lunatic admitted since the last visitation of the visitors, and shall enter in a book to be kept for that purpose any remarks which they may deem proper in regard to the management and condition of the asylum and the inmates thereof.

30. (1) When any person is "detained"* under the provisions of section 466 or section 471 of the Code of Criminal Procedure,† 1898 "or under the provisions of section 103 A of the Indian Army Act, 1911" ‡ the Inspector-General of Prisons if such person is "detained"* in a jail, or the visitors of the asylum or any two of them, if he is "detained"* in an asylum, may visit him in order to ascertain his state of mind; and he shall be visited once at least in every six months by such Inspector-General or by two of such visitors as aforesaid; and such Inspector-General or visitors shall make a special report as to the state of mind of such person to the authority under whose order he is "detained"*

(2) The Local Government may empower the officer in charge of the jail in which such person may be "detained"* to discharge all or any of the functions of the Inspector-General under subsection (1).

Discharge of duties.

31. (1) Three of the visitors of any asylum, of whom one shall be a medical officer, may, by order in writing, direct the discharge of any person detained in such asylum, and such person thereupon be discharged:

Order of discharge from
asylum by visitors.

* The word within quotations has been substituted by Act 11 of 1923.

† Act V. of 1898.

‡ The words within quotations have been inserted by Act 33 of 1923.

Provided that no order under this sub-section shall be made in the case of a person detained under a reception order under section 12, or, in the case of a criminal lunatic, otherwise than as provided by section 30 of the Prisoners Act,* 1900.

(2) When such order is made, if the person detained under the order of any public authority, notice of the order of discharge shall be immediately communicated to such authority.

32. (1) A lunatic detained in an asylum under a reception order, made on petition, shall be discharged if the person on whose petition the reception order was made so applies in writing to the person in charge of the asylum :

Discharge of lunatics in other cases and of European military lunatics. Provided that no lunatic shall be discharged under the provisions of sub-section (1) if the officer in charge of the asylum certifies in writing that the lunatic is dangerous and unfit to be at large.

(2) A person detained in an asylum under a reception order made under section 12 shall be detained therein until he is discharged therefrom in accordance with the military regulations in force for the time being, or until the officer making the order applies for his transfer to the military authorities in view to his removal to England.

(3) Whenever it appears to the officer in charge of an asylum that the discharge of a person therein detained under an order made under section 12 is necessary either on account of his recovery, or for any other purpose, such person shall be brought before the visitors of the asylum, and on the visitors recording their opinion that the discharge should be made, the General or other Officer Commanding the division, district, brigade or force, or other officer authorized to order the admission of such persons into an asylum, shall forthwith direct him to be discharged, and such discharge shall take place in accordance with the military regulations in force for the time being.

33. When any relative or friend of a lunatic detained in any asylum under the provisions of sections 14, 15 or 17 is desirous that such lunatic shall be delivered over to his care and custody, he may make application to the authority under whose order the lunatic is detained, and such authority, if it thinks fit, in consultation with the person in charge of the asylum and with the visitors or with one of them being a medical officer, and upon such relative or friend entering into a bond with or without sureties for such sum of money as the said authority thinks fit conditioned that such lunatic shall be properly taken care of and shall be prevented from doing injury to himself or to

* Act III. of 1900.

others. may make an order for the discharge of such lunatic, and such lunatic shall thereupon be discharged.

34. If any lunatic detained in an asylum on a reception order made under sections 7, 10, 14, 15 or 17 is subsequently found on an inquisition under Chapter IV, or Chapter V, not to be of unsound mind, and incapable of managing himself and his affairs, the person in charge of the asylum shall forthwith, on the production of a certified copy of such finding, discharge the alleged lunatic from the asylum.

Removal of lunatics.

35. "(1) Any lunatic may, in accordance with any general or special order of the Local Government be removed from any asylum established by Government to any other asylum within the province or to any other asylum in any other province with the consent of the Local Government of that province"*

Provided that no lunatic admitted into an asylum on a reception order made on petition shall be removed in accordance with the provisions of this sub-section until notice of such intended removal has been given to the petitioner.

(2) The "Local Government"* may make such general or special order as "it"* thinks fit directing the removal of any person for whose "detention"† an order has been made under section 466 or section 471 of the Code of Criminal Procedure, 1898 "or under section 103A of the Indian Army Act, 1911"‡ from the place where he is for the time being "detained,"† to any asylum, jail or other place of safe custody "in the province, or to any asylum or jail or other place of safety in any other province with the consent of the Local Government of that province"

Escape and re-capture.

36. Every person received into an asylum under any such order as is required by this act, may be detained therein until he is removed or discharged as authorized by law, and in case of escape may, by virtue of such order, be re-taken by any police-officer or by the person in charge of such asylum, or any officer or servant belonging thereto, or any other person authorized in that behalf by the said person in charge, and conveyed to and received and detained in such asylum :—

* The words within quotations have been substituted by Act 38 of 1920.

† The word within quotations have been inserted by Act 11 of 1923.

‡ The words within quotations have been substituted by Act 33 of 1923.

Provided that in the case of a lunatic not being a criminal lunatic or a lunatic in respect of whom a reception order has been made under section 12, the power to re-take such escaped lunatic under this section shall be exerciseable only for a period of one month from the date of his escape.

PART III.

JUDICIAL INQUISITION AS TO LUNACY.

CHAPTER IV.

PROCEEDINGS IN LUNACY IN PRESIDENCY-TOWNS.

Inquisition.

37. The Courts having jurisdiction under this Chapter shall be the High Courts of Judicature at Fort William, Madras and Bombay.

38. (1) The Court may upon application by order direct an inquisition whether a person subject to the jurisdiction of the Court who is alleged to be lunatic, is of unsound mind and incapable of managing himself and his affairs.

(2) Such order may also contain directions for inquiries concerning the nature of the property belonging to the alleged lunatic, the persons who are his relatives, the time during which he has been of unsound mind or such other matters as to the Court may seem proper.

39. Application by whom to be made. Application for such inquisition may be made by any relative of the alleged lunatic, or by the Advocate-General.

40. (1) Notice shall be given to the alleged lunatic of the time and place at which it is proposed to hold the inquisition.

(2) If it appears that personal service on the alleged lunatic would be ineffectual, the Court may direct such substituted service of the notice as it thinks fit.

(3) The Court may also direct a copy of such notice to be served upon any relative of the alleged lunatic and upon any other person to whom in the opinion of the Court notice of the application should be given.

41. (1) The Court may require the alleged lunatic to attend at such convenient time and place as it may appoint for the purpose of being personally examined by the Court, or by any person from whom the Court may desire to have a report of the mental capacity and condition of such alleged lunatic.

(2) The Court may likewise make an order authorizing any person or persons therein named to have access to the alleged lunatic for the purpose of a personal examination.

42. The attendance and examination of the alleged lunatic under the provisions of section 41 shall, if the alleged lunatic be a woman who, according to the manners and customs of the country, ought not to be compelled to appear in public, be regulated by the law and practice for the examination of such persons in other civil cases.

