



**KARNATAKA LEGISLATIVE ASSEMBLY
FOURTEENTH LEGISLATIVE ASSEMBLY
FOURTH SESSION**

**THE KARNATAKA SOUHARDA SAHAKARI (AMENDMENT) BILL, 2014
(L.A. Bill No. 52 of 2014)**

A Bill further to amend the Karnataka Souharda Sahakari Act, 1997.

Whereas it is expedient further to amend the Karnataka Souharda Sahakari Act, 1997 (Karnataka Act No 17 of 2000) for the purposes herein after appearing;

Be it enacted by the Karnataka State Legislature in the sixty-fifth year of the Republic of India as follows:-

1. Short title and commencement:- (1) This Act may be called the Karnataka Souharda Sahakari (Amendment) Act, 2014 .

(2) It shall come into force at once.

2. Amendment of section 2.- In the Karnataka Souharda Sahakari Act, 1997 (Karnataka Act No 17 of 2000) (hereinafter referred to as the principal Act), for clause (a2), the following shall be substituted, namely:-

"(a2) "Backward Classes" means such classes of citizens as may be classified as category "A" and "B" and notified by the Government from time to time for the purpose of reservation in the board Co-operative"

3. Amendment of section 4.- In section 4 of the principal Act, in sub-section (2), after words "they may be", the following shall be inserted, namely:-

"to avoid unhealthy competition among different types of Co-operatives, Registrar may issue direction and circulars from to time, subject to these circular and direction."

4. Amendment of section 11.- In section 11 of the principal Act,-

(i) in sub-section (2), the following shall be inserted at the end, namely:-

“or by person. If there is delay in submission of proposal, the Registrar, may condone the delay if satisfied with justifiable reasons for the delay and consider the amendment proposal”.

(ii) in sub-section (3), after clause (c), the following shall be inserted, namely:-

"(d) a treasury Challan or Demand Draft in favour of the Registrar for having remitted the fee as prescribed."

5. Substitution of section 17.- For section 17 of the principal Act, the following shall be substituted, namely:-

“17. Mobilisation of Funds.- A Co-operative may mobilise funds in the form of share capital, deposits, debentures, loans and other contributions from its members.

Provided that a Co-operative shall not be eligible to receive any loan, subsidy, grant or financial aid in any form from the Government or any guarantee by the Government.

Provided further that nothing contained in the first provision shall apply to a Co-operative Bank.”

6. Amendment of section 20.- In section 20 of the principal Act, in sub-section (1), in clause (b), after the words "competition", the words “or if he is a member of another Co-operative having same objectives” shall be inserted.

7. Insertion of new sections 20A and 20B.- After section 20 of the principal Act, the following shall be inserted, namely:-

"20A. Acceptance or refusal of membership.- Whenever any person seeking membership of a Co-operative applies for the membership with requisite fee and share amount as prescribed in the bye-law of that Co-operative, the board of that Co-operative shall either grant membership for that person or refuse with reasons within sixty days from the date of receipt of application for membership. If no communication of admission as a member is received by the applicant before the expiry of the said period, his application for admission shall be deemed to have been accepted by the cooperative on the last day of the said period. If the applicant is refused membership, he can appeal to the Registrar against such refusal within thirty days from the date of refusal. The Registrar shall decide on such appeal and issue orders which the Co-operative has to implement within fifteen days from the date of order.

20B. Right of members to vote.- Members who are admitted as members atleast one year before the date of General meeting or election as

the case may be, only will have the right to vote in general meeting or in an election of the members of the board of a Co-operative. provided, this restriction shall not apply to member of a Co-operative participating in the first general meeting or first election of such Co-operative held immediately after its registration”.

8. Amendment of section 21A.- In section 21A of the principal Act, in sub-section (1), the second proviso shall be omitted.

9. Insertion of new section 21B.- After section 21A of the principal Act, the following shall be inserted, namely:-

"21B- Associate membership.- (1) A Co-operative may admit,-

- (a) any individual; or
 - (b) any firm, company, Co-operative society or any body or corporation constituted by or under any law for the time being in force
- as an associate member for a specific purpose as specified in its byelaws;

Provided that no Co-operative shall have as its associate members more than ten percent of total members. In case if a Co-operative already has associate members more than ten percent of its total membership, the excess associate members shall be either converted as member of Co-operative or removed from membership of Co-operative within six months from the date of coming in to force of the Karnataka Souhardha Sahakari (Amendment) Act, 2014.

(2) An associate members can have shares of Co-operative but is not eligible to be an office-bearer of Co-operative. An associate member cannot take part in the management of Co-operative and cannot vote in any meetings or election of the cooperative.

(3) Save as provided in this section an associate member shall have all the rights and duties of a member as specified in the byelaws of a cooperative.

10. Substitution of section 22:- For section 22 of the principal Act, the following shall be substituted, namely:-

“22. Restriction on collection of deposits from non-members.- No cooperative except those have obtained license from Reserve Bank of India to do banking business, can collect deposits either from any non-members or nominal members”.

