

Fifteenth Kerala Legislative Assembly

Bill No. 113

**THE KERALA CO-OPERATIVE SOCIETIES
(SECOND AMENDMENT) BILL, 2022**

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further to amend the Kerala Co-operative Societies Act, 1969.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) for the purposes hereinafter appearing;

BE it enacted in the Seventy-third Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Co-operative Societies (Second Amendment) Act, 2022.

(2) It shall be deemed to have come into force on the 13th day of January, 2022.

2. *Amendment of section 2.*—In the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) (hereinafter referred to as the principal Act), in the proviso to clause (ia) of section 2, for the words “two years” the words “three years” shall be substituted.

3. *Repeal and saving.*—(1) The Kerala Co-operative Societies (Amendment) Ordinance, 2022 (Ordinance No.11 of 2022) is hereby repealed.

(2) Notwithstanding such repeal anything done or deemed to have been done or any action taken or deemed to have been taken under the principal Act as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Proviso to section 2(ia) of the Kerala Co-operative Societies Act, 1969 as amended by the Kerala Co-operative Societies (Amendment) Act, 2021 (Act 34 of 2021) says that “Provided that if the general body of a District Co-operative Bank

has not passed the resolution under section 14A, it shall continue as such for a period of two years from the date of commencement of the Kerala Co-operative Societies (Amendment) Act, 2021 or till the Registrar completes the process under clauses (a), (b) and (c) of sub-section (1) of section 74H, whichever is earlier;”. Date of commencement of the amendment Act is 13th January, 2022. Since the stay order and status quo order issued by the Hon'ble High Court of Kerala are continuing in force, the Registrar of Kerala Co-operative Societies could not complete the procedure for merger within the period of two years as stipulated in the above said proviso. Hence, the Government have decided to extend the period from “two years” to “three years”.

2. As the Legislative Assembly of the State of Kerala was not in session and as the said proposals have to be given effect immediately, the Kerala Co-operative Societies (Amendment) Ordinance, 2022 was promulgated by the Hon'ble Governor on 13th day of January, 2022 and the same was published as Ordinance No.1 of 2022 in the Kerala Gazette Extraordinary No.169 dated 13th January, 2022.

3. Eventhough a Bill to replace the said Ordinance by an Act of State Legislature was published as Bill No.88 of the Fifteenth Kerala Legislative Assembly, the same could not be introduced in and passed by the Kerala Legislative Assembly during its session which commenced on the 18th day of February, 2022 and ended on the 18th day of March, 2022.

4. In order to keep alive the provisions of the said Ordinance, the Kerala Co-operative Societies (Amendment) Ordinance, 2022 was promulgated by the Governor of Kerala on the 31st day of March, 2022 and the same was published as Ordinance No.11 of 2022 in the Kerala Gazette Extraordinary No.1094 dated 31st March, 2022.

5. The Bill seeks to replace the Kerala Co-operative Societies (Amendment) Ordinance, 2022 (Ordinance No.11 of 2022) by an Act of the State Legislature.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any recurring or non-recurring additional expenditure from the Consolidated Fund of the State.

V. N. VASAVAN

EXTRACT OF THE RELEVANT PORTIONS FROM THE KERALA
CO-OPERATIVE SOCIETIES ACT, 1969
(ACT 21 OF 1969)

** ** ** **

2. *Definitions.*—In this Act, unless the context otherwise requires.—

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(ia) “District Co-operative Bank” means a central society having jurisdiction over one revenue district and having Primary Agricultural Credit Societies and Urban Co-operative Banks as its members and the principal object of which is to raise funds to be lent to its members, including nominal or associate members, which existed under this Act immediately before the passing of the orders by the Registrar under sub-section (1) or sub-section (1)(a) of section 74H and has ceased to exist by virtue of such orders:

Provided that if the general body of a District Co-operative Bank has not passed the resolution under section 14A, it shall continue as such for a period of two years from the date of commencement of the Kerala Co-operative Societies (Amendment) Act, 2021 or till the Registrar completes the process under clauses (a), (b) and (c) of sub-section (1) of section 74H, whichever is earlier;

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