43. (1) If the alleged lunatic is not within the local limits of the jurisdiction of the Court, and the inquisition cannot conveniently be made in the manner hereinbefore provided, the Court may direct the inquisition to be made before the District Court within whose local jurisdiction the alleged lunatic may be ; and such District Court shall accordingly proceed to make such inquisition in the same manner as if the alleged lunatic were subject to its jurisdiction and shall certify its finding upon the matters of inquisition to the Court directing the inquisition.

(2) The record of evidence taken upon the inquisition shall be transmitted, together with any remarks the Court may think fit to make thereon, to the Court by which the inquisition was directed.

44. If the finding of the District Court appears to the Court directing the inquisition to be defective or insufficient in point of form, it may either amend the same or refer it back to the Court which made the inquisition to be amended.

45. The finding of the Court on the inquisition or the finding of the District Court to which the inquisition may have been referred under the provisions of section 43 with such amendments as may be made under the provisions of section 44, as the case may be, shall, have the same effect, and to be proceeded on in the same manner in regard to the appointment of a guardian of a person and a manager of the estate of the lunatic as the findings referred to in section 12 of the Lunacy (Supreme Courts) Act,* 1858, immediately before the commencement of this Act:

Judicial powers over person and estate of lunatic.

46. (1) The Court may make orders for the custody of lunatics so found by inquisition and the management of their estates.

(2) When upon the inquisition it is specially found that the person to whom the inquisition relates is of unsound mind so as to be incapable of managing his affairs, but that he is capable of managing himself, and is not dangerous to himself or to others, the Court make such orders as it thinks fit for the management of the estate of the lunatic including proper provision for the maintenance of the lunatic and of such members of his family as are dependent on him for maintenance, but it shall not be necessary to make any order as to the custody of the person of the lunatic.

47. The Court, on the appointment of a manager of the estate of a lunatic, may direct by the order of appointment, or by any subsequent order, that such manager shall have such powers for the management of the estate as to the Court may seem necessary and proper, reference being had to the nature of the property, whether moveable or immoveable, of which the estate may consist :

Provided that no manager so appointed shall without the permission of the Court—

(a) Mortgage, charge or transfer by sale, gift, exchange or otherwise, any immoveable property of the lunatic ; or

(b) lease any such property for a term exceeding five years.

Such permission may be granted subject to any condition or restriction which the Court thinks fit to impose.

48. The Court may, on application made to it by petition concerning any matter whatsoever connected with the lunatic or his estate make such order, subject to the provisions of this Chapter, respecting the application, as in the circumstances, it thinks fit.

Management and administration.

49. The Court may, if it appears to be just or for the lunatic's benefit, order that any property, moveable or immoveable, of the lunatic, and whether in possession, reversion, remainder, or contingency be sold, charged, mortgaged, dealt with or otherwise disposed of as may seem most expedient for the purpose of raising or securing or repaying with or without interest

money to be applied or which has been applied to all or any of the following purposes, namely—

- (1) the payment of the lunatic's debts or engagements ;
- (2) the discharge of any incumbrance on his property.
- (3) the payment of any debt or expenditure incurred for the lunatic's maintenance or otherwise for his benefit ;
- (4) The payment of or provision for the expenses of his future maintenance and the maintenance of such members of his family as are dependent on him for maintenance, including the expenses of his removal to Europe, if he shall be so removed, and all expenses incidental thereto ;
- (5) the payment of the costs of any inquiry under this Chapter, and of any costs incurred by order or under the authority of the Court.

50. (1) The manager of the lunatic's estate shall, in the name of the lunatic, and on behalf of the lunatic execute all such conveyances and powers by such conveyances and instruments of transfer relative to any sale, mortgage or other disposition of his estate as the Court may order.

(2) Such manager shall, in like manner, under the order of the Court, exercise all powers whatsoever vested in a lunatic, whether the same are vested in him for his own benefit or in the character of trustee or guardian.

51. Where a person, having contracted to sell or otherwise dispose of his estate or any part thereof, afterwards becomes lunatic, the Court may, if the contract is such as the Court thinks ought to be performed, direct the manager of the estate to execute such conveyances and to do such other acts in fulfilment of the contract as it shall think proper.

52. (1) Whether a person, being a member of a partnership firm, is found to be a lunatic, the Court, on the application of the other partners, or of any person who appears to the Court to be entitled to require the same, may, on the application of the other partners, or of any person who appears to the Court to be entitled to require the same, dissolve the partnership.

(2) Upon such dissolution, or upon a dissolution by decree of Court or otherwise by due course of law, the manager of the estate may, in the name and on behalf of the lunatic, join with the other partners in disposing of the partnership property upon such terms, and shall do all such acts for carrying into effect the dissolution of the partnership as the Court shall think proper.

53. Where a lunatic has been engaged in business, the Court may, if it appears to be for the lunatic's benefit that the business premises should be disposed of, order the manager of the estate to sell and dispose of the same; and the moneys arising from such sale shall be applied in such manner as the Court may direct.

54. Where a lunatic is entitled to a lease or under lease, and it appears to be for the benefit of his estate that it should be disposed of, the manager of the estate may, by order of the Court, surrender, assign or otherwise dispose of the same to such person for such valuable or nominal consideration, and upon such terms, as the Court thinks fit.

55. If a lunatic possessed of any immoveable property situated beyond the local limits of the jurisdiction of the Court, which, by the law in force in the Province wherein such property is situated, subjects the proprietor, if disqualified, to the jurisdiction of the Court of Wards, the said Court of Wards may assume the charge of such property and manage the same according to the law for the time being in force for such management:

Provided that—

- (1) in such case, no further proceedings in respect of the lunacy shall be taken under any such law, nor shall it be competent to the Court of Wards or to any Collector to appoint a guardian of the person of the said lunatic or a manager of the estate except of the immoveable property which so subjects the proprietor as aforesaid:
- (2) the surplus of the income of such property, after providing for the payment of the Government revenue and expenses of management, shall be disposed of from time to time in such manner as the High Court may direct:
- (3) nothing contained in this section shall affect the powers given to the High Court by sections 49, 50 and 51 or (except so far as relates to the management of the said immoveable property which so subjects the proprietor as aforesaid) the powers given by any other section.

56. (1) If it appears to the Court, having regard to the situation and condition in life of the lunatic and his family and the other circumstances of the case, to be expedient that his property should be made available for his or their maintenance in a direct and inexpensive manner it may, instead of appointing a manager of the estate

order that the property if money or if of any other description the produce thereof, when realized, be paid to such person as the Court may think fit, to be applied for the purpose aforesaid.

(2) The receipt of the person so appointed shall be a valid discharge to any person who pays any money or delivers any property of the lunatic to such person.

Vesting orders.

57. Where any stock or Government securities or any share in a company (transferable within British India or the dividends of which are payable there) is or are standing in the name of, or vested in, a lunatic, beneficially entitled thereto, or in a manager of the estate of a lunatic, or in a trustee for him, and the manager dies intestate, or himself becomes lunatic, or is out of the jurisdiction of the Court, or it is uncertain whether the manager is living or dead, or he neglects or refuses to transfer the stock, securities or shares, or to receive and pay over thereof the dividends to a new manager or as the Court directs, within fourteen days after being required by the Court to do so, then the Court may order some fit person to make such transfer, or to transfer the same, and to receive and pay over the dividends in such manner as the Court directs.

