

EXTRAORDINARY

REGD NO. JK-33



**THE
JAMMU AND KASHMIR OFFICIAL GAZETTE**

Vol. 139] Srinagar, Tue., the 15th Sept., 2026/24th Bhad., 1948. [No. 25-2

Separate paging is given to this part in order that it may be filed
as a separate compilation.

PART III

Laws, Regulations and Rules passed thereunder.

JAMMU AND KASHMIR LEGISLATIVE ASSEMBLY
SECRETARIAT, SRINAGAR.

Under Rule 64 of the Rules of Procedure and Conduct of Business in the Jammu and Kashmir Legislative Assembly, the following Bill together with the Statement of Objects and Reasons, is published in an extraordinary issue of the Official Gazette.

By order of the Hon'ble Speaker.

Sd/-

MANOJ KUMAR PANDIT,
Secretary.

THE JAMMU AND KASHMIR COOPERATIVE SOCIETIES
(AMENDMENT) BILL, 2026

L.A. Bill No. 09 of 2026.]

A Bill to amend the Jammu and Kashmir Cooperative Societies Act, 1989, to repeal the Jammu and Kashmir Self Reliant Cooperative Act, 1999 and to provide transitional arrangement of self-reliant cooperatives under the Jammu and Kashmir Cooperative Societies Act, 1989 and for matters connected or incidental thereto.

Be it enacted by the Legislature of the Union Territory of Jammu and Kashmir in the Seventy-Seventh Year of the Republic of India as follows :—

CHAPTER-I

Preliminary

1. **Short title, extent and commencement.**—(1) This Act may be called the Jammu and Kashmir Cooperative Societies (Amendment) Act, 2026.

(2) It extends to the whole of the Union Territory of Jammu and Kashmir.

(3) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint.

CHAPTER-II

**Amendments to the Jammu and Kashmir Cooperative Societies
Act, 1989**

2. **Amendment of section 5, Act No. X of 1989.**—In section 5 of the Jammu and Kashmir Cooperative Societies Act, 1989 (hereinafter referred to as the 'principal Act'), in sub-section (2), for clauses (a) and (b), the following clauses shall be substituted ; namely :—

- “(a) the application shall be accompanied by one copy of the proposed byelaws of the cooperative society ;
- (b) where all the applicants are individuals, the number of applicants shall not be less than twenty-five in the case

of primary agricultural or non-agricultural cooperative societies.”

3. Amendment of section 6, Act No. X of 1989.—In section 6 of the 'principal Act', after subsection (2), the following subsection shall be inserted ; namely :—

“(3) Prior to granting permanent registration to any cooperative society, the Registrar shall ensure that the following conditions are fulfilled, namely :—

- (a) in the case of a cooperative bank, prior written consent of the Reserve Bank of India shall be mandatory in accordance with the provisions of the Banking Regulation Act, 1949;
- (b) in the case of a cooperative housing society, the Registrar shall satisfy himself regarding the availability and lawful possession of land by the society, supported by certified documents such as title deeds, allotment letters, or land records issued by competent authorities;
- (c) in the case of a professional or technical institution, prior written approval or licence from the concerned regulatory or licensing authority shall be obtained before granting permanent registration;
- (d) in the case of cooperative societies engaged in regulated or trade specific sectors such as medicines, fertilizers, poultry, or similar activities, a valid No Objection Certificate or license from the concerned Government Department or agency shall be a prerequisite for registration.”

4. Insertion of section 6-A, Act No. X of 1989.—After section 6 of the 'Principal Act', the following section shall be inserted ; namely :—

“6-A. Transitional Provision.—(1) All Self Reliant Cooperatives registered under the Jammu and Kashmir Self Reliant Cooperative Act, 1999 immediately before the commencement of the Jammu and Kashmir Cooperative Societies (Amendment) Act, 2026 shall be deemed to be registered under the Jammu and Kashmir Cooperative Societies Act, 1989, subject to the provisions therein and the rules made there under.

(2) Every Self reliant cooperative deemed to be registered under sub-section (1), shall, within a period of three years from the date of commencement of the Jammu and Kashmir Cooperative Societies (Amendment) Act, 2026, comply with all requirements of the principal Act, including—

- (a) adoption of byelaws in conformity with the principal Act;
- (b) submission of audited accounts and financial statements;
- (c) compliance with membership eligibility criteria ; and
- (d) adherence to governance, audit, and supervisory provisions.

(3) Any self reliant cooperative failing to comply with the provisions of subsection (1) within the stipulated period shall be liable to cancellation of registration and dissolution in such manner as may be prescribed.

(4) The Government may, by notification in the Official Gazette, issue such guidelines, directions, and standard operating procedures as may be necessary to facilitate the orderly transition of self reliant cooperatives.”

5. Omission of section 8A, Act No. X of 1989.—Section 8A of the 'principal Act', shall be omitted.

6. Amendment of section 9, Act No. X of 1989.—In section 9 of the 'Principal Act', after subsection (4), the following subsection shall be inserted; namely :—

“(5) Notwithstanding anything contained in this section, in the case of a cooperative bank, prior written approval of the Reserve Bank of India and/or the National Bank for Agriculture and Rural Development, as applicable, shall be mandatory before any amendment to the byelaws is made or registered.”