58. Where any such stock or Government securities or share in a company is or are standing in the name of, or vested in, any person residing out of British India and not in any part of the United Kingdom, the Court upon being satisfied that such person has been declared lunatic, and that his personal estate has been vested in a person appointed for the management thereof, according to the law of the place where he is residing, may order some fit person to make such transfer of the stock, securities or shares, or of any part thereof, to or into the name of the person so appointed or otherwise, and also to receive and pay over the dividends and proceeds as the Court thinks fit.

General.

59. If it appears to the Court that the unsoundness of mind of a lunatic is in its nature temporary, and that it is expedient to make temporary provision for his maintenance or for the maintenance of such members of his family as are dependent on him for their maintenance, the Court may, in the manner as under section 56, direct his property or a sufficient part of it to be applied for the purpose aforesaid.

60. (1) When any person has been found under this Chapter to be of unsound mind and it is subsequently shown to the Court that there is reason to believe that such unsoundness of mind has ceased, the Court may make an order for inquiring whether such person is still of unsound mind and incapable of managing himself and his affairs.

(2) The inquiry shall be conducted as far as may be in the manner prescribed in this Chapter for an inquisition into the unsoundness of mind of an alleged lunatic; and if it is found that the unsoundness of mind has ceased, the Court shall order all proceedings in the lunacy to cease or to be set aside on such terms and conditions as to the Court may seem fit.

61. The Court may, from time to time, make rules for the purpose of carrying into effect the provisions of this Chapter in matters of lunacy.

Power of Court to make rules.

CHAPTER V.

PROCEEDINGS IN LUNACY OUTSIDE PRESIDENCY-TOWNS.

Inquisition.

62. Whenever any person not subject to the jurisdiction of any of the Courts mentioned in section 37 is possessed of property and is alleged to be a lunatic, the District Court within whose jurisdiction such person is residing may, upon application, by order direct and inquisition for the purpose of ascertaining whether such person is of unsound mind and incapable of managing himself and his affairs.

Power of District Court to institute inquisition as to persons alleged to be lunatic.

63. (1) Application for such inquisition may be made by any relative of the alleged lunatic or by any public curator appointed under the Succession (property protection) Act,* 1841 (hereinafter referred to as the curator), or by the Government Pleader, as defined in the Code of Civil Procedure,† 1908 or if the property of the alleged lunatic consists in whole or in part of land or any interest in land, by the Collector of the District in which it is situate.

Application by whom to be made.

(2) If the property or any part thereof is of such a description that it would by the law in force in any Province where such property is situate subject to the proprietor, if disqualified, to the jurisdiction of the Court of Wards, the application may be made by the Collector on behalf of the Court of Wards.

* Act XIX. of 1841.

† Act V of 1908.

64. The provisions of sections 40, 41 and 42 shall regulate the proceedings of the District Court with regard to the matters to which they relate.

Regulation of proceedings of District Courts.
Inquisition by District Court and finding thereon.
inquisition.

65. (1) The District Court, if it thinks fit, may appoint two or more persons to Act as assessors to the Court in the said

(2) Upon the completion of the inquisition, the Court shall determine whether the alleged lunatic is of unsound mind and incapable of managing himself and his affairs or may come to a special finding that such alleged lunatic is of unsound mind so as to be incapable of managing his affairs but that he is capable of managing himself and is not dangerous to himself or to others.

66. (1) If the alleged lunatic resides at a distance of more than fifty miles from the place where the District Court is held to which the application is made, the said Court may issue a commission to any subordinate Court to make the inquisition, and such subordinate Court shall thereupon conduct the inquisition in the manner hereinbefore provided in this Chapter.

(2) On the completion of the inquisition, the subordinate Court shall transmit the record of its proceedings with the opinions of the assessors if assessors have been appointed, and its own opinion on the case; and the District Court shall thereupon proceed to dispose of the application in the manner provided in section 65, sub-section (2):

Provided that the District Court may direct the subordinate Court to make such further or other inquiries as it thinks fit before disposing of the application.

Judicial powers over person and estate of lunatic.

Custody of lunatics and management of their estates.

67 (1) The Court may make orders for the custody of lunatics so found by inquisition and the management of their estates.

(2) When upon the inquisition it is specially found that the person to whom the inquisition relates is of unsound mind so as to be incapable of managing his affairs, but that he is capable of managing himself, and is not dangerous to himself or to others, the Court may make such orders, as it thinks fit for the management of the estate of the lunatic including proper provisions for the maintenance of the lunatic and of such members of his family as are dependent on him for maintenance, but it shall not be necessary to make any order as to the custody of the person of the lunatic.

68. If the estate of a lunatic so found or any part thereof consists of property which, by the law for the time being in force, subjects the proprietor, if disqualified, to the jurisdiction of the Court of Wards, the Court of Wards shall be authorised to take charge of the same.

69. (1) If the estate of a lunatic so found consists in whole or in part of land or any interest in land but is not of such a nature that it would subject the proprietor, if disqualified, to the jurisdiction of the Court of Wards, the District Court may direct the Collector to take charge of the person and estate of the lunatic :

Provided that no such order shall be made without the consent of the Collector previously obtained.

(2) The Collector shall thereupon appoint a manager of the estate, and may appoint a guardian of the person of the lunatic.

70. All proceedings of the Collector in regard to the person or estate of a lunatic under this Chapter shall be subject to the control of the Local Government or of such authority as it may appoint in this behalf.

Power of District Court to appoint guardian and manager and take security from manager.

71. (1) In all other cases the District Court shall appoint a manager of the estate of the lunatic and may appoint a guardian of his person.

Provided that a District Court may, instead of appointing a manager of the estate of a lunatic, exercise any of the powers conferred on the High Court under sections 56 and 59.

(2) Any person who has been appointed by the District Court or Collector to manage the estate of a lunatic shall, if so required, enter into a bond in such form and with such sureties as to the Court or the Collector, as the case may be, may seem fit, engaging duly to account for what he may receive in respect of the property of the lunatic.

72. The legal heir of a lunatic shall not be appointed to be the guardian of the person of such lunatic, unless the Court or the Collector, as the case may be, for reasons to be recorded in writing considers that such an appointment is for the benefit of the lunatic.

73. A guardian of the person of a lunatic or a manager of his estate appointed under this Chapter shall be paid such allowance, if any, as the Court or the Collector, as the case may be, thinks fit for his care and pains in the execution of his duties.

Duties of guardian.

74. (1) The person appointed to be guardian of a lunatic's person shall have the care of his person and maintenance.

(2) When a distinct guardian is appointed, the manager shall pay to the guardian such allowance as may be fixed by the District Court, or the Collector, as the case may be, for the maintenance of the lunatic and such members of his family as are dependent on him for their maintenance.

75. (1) Every manager of the estate of a lunatic appointed as aforesaid may exercise the same powers in the management of the estate as might have been exercised by the proprietor if not a lunatic, and may collect and pay all just claims, debts and liabilities due to or by the estate of the lunatic :

Provided that no manager so appointed shall without the permission of the Court—

(a) mortgage, charge or transfer by sale, gift, exchange or otherwise any immoveable property of the lunatic.

(b) lease any such property for a term exceeding five years.

Such permission may be granted subject to any condition or restriction which the Court thinks fit to impose.

(2) Before granting any such permission, the Court may cause notice of the application for such permission to be served on any relative or friend of the lunatic, and may make or cause to be made such inquiries as to the Court may seem necessary in the interests of the lunatic.

76. (1) Every person appointed by the District Court or by Collector to be manager of the estate of a lunatic shall, within six months from the date of his appointment deliver in Court or to the Collector, as the case may be, an inventory of the immoveable property belonging to the lunatic and of all such money, or other moveable property, as he may receive on account of the estate, together with a statement of all debts due by or to the same.

(2) Every such manager shall also furnish to the Court or to the Collector annually, within three months of the close of the year of the era current in the district, an account of the property in his charge, exhibiting the sums received and disbursed on account of the estate and the balance remaining in his hands.

77. If any relative of the lunatic, or the Collector by petition to the Court, impugnes the accuracy of the said inventory and statement, or of any annual account, the Court may summon the manager and inquire summarily into the matter and make such order thereon as it thinks fit; or the Court, at its discretion, may refer any such petition to any sub-

Proceeding if accuracy of inventory or accounts is impugned.

ordinate Court or to the Collector if the manager was appointed by the Collector.

78. All sums received by a manager on account of any estate in excess of what may be required for the current expenses of the lunatic or of the estate, shall be paid into the public treasury on account of the estate and shall be invested from time to time in any of the securities specified in section 20 of the Indian Trust Act, * 1882, unless the Court or the Collector, as the may case be, for reasons to be recorded in writing directs that such sums be in the interest of the lunatic otherwise invested or applied.

Payment in public treasury and investment of proceeds of estate.

79. Any relative of a lunatic may with the leave of the District Court sue for an account from any manager appointed under this Chapter, or from any such person after his removal from office or trust, or from his legal representative in case of his death, in respect of any estate then or formerly under his care or management or of any sums of money or other property received by him on account of such estate.

Relative may sue for an account.

80. (1) The District Court, for any sufficient cause, may remove any manager appointed by it not being the curator, and may appoint such curator or any other fit person in his place, and may compel the person so removed to make over the property in his hands to his successor, and to account to such successor for all money received or disbursed by him.

Removal of managers and guardians.

(2) The Court may also, for any sufficient cause, remove any guardian of the person of a lunatic appointed by it and may appoint any other fit person in his place.

(3) The Collector, for any sufficient cause, may remove any manager of the estate of a lunatic or guardian of the person of a lunatic appointed by him; and may appoint any other fit person in place of such manager or guardian; and the District Court on the application of the Collector may compel any manager removed under this section to make over the property and all accounts in his hands to his successor and to account to such successor for all money received or disbursed by him.

81. The District Court may impose a fine not exceeding five hundred rupees on any manager of the estate of a lunatic who wilfully neglects or refuses to deliver his accounts or any property in his hands within the time fixed by the Court, and may realize such fine as if it were a sum due

Penalty on manager for refusing to deliver accounts or property.

under a decree of the Court, and may also commit the recusant to the civil jail until he delivers such accounts or property.

82. (1) When any person has been found under this Chapter to be of unsound mind, and it is subsequently shown to the District Court that there is reason to believe that such unsoundness of mind has ceased, such Court may make an order for inquiring whether such person is still of unsound mind and incapable of managing himself and his affairs.

(2) The inquiry shall, as far as may be conducted in the same manner as is prescribed in this Chapter for an inquisition into the unsoundness of mind of an alleged lunatic, and if it is found that the unsoundness of mind has ceased the Court shall order all proceedings in the lunacy to cease or to be set aside on such terms and conditions as to the Court may seem fit.

Appeals.

83. An appeal shall lie to the High Court from any order made by a District Court, under this Chapter.

PART IV.

MISCELLANEOUS.

CHAPTER VI.

ESTABLISHMENT OF ASYLUMS.

84. The Local Government may establish or license the establishment of asylums at such places as it thinks fit "if it is satisfied that provision, has been and will be made for the curative treatment therein of persons suffering from mental diseases."*

"84A.† If in any licensed asylum no provision for curative treatment has been made, or the Local Government considers that the provision made is insufficient the Local Government may require the person in charge of the asylum to take such measures for making or supplementing such provision as it may deem necessary, and, if such person does not comply with the requisition within a reasonable time, the Local Government may revoke the licence."

* The words within quotations and section 84A have been inserted by Act 6 of 1922.

85.* "The Magistrate or Courts exercising jurisdiction in any province may send lunatics or any class of lunatics in any asylum situate in any other province in accordance with any general or special order of the Local Government made in that behalf with the consent of the Local Government of such other province."*

CHAPTER VII.

EXPENSES OF LUNATICS.

86. (1) When any lunatic is admitted to a licensed asylum under a reception order or an order under section 25 and no engagement has been taken from the friends, or relatives of the lunatic or order made by the Court for the payment of expenses under the provisions of this Act, the cost of maintenance of such lunatic shall, subject to the provision of any law for the time being in force, be paid by the Government to the person in charge of such asylum.

(2) The Paymaster of the military circle within which any asylum is situated shall pay to the officer in charge of such asylum the cost of maintenance of every lunatic received and detained therein under an order made under section 12.

87. Any money in the possession of a lunatic found wandering at large may be applied by the Magistrate towards the payment of the cost of maintenance of the lunatic or of any other expenses incurred on his behalf, and any moveable property found on the person of the lunatic may be sold by the Magistrate and the proceeds thereof similarly applied.

88. If a lunatic detained in an asylum on a reception order made under section 14, section 15 or section 17 has an estate applicable to his maintenance, or if any person legally bound to maintain such lunatic has the means to maintain him, the authority which made the reception order or any local authority liable for the cost of maintenance of such lunatic under any law for the time being in force may apply to the High Court or District Court within the local limits of the original jurisdiction of which the estate of the lunatic is situate or the person legally bound to maintain him resides, for an order for the payment of the cost of maintenance of the lunatic.

* Section 85 has been substituted by Act 33 of 1920.

89. (1) The Court shall inquire into the matter in a summary way, and on being satisfied that such lunatic has an estate applicable to his maintenance, or that any person is legally bound to maintain and has the means of maintaining such lunatic, may make an order for the recovery of the cost of maintenance of such lunatic together with the costs of the application out of such estate or from such person.

(2) Such order shall be enforced in the same manner, and shall be of the same force and effect and subject to the same appeal as a decree made by the said Court in a suit in respect of the property or person therein mentioned.

"89A.* The Governor General in Council may, by general or special order, prescribe the amount payable on account of the cost of maintenance of lunatics detained in any asylum for the cost of whose maintenance any Local Government is liable, and the portions in which such amount shall be payable respectively by the Local Government so liable. Any such amount may include charges on account of the up keep of the asylum and of the capital cost of the establishment of the asylum,"

Incidence of costs of maintenance payable by Government.