7. Amendment of section 10, Act No. X of 1989.—In section 10 of the 'Principal Act', in subsection (2), the proviso thereto shall be omitted.

8. Amendment of section 17 Act No. X of 1989.—In section 17 of the 'principal Act', in subsection (1), for clauses (a) and (c), the following clauses shall be substituted; namely :—

“(a) an individual who is competent to contract under section 11 of the Indian Contract Act, 1872, that is to say, a person who has attained the age of eighteen years, is of sound mind, is not

disqualified by any law, and is a resident within the area of operation of the Union Territory of Jammu and Kashmir.”

“(c) a firm, company, or any other body corporate constituted under any law for the time being in force, or a society registered under the Societies Registration Act, 1860, may be admitted as a nominal member of a Central or Apex Level Cooperative Society.”

9. Amendment of section 29, Act No. X of 1989.—In section 29 of the ‘Principal Act’, in subsection (2), for the words “three years”, the words “five years” shall be substituted.

10. Amendment of section 30, Act No. X of 1989.—In section 30 of the ‘Principal Act’, in subsection (1A), for the words “three consecutive years” wherever occurring, the words “five consecutive years” shall be substituted.

11. Amendment of Section 30(B), Act No. X of 1989.—In Section 30-B of the ‘Principal Act’, in sub section (1), in clause (a):-

- (i) for the words “managing the affairs of the Central Cooperative Banks”, the words “managing the affairs of the State Cooperative Bank and the Central Cooperative Banks” shall be substituted.
- (ii) for the words “to enable these Central Cooperative Banks”, the words “to enable these Central Cooperative Banks and the State Cooperative Bank” shall be substituted.

12. Amendment of section 64, Act No. X of 1989.—In section 64 of the ‘Principal Act’ :—

- (i) for subsection (1B), the following sub-section shall be substituted, namely:-

“(1B) Notwithstanding anything contained in subsection (1), the accounts of an Urban Cooperative Bank, Central Cooperative Bank, or Apex Cooperative Bank shall be audited and certified by Chartered Accountants appointed by its Board of Directors or Board of Management from a panel approved by the Reserve Bank of India or the National Bank.”

- (ii) for subsection (1C), the following sub-section shall be substituted, namely :—

“(1C) The Registrar shall cause a special audit of an Apex Cooperative Bank, Central Cooperative Bank, Urban or Rural Cooperative Bank, or any Cooperative Credit Society, either on

his own motion or at the request of the Reserve Bank of India, in the manner and form stipulated by the Reserve Bank of India, and shall forward a copy of the audit report to the Reserve Bank of India and the National Bank within the time frame specified.”

13. Amendment of section 74, Act No. X of 1989.—In section 74 of the ‘Principal Act’, in sub-section (2) :—

- (i) for clause (a), the following clause shall be substituted ; namely :—

“(a) where it is a condition of registration that the number of members of a cooperative society shall not be less than twenty-five in the case of primary agricultural or non-agricultural societies, and such number falls below the prescribed minimum.”

- (ii) after clause (b), the following clause shall be inserted ; - namely :—

“(c) where the cooperative society has failed to get its accounts audited for three consecutive years.”

14. Amendment of Section 163, Act No. X of 1989.—In Section 163 of the ‘Principal Act’ :—

- (i) in sub-sections (1), (2), and (3), for the words “two hundred rupees”, the words “two lakh rupees” shall respectively be substituted.
- (ii) in sub-section (4), for the words “five hundred rupees”, the words one lakh rupees” shall be substituted.

CHAPTER-III

Repeal of the Jammu and Kashmir Self Reliant Cooperative Act, 1999

15. Repeal and Savings.—(1) The Jammu and Kashmir Self Reliant Cooperative Act, 1999 (Act No. X of 1999) is hereby repealed.

(2) Notwithstanding such repeal, anything done, any action taken, order or notification issued, rule or byelaws made under the repealed Act shall, in so far as they are not inconsistent with the provisions of this Act, be deemed to have been done, taken, issued, or made under the corresponding provisions of the Principal Act.

(3) Without prejudice to the provisions of sub-section (2), provisions of Section 6 of the General Clauses Act, 1897 shall apply to the repeal of such enactment.

16. Power to Remove Difficulty.—(1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act or the Principal Act, as may appear to it to be necessary for removing the difficulty.

(2) No such order shall be made after the expiry of two years from the date of commencement of this Act.

STATEMENT OF OBJECTS AND REASONS

The object of the Bill is to introduce a consolidated legal framework that ensures clarity, accountability, and better governance of cooperatives in Jammu and Kashmir. As the dual legal framework has created confusion and conflicts among stakeholders, thereby adversely impacting the cooperative ecosystem in the region.

It has become imperative to formulate a unified and comprehensive cooperative law, the formal repeal of the J&K Self-Reliant Cooperative Act, 1999, and to convert all cooperatives registered under it to be governed under the J&K Cooperative Societies Act, 1989, thereby establishing a unified and transparent cooperative legal framework for the Union Territory.

The Bill seeks to achieve the said objectives.

Sd/-

**Minister In-Charge,
Cooperative Department.**