"89B.* When under the provisions of this Act the cost of the maintenance of a lunatic is payable by the Government, then such cost shall be payable—

(a) in the case of a lunatic not domiciled in British India, by the Local Government of the province in which the reception order or the order under section 25, as the case may be, was made; and

(b) in the case of a lunatic domiciled in British India, by the Local Government of the Province in which the lunatic has last resided for a period of five years before the reception order or order under section 25, as the case may be, was made, or, if the lunatic has not been resident in any province for such period by the Local Government of the province in which such order was made.

(2) If any question arises as to the incidence of the cost of maintenance of any lunatic under sub-section (1) this question shall be referred to the Governor General in Council and his decision shall be final."

90. The liability or any relative or person to maintain any lunatic shall not be taken away or affected by any provision contained in this Act.

Saving of liability of relatives to maintain lunatic.

* Section 89A and 89B were inserted by Act VI of 1922, s. 5.

CHAPTER VIII.

RULES

Power of Local Government to make rules.

91. (1)* The Local Government may make rules for all or any of the following purposes, namely :—

- (a) to prescribe forms for any proceeding under this Act other than a proceeding before a High Court, which is or may hereafter be established under the Indian High Courts Acts, 1861 to 1911.†
 - (b) to prescribe places of detention and regulate the care and treatment of persons detained under section 8 or section 16 ;
 - (c) to regulate the "detention,"‡ care, treatment and discharge of criminal lunatics ;
 - (d) to regulate the management of asylums and the care and custody of the inmates thereof and their transfer from one asylum to another ;
 - (e) to regulate the transfer of criminal lunatics to asylums ;
 - (f) to prescribe the procedure to be followed by District Courts and Magistrates before a lunatic is sent to any asylum established by Government ;
 - (g) to prescribe the asylums established by Government within the province to which lunatics from any area or any class of lunatics shall be sent ;
 - (h) to prescribe conditions subject to which asylums may be licensed ;
 - (i) save as otherwise provided in this Act, generally to carry into effect the provisions of the Act.
- (2) In making any rule under this section the Local Government may direct that a breach of it shall be punishable with fine which may extend to fifty rupees.

92. All rules made under section 91 shall be published in the local official Gazette and shall thereupon have effect as if enacted in this Act.

* Certain words after this repealed by Act 38 of 1920, have been omitted.

† 24 & 25 Vict., c. 104, to 1 & 2 Geo. 5, c. 18.

‡ The word within quotations have been substituted by Act 11 of 1923.

CHAPTER IX.

SUPPLEMENTAL PROVISIONS.

Penalty for improper
reception or detention
of lunatic.

93. Any person who—

- (a) other wise than in accordance with the provisions of this Act receives or detains a lunatic or alleged lunatic in an asylum, or
(b) for gain detains two or more lunatics in any place not being an asylum,
shall be punishable with imprisonment which may extend to two years or with fine or with both.

94. The provisions of Chapter XLII. of the Code of Criminal Procedure,* 1898, shall, so far as may be, apply to bonds taken under this Act.

95. (1) When any sum is payable in respect of pay, pension, gratuity or other similar allowance to any person by Government and the person to whom the sum is payable is certified by a Magistrate to be a lunatic, the Government officer under whose authority such sum would be payable if the payee were not a lunatic may pay so much the said sum as he thinks fit to the person having charge of the lunatic, and may pay the surplus if any, or such part thereof as he thinks fit for the maintenance of such members of the lunatic's family as are dependent on him for maintenance.

(2) The Secretary of State for India in Council shall be discharged of all liability in respect of any amounts paid in accordance with this section.

96. Subject to any rules, the forms set forth in the First Schedule with such variation as the circumstances of each case may require, shall be used for the respective purposes therein mentioned, and if used shall be sufficient.

97. No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Act.

98. Any officer in charge of an asylum may give effect to any order or warrant for the reception and detention of any lunatic made or issued by any Court or tribunal beyond the limits of British India in the exercise of jurisdiction conferred by His Majesty or the Governor-General in Council,

Pension of a lunatic
payable by Govern-
ment.

Use of forms in Sched-
ule.

Protection to persons
acting under Act.

Powers to give effect to
warrants and orders of
certain Courts outside
British India.

* Act V of 1898.

Power to make *rules for reception lunatics received from outside British India.

99. The "Local Government"* may make rules regulating the procedure for the reception and detention in asylums in "the Province"* of lunatics whose reception and detention are provided for by section 98.

100. (1) In the case of orders made before the commencement of this Act under section 7 of the Indian Lunatic Asylums Act,† 1858, for the reception of persons into an asylum, the persons who signed the order shall have all the powers and be subject to the obligations by this Act conferred or imposed upon the petitioner for a reception order, and the provisions of this Act relating to persons upon whose petition a reception order was made shall apply in the case of a person who has signed an order, under section 7 of the Indian Lunatic Asylums Act,† 1858, before the commencement of this Act as if the order had been made after the commencement of this Act upon a petition presented by him.

(2) All orders for the detention of lunatics made and all undertakings given under any enactment hereby repealed shall have the same force and effect as if they had been made or given under this Act and by or to the authority empowered thereby in such behalf.

101. Repealed by Act X of 1914.

SCHEDULE I.

FORMS,

(See section 96.)

FORM 1.

(Application for Reception Order. See sections 5 and 6.)

In the matter of A, B.,‡ residing at _____, by occupation _____,
son of _____ : a person alleged to be a lunatic.

To _____ Presidency Magistrate, for
[or District Magistrate of _____, or Sub-divisional
Magistrate of _____ or Magistrate specially empowered
under Act _____ of 1912 for _____],

* Certain words after this repealed by Act 38 of 1920 have been omitted.

† Act XXXVI. of 1858.

‡ Full name, caste and titles.

The petition of C. D.,* residing at _____ by occupation _____
 _____, son of _____ in the town of _____ [or sub-
 division of _____ in the district of _____.]

1. I am _____ † years of age.
2. I desire to obtain an order for the reception of A. B. as a lunatic in the _____ asylum of _____ situate at ‡
3. I last saw the said A. B. at _____ on the _____ day of _____

4. I am the _____ || of the said A. B.

[Or if the petitioner is not a relative of the patient state as follows] :—

I am not a relative of the said A. B. The reasons why this petition is not presented by a relative are as follows : [State them.]

The circumstances under which this petition is presented by me are as follows : [State them.]

5. The persons signing the medical certificates which accompany the petition are.¶

6. A statement of particulars relating to the said A. B. accompanies this petition.

7. [If that is the fact.] An application for an inquiry into the mental capacity of the said A. B. was made to the _____ on the _____ and a certified copy of the order made on the said petition is annexed hereto. [Or if that is the fact.]

No application for an inquiry into the mental capacity of the said A. B. has been made previous to this application.

The petitioner therefore prays that a reception order may be made in accordance with the foregoing statement.

(Sd.) C. D.

The statements contained or referred to in paragraphs are true to my knowledge ; the other statements are true to my information and belief.

(Sd.) C. D.

Dated

* Full name, caste and titles.

† Enter the number of completed years. The petitioner must be at least eighteen or twenty-one whichever is the age of majority under the law to which the petitioner is subject.

‡ Insert full description of the name and locality of the asylum or the name, address and description of the person in charge of the asylum.

§ A day within 14 days before the date of the presentation of the petition is requisite.

|| Here state the relationship with the patient.

¶ Here state whether either of the persons signing the medical certificates is a relative, partner or assistant of the lunatic or of the petitioner and, if a relative of either, the exact relationship.

Statement of particulars.

{If any of the particulars in this statement is not known, the fact to be so stated.}

The following is a statement of particulars relating to the said A. B.—

Name of patient at length.

Sex and age.

Married, single or widowed.

Previous occupation.

Caste and religious belief, as far as known.

Residence at or immediately previous to the date hereof.

Names of any near relatives to the patient who are alive.

Whether this is first attack of lunacy.

Age (if known) on first attack

When and where previously under care and treatment as a lunatic.

Duration of existing attack.

Supposed cause.

Whether the patient is subject to epilepsy.

Whether suicidal.

Whether the patient is known to be suffering from phthisis or any form of tubercular disease.

Whether dangerous to others and in what way,

Whether any near relative (stating the relationship) has been afflicted with insanity,

Whether the patient is addicted to alcohol, or use of opium, ganja, charas, bhang, cocaine or other intoxicant.

(The statements contained or referred to in paras. are true to my knowledge The other statements are true to my information and belief.)

[Signature by person making the statement.]

FORM 2.

Reception order on Petition.

(See sections 7, 10.)

I, the undersigned E. F., being a Presidency Magistrnte of
[or the District Magistrate of or the Sub-divi-
sional Magistrate of or a Magistrate of the first class specially
empowered by Government to perform the functions of a Magis-
trate under Act of 1912] upon the petition of C. D. of
in the matter of A. B.,* a lunatic, accompanied by the medical
certificates of G. H., a medical officer, and of J. K., a medical
practitioner [or medical officer], under the said Act, hereto

* Address and description.

annexed, hereby authorise you to receive the said A. B. into your asylum. And I declare that I have [or have not] personally seen the said A. B. before making this order.

(Sd.) E. F.
(Designation as above.)

To*

FORM 3.

Medical Certificate.

(See sections 18, 19.)

In the matter of A. B. of† in the town of [or
the subdivision of in the district of an alleged
lunatic,

I, the undersigned C. D., do hereby certify as follows :

1. I am a gazetted medical officer [or a medical practitioner declared by Govern-
a holder of‡ [or declared by Local Government to be a medical practi-
merit to be medical officer under Act of 1912].
tioner under Act of 1912].

and I am in the actual practice of the medical profession.

2. On the day of 19 at§ in the town of
[or the sub division of in the district of]
[separately form any other practitioner]], I personally examined
the said A. B. and came to the conclusion that the said A. B. is a
lunatic and a proper person to be taken charge of and detained
under care and treatment.

3. I formed this conclusion on the following grounds, viz. :—

- (a) Facts indicating insanity observed by myself, viz. :—
- (b) Other facts (if any) indicating insanity communicated to
me by others, viz. :—

Here state the information and from whom.

(Sd) C. D.
(Designation as above.)

FORM 4.

Reception Order in case of Lunatic Soldier.

(See section 12.)

Whereas it appears to me that A B., a European, subject to
the army Act, who has been declared a lunatic in accordance

* To be addressed to the officer or person in charge of the asylum.

† Insert residence of patient.

‡ Insert qualification to practise medicine and surgery registrable in the
United Kingdom.

§ Insert place of examination.

! Omit this where only one certificate is required.

with the provisions of the military regulations, should be removed to an asylum, I do hereby authorise you to receive the said A. B. into your asylum.

(Sd.) E. F.
(Administrative Medical Officer.)

To*

FORM 5.

Reception Order in case of wandering or dangerous lunatics or innatics not under proper control or cruelly treated (sent to an asylum established by Government).

See sections 14, 15, 17.

I, C. D., Presidency Magistrate or [or Commissioner of Police for] [or the District Magistrate of or the Sub-divisional Magistrate of or a Magistrate specially empowered by Government under Act of 1912] having caused A. B. to be examined by E. F., a Medical Officer under the Indian Lunacy Act, 1912, and being satisfied that A. B. [describing him] is a lunatic who was wandering at large [or is a person dangerous by reason of lunacy] [or is a lunatic not under proper care and control or is cruelly treated or neglected by the person having the Care or charge of him] and a proper person to be taken charge of and detained under care and treatment, hereby direct you to receive the said A. B. into your asylum.

(Sd.) C. D.
(Designation as above.)

Dated the
To the Officer in Charge of the asylum at

FORM 6.

Same when sent to a licensed asylum.

I, C. D., [as above down to "care and treatment"] and being satisfied with the engagement entered into in writing by G. H. of [here insert address and description] who has desired that the said A. B. may be sent to the asylum at [here insert description of asylum and name of the person in charge] to pay the cost of maintenance of the said A. B., in the said asylum, hereby authorize you to receive the said A. B. into your asylum,

(Sd.) C. D.
(Designation as above.)

Dated the
To the person in charge of the asylum at

* To be addressed to the person in charge of an asylum duly authorized by Government to receive lunatic Europeans subject to the Army Act.

FORM 7.

Bond on the making over of a lunatic to the care of relative or friend.

(See sections 14, 15, 17.)

Whereas A. B., son of _____, inhabitant of _____, has been brought up before C. D., a Presidency Magistrate for the town of _____ [or Commissioner of Police for _____] or the ^{District} Sub-divisional Magistrate of _____ or a Magistrate of the first class specially empowered under Act _____ of 1912] and is a lunatic who is believed to be dangerous [or deemed to be a lunatic who is not under proper care and control or is cruelly treated or neglected by the person having the charge of him] and whereas I, E. F., son of _____ inhabitant of _____, have applied to the Magistrate [or Commissioner of Police] that the said A. B. may be delivered to my care :

I, E. F., abovenamed hereby bind myself that on the said A. B. being made over to my care, I will have the said A. B. properly taken care of and prevented from doing injury to himself or to others : and in case of my making default therein, I hereby bind myself to forfeit to His Majesty the King-Emperor of India, the sum of rupees _____

Dated this day of _____ 19 _____

(Sd.) E. F.

(Where a bond with sureties is to be executed and)—We _____ do hereby declare ourselves sureties for the abovenamed E. F. that be will, on the aforesaid A. B. being made over to his care, have the said A. B. properly taken care of and prevented from doing injury to himself or to others ; and in case of the said E. F. making default therein, we bind ourselves, jointly and severally, to forfeit to His Majesty the King-Emperor of India, the sum of rupees _____

Dated this _____ day of 19 _____

(Signature,)

FORM 8.

Bond on the discharge of a lunatic from an asylum on the undertaking of relative or friend to take due care.
(See section 33.)

Whereas A. B., son of _____, inhabitant of _____, is a Lunatic who is now detained in the asylum at _____ under an order made by C. D., a Presidency Magistrate for the town of _____
[or Commissioner of Police for _____]

[or the _____ District
Subdivisional] Magistrate of _____, or
a Magistrate of the first class specially empowered under Act
of 1912] under section 14 [or section 15] of Act _____ of
1912 and whereas I, E. F., son of _____, inhabitant of _____,
have applied to the said Magistrate [or Commissioner of Police]
that the said A. B. may be delivered to my care and custody :

I hereby bind myself that on the said A. B. being made over to my care and custody, I will have him properly taken care of and prevented from doing injury to himself or to others ; and in case of my making default therein I hereby bind myself to forfeit to His Majesty the King-Emperor of India, the sum of Rupees _____

Dated this _____ day of _____ 19 _____

(Sd.) E. F.

Where a bond with sureties is to be executed add—We do hereby declare ourselves sureties for the abovenamed E. F. that the will, on the aforesaid A. B. being delivered to his care and custody, have the said A. B. properly taken care of and prevented from doing injury to himself or to others ; and in case of the said E. F. making default therein, we bind ourselves, jointly, and severally, to forfeit to His Majesty the King-Emperor of India, the sum of rupees _____

Dated this _____ day of _____ 19 _____

Signature.)

ACT NO. V. OF 1912.

The Provident Insurance Societies Act, 1912

PASSED BY THE GOVERNOR-GENERAL OF INDIA IN COUNCIL.

*Received the assent of the Governor-General on the 18th
March, 1912.*

An Act to provide for regulation of Provident Insurance Societies.

Whereas it is expedient to provide for the regulation of Provident Insurance Societies ; It is hereby enacted as follows :—

Preliminary.

Short title and extent 1. (1) This Act may be called the Provident Insurance Societies Act, 1912 ; and

(2) It extends of the whole of British India, inclusive of British Baluchistan, the Sanhal Parganas and the Pargana of Spiti.

Definitions. 2. In this Act, unless there is anything repugnant in the subject or context.—

(1) "Court" means the principal Civil Court of original jurisdiction in a district, and includes the High Court in the exercise of its ordinary original civil jurisdiction :

(2) "financial year" means each period of twelve months at the end of which the balance of the accounts of any Provident Insurance Society is struck, or, if no such balance is struck, then the calendar year :

(3) "life assurance business" means the issue of, or the undertaking of liability under, policies of assurance upon human life, or the granting of annuities upon human life :

(4) "policy of assurance on human life" means any instrument by which the payment of money is assured on death (except death by accident only, or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life :

(5) "policy-holder" means the person who for the time being is the legal holder of the policy for securing the contract with the Provident Insurance Society :

(6) where a Provident Insurance Society grants annuities upon human life, "policy" includes the instrument evidencing the

contract to pay such an annuity and "policy-holder" includes annuitant :

(7) "prescribed" means prescribed by rules made under this Act :

(8) "Provident Insurance Society" means any person who, or body of persons whether corporate or unincorporate which, receives premiums or contributions for insuring money to be paid on the birth, marriage or death of any person or on the happening of such other contingency or class of contingency as may be prescribed : and

(9) "Registrar" means any person who may be appointed by the Local Government to perform the duties of the Registrar under this Act.

3. Nothing in this Act shall apply to any Provident Insurance Society carrying on life assurance business which undertakes to pay on any life assurance policy or series of life assurance policies on any one life an annuity exceeding fifty rupees or a gross sum exceeding five hundred rupees, or which receives or undertakes to receive by way of premium or contribution for life assurance on any one life any sum exceeding two hundred and fifty rupees where the said premiums or contributions are payable for one year or a limited number of years, or exceeding twenty-five rupees in any one year where the premiums or contributions are unlimited in number and terminable on death or the occurrence of an uncertain event :

Provided that in determining whether this Act applies to any provident insurance society, carrying on life insurance business, contracts entered into by the society before the commencement of this Act shall not be taken into consideration.

General.

4. No Provident Insurance Society shall receive any premium or contribution for insuring money to be paid on the death of any person other than the person paying such premium or contribution, or the wife, husband, child, parent, brother or sister of such person.

5. Every Provident Insurance Society shall by its rules—

- (a) specify the object, name and registered office of the society ;
- (b) prescribe the proportion of the annual income of the society derived from premiums or contributions which may be disbursed for the expenses of management of the society ;
- (c) in the case of a society which by rule or practice divides

any part of the funds thereof provided for the payment of all debts due by the society existing at the time of division before any such division has taken place ; and

(d) provide for any other matters which may be prescribed.

6. (1) Every Provident Insurance Society shall, within three months from the commencement of this Act, or, if established after the commencement of this Act, before it receives any premium or contribution, apply to the Registrar for that part of British India in which the office of the society is situate for registration under this Act, and shall deliver to him a copy of the rules of the society.

(2) The Registrar shall on being satisfied that such rules comply with the provisions of this Act, acknowledge the receipt of the rules and register the society and its rules.

(3) If the Registrar is not satisfied that the rules or any of them comply with the provisions of this Act; he shall send to the Provident Insurance Society a notice by post stating in what respect such rule or rules is or are not in accordance with the provisions of this Act, and calling upon such society to deliver to him an amended rule or rules within sixty days.

(4) On receipt of a notice under sub-section (3) the Provident Insurance Society may within sixty days deliver to the Registrar an amended rule or rules in conformity with this Act, and the Registrar shall thereupon acknowledge the receipt of the rules and register the society and its rules as hereinbefore provided.

7. No Provident Insurance Society shall receive any premium or contribution unless it is registered in accordance with the provisions of this Act ; or contribution.

Provided that this prohibition shall only apply to a society established before the commencement of this Act—

(a) when such society has applied for registration in accordance with the provisions of section 6, sub-section (1)—from the date of the order of the Registrar refusing registry ;

(b) when such society has not applied as aforesaid—after three months from the commencement of this Act.

8. (1) No amendment of any rule of a Provident Insurance Society shall be valid until the same has been registered under this Act, for which purpose a copy of the amended rule shall be sent to the Registrar.

(2) The Registrar shall, on being satisfied that any amendment of a rule is not contrary to the provisions of this Act, issue to the society an acknowledgment of the registration of the same.

9. Every Provident Insurance Society shall, on demand, deliver free of cost to any member of the society a copy of the rules of the society, and to any person other than a member a copy of such rules on the payment of a sum not exceeding one rupee.

10. Every Provident Insurance Society which is not registered under the Indian Companies Act,* 1882, shall cause to be kept in the prescribed form a register of the names and addresses of its members.

11. Where any notice, advertisement or other official publication of a Provident Insurance Society contains a statement of the amount of the authorised capital of the society, the publication, shall also contain a statement of the amount of the capital which has been subscribed and the amount paid up.

12. Every Provident Insurance Society which is not registered under the Indian Companies Act,* 1882, shall have an office on the outside of which it shall display and keep displayed its name in a conspicuous position in legible letters, to which all communications and notices may be addressed, and shall give notice to the Registrar of the situation of such office and of any change therein.

13. Every Provident Insurance Society shall, at the expiration of each financial year, prepare a revenue-account and balance-sheet in the prescribed form and verified in the prescribed manner, and shall cause them to be audited by an auditor possessing the prescribed qualifications.

14. Every Provident Insurance Society shall, within six months of the expiration of each financial year, deliver to the Registrar the revenue-account and balance sheet required by section 13, and shall publish them in the prescribed manner.

15. Every Provident Insurance Society shall maintain in the prescribed form a record of every insurance effected on a life other than the life of the person insuring, and shall deliver a copy of such record to the Registrar together with the balance-sheet and revenue-account.

16. The books of every Provident Insurance Society shall at all reasonable hours be open to inspection by the Registrar, or by any person appointed by him in this behalf, or by any member of the society.

* Act VI of 1882.

17. (1) The Registrar may, if he thinks fit, of his own motion, and shall, upon the application of ten or more members or policy-holders of a Provident Insurance Society, hold or direct an inquiry to be held by an actuary possessing the prescribed qualifications appointed by him by order in writing in this behalf as to the solvency of any Provident Insurance Society or as to the manner in which the business of any such society is conducted.

(2) An application to the Registrar under sub-section (1) shall be supported by such evidence as the Registrar may require for the purpose of showing that the applicants have good reason for applying for an enquiry.

(3) The Registrar may require the applicants under sub-section (1) to give such security as he thinks fit for the costs of the proposed inquiry before such an inquiry is held.

(4) All expenses of and incidental to or preliminary to any inquiry made on application as aforesaid shall be defrayed by the applicants therefor or out of the funds of the society or by the members or officers of the society in such proportions as the Registrar may direct by order in writing.

(5) An order made under sub-section (4) shall on application be enforced by any Civil Court having local jurisdiction in the same manner as a decree of such Court.

(6) A person holding an inquiry under this section shall have access to all the books and documents of the society, and shall have power to call upon the society and the officers of the society to furnish such statements and other information in relation to its business as he may direct.

(7) The result of the inquiry shall be communicated to the society and to the applicants (if any).

18. When an inquiry has been held under section 17, the Registrar may if he is satisfied,

(a) that the society is insolvent, or must necessarily become so, or

(b) that the business of any such society is conducted fraudulently or not in accordance with the rules thereof,

after giving previous notice in writing in such manner as he thinks fit specifying briefly the grounds of the proposed cancellation, cancel the registry of the society.

19. (1) Where the registry of a Provident Insurance Society is cancelled in accordance with the provisions of section 18, the Registrar may appoint a liquidator to wind up the society.

Liquidators.

(2) A liquidator appointed under sub-section (1) shall have power—

- (a) to institute or defend any legal proceedings on behalf of the society by his name of office ;
- (b) to determine the contribution to be made by members of the society, respectively, to the assets of the society ;
- (c) to investigate all claims against the society and to decide questions of priority arising between claimants ;
- (d) to determine by what persons and in what proportions the costs of the liquidation are to be borne ; and
- (e) to give such directions in regard to the collection and distribution of the assets of the society as may appear to him to be necessary for winding up the affairs of the society.

(3) Subject to any rules of procedure made under this Act, a liquidator appointed under this section shall, in so far as such powers are necessary to carry out the purposes of this section, have power to summon and enforce the attendance of witnesses and to compel the production of documents by the same means and as far as may be in the same manners as is provided in the case of a Civil Court by the Code of Civil Procedure,* 1908

(4) Orders made under this section shall on application be enforced as follows :—

- (a) when made by a liquidator, by any Civil Court having local jurisdiction in the same manner as a decree of such Court ;
- (b) when made by the Court on appeal, in the same manner as a decree of the Court.

Appeals.

Appeals.

20. (1) An appeal shall lie to the Court within thirty days—

- (a) from an order of the Registrar refusing to register a Provident Insurance Society or any rules or amendments of rules of such society ;
 - (b) from an order of the Registrar cancelling the registry of a society ;
 - (c) from an order made by a liquidator appointed under section 19.
- (2) Save as hereinbefore expressly provided, orders made under this Act shall be final and conclusive.

* Act V, of 1908.

Offences and Procedure.

21. Any Provident Insurance Society which makes default in complying with any of the requirements of this Act, and every director, manager or secretary, or other officer or agent of the society, who is knowingly a party to the default, shall be punishable with fine which may extend to five hundred rupees, or, in the case of a continuing default, with fine which may extend to two hundred and fifty rupees for every day during which the default continues.

22. If any register, account, balance-sheet or other document required by this Act is false in any particular to the knowledge of any person who signs it, such person shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

23. No Court inferior to that of a Presidency Magistrate or a Magistrate of the first class shall try any offence against this Act,

Rules.

24. (1) The Local Government may make rules to carry out the purposes of this Act.
(2) In particular and without prejudice to the generality of the foregoing power, such rules may prescribe—

- (a) contingencies or classes of contingencies and thereby extend the application of this Act to the receipt of premiums or contributions for insuring money to be paid on the happening of such contingencies or class of contingencies ;
- (b) the matters in respect of which a society shall make rules ;
- (c) the form of any account, return or register required by this Act, and the manner in which any such account, return or register shall be verified ;
- (d) the fees to be charged for matters transacted under this Act and the manner in which the same are to be collected ;
- (e) the qualifications of auditors and actuaries under this Act ;
- (f) the manner in which any document required to be published by this Act shall be published ; and
- (g) The procedure to be followed by liquidators under this Act.

(3) The power to make rules conferred by this Act is subject to the condition of the rules being made after previous publication.

(4) All rules made under this Act shall be published in the local official Gazette, and on such publication shall have effect as if enacted therein.

Miscellaneous.

25. No policy effected before the commencement of this Act with a Provident Insurance Society shall be deemed to be void by reason only that the insurance is not authorised by this Act.

Saving of existing policies.

26. The Local Government may, by notification in the local official Gazette and subject to such conditions and restrictions as it thinks fit, exempt any Provident Insurance Society or class of Provident Insurance Societies from all or any of the provisions of this Act.

Power of Local Government to exempt from provisions of the Act.

ACT NO VI, OF 1912.

The Indian Life Assurance Companies Act. 1912.

PASSED BY THE GOVERNOR-GENERAL IN COUNCIL.

*Received the assent of the Governor-General on
the 18th March, 1912.*

An Act to provide for the regulation of Life Assurance Companies.

Whereas it is expedient to provide for the regulation of life assurance companies ; It is hereby enacted as follows :—

Preliminary.

1. (1) This Act may be called the Indian Life Assurance Companies Act, 1912.
Short title and extent.

(2) It extends to the whole of British India, inclusive of British Baluchistan, the Santhal Parganas and the Pargana of Spiti.

2. In this Act, unless there is anything repugnant in the subject or context,—
Definitions.

(1) "actuary" means an actuary possessing such qualifications as may be prescribed by rules made by the Governor General in Council :

(2) "chairman" means the person for the time being presiding over the board of directors or other governing body of a life assurance company :

(3) "Court" means the principal Civil Court of original jurisdiction in a district, and includes the High Court in the exercise of its ordinary original civil jurisdiction :

(4) "financial year" means each period of twelve months at the end of which the balance of the accounts of the life assurance company is struck, or if no such balance is struck, then the calendar year :

(5) "life assurance business" means the issue of, or the under-taking of liability under policies of assurance upon human life, or the granting of annuities upon human life :

(6) "policy of assurance on human life" means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is