11. Amendment of section 23.- In section 23 of the principal Act, in sub-section (3), clause (k-4) shall be omitted.

12. Amendment of section 23A:- In section 23A of the principal Act, the following proviso shall be inserted at the end, namely:-

“Provided, in case of urban Co-operative Banks, to open a branch where Reserve Bank of India granted permission in such case permission of the souharda federal is not required.”

13. Amendment of section 23B.- In section 23B of the principal Act, the following shall be inserted at the end, namely:-

"the newly registered Co-operatives may make provision for representative general body in their bye-laws".

14. Amendment of section 24.- In section 24 of the principal Act,-

(i) after the words "exceeding the number of ", the word "elected " shall be inserted;

(ii) in sub-section (1), in fourth proviso, after the words, “Functional director”, the words “if necessary” shall be inserted.

(iii) for sub-section (2), the following shall be substituted, namely:-

“(2) Save as otherwise in the Act, the term of the directors will be five years from the date of election.

Provided, the term of the directors of souharda federal will ends with the Co-terminus of the representative Co-operative.”

15. Amendment of section 25.- In section 25 of the principal Act,-

(1) in sub-section (1), for the words "Co-operative for a period", the words "Co-operative for a maximum period" shall be substituted;

(2) in sub-section (2),-

(i) for the words “Co-operative for a period of five years”, the words "Co-operative for a maximum period of five years" shall be substituted.

(ii) in clause (a), the words “or as result or otherwise the cooperative election commission has failed to conduct elections to the Board within the stipulated time” shall be omitted.

16. Amendment of section 26.- In section 26 of the principal Act, sub-section (4) along with proviso shall be omitted.

17. Amendment of section 28.- In section 28 of the principal Act, after sub-section (3), the following proviso shall be inserted, namely:-

“Provided that the term of the office-bearers of souharda federal will ends with the Co-terminus of the representative Co-operative.”

18. Insertion of new section 28-A.- After section 28 of the principal Act, the following shall be inserted, namely:-

“28-A. Resignation of a board member or office-bearer of a Co-operative - A member of the board of a Co-operative or an office-bearer of a Co-operative, may resign his membership of the board or his post as an office-bearer of the Co-operative, as the case may be, in writing under his hand and deliver the same to the Chief Executive and his seat or post, as the case may be, shall become vacant on the expiry of fifteen days from the date of such delivery unless within the said period of fifteen days he withdraws such resignation in writing under his hand and delivered to the Chief Executive. The Chief Executive shall place the letter of resignation before the meeting of the board convened next after the delivery of such letter”.

19. Amendment of section 30.- In section 30 of the principal Act, in sub-section (4), for the words “twenty percent”, the words “ten percent or one thousand members eligible to vote whichever is less” shall be substituted.

20. Amendment of section 33.- In section 33 of the principal Act,-

(1) in the heading, for the word “Audit”, the words, “Audit of Co-operatives” shall be substituted;

(2) in sub-section (1), the second proviso shall be omitted.

(3) in sub-section (2), the following provisos shall be inserted, namely:-

“Provided that, if the Director of Co-operative audit is satisfied that the Co-operative has failed to appoint an auditor or an auditing firm to audit its accounts for a Co-operative year in their general body and to intimate the same as provided in the Rules, the Director of Co-operative Audit after giving an opportunity of hearing in writing to the Co-operative and confirming that the Co-operative has not appointed an auditor or an auditing firm, may appoint an auditor or an auditing firm to audit the accounts of Co-operative from the approved panel of auditors or auditing firms and such an appointed auditor or auditing firm shall be deemed as the auditor or the auditing

firm for the purpose of conducting audit of that Co-operative for that particular year under consideration;

Provided further that in case of Government auditors mentioned in the panel of auditors or auditing firms maintained by the Director of Co-operative Audit, they shall be mentioned by designation only and that in case of a Co-operative selecting a Government Auditor from the Panel of Auditors under sub-section (1) the Co-operative shall intimate to the concerned Deputy District Director of Co-operative Audit to cause the audit from a Departmental Auditor mentioning the auditor's designation only".

(4) For sub-section (19) and explanation, the following shall be substituted, namely:-

"(19) The remuneration of the auditor or auditing firm of a Co-operative shall be borne by the Co-operative and shall be at such rates as may be fixed by general body of the Co-operative based on the Working Capital and Turnover of the Co-operative as per the guidelines issued by Director of Co-operative audit from time to time.

(20) Notwithstanding anything contained in the preceding sub-sections, the Director of Co-operative Audit subject to the approval of State Government shall have power to re-examine or re-verify particular account or accounts of the audited accounts of any Co-operative pertaining to preceding three years and instruct the concerned auditor to incorporate the lapses observed during such re-examination or re-verification in the next audit report to be issued.

Explanation:- For the purpose of this Section;

- (i) **'Auditor'** means an auditor or an officer of the Department of Co-operative Audit who has passed, in addition to the graduation or post graduation degree, Higher Diploma in Co-operative Management / Diploma in Co-operative Audit / General Diploma in Co-operative Management and who has completed the period of probation successfully and who has a working knowledge of the Kannada language; or

A Chartered Accountant within the meaning of the Chartered Accountants Act, 1949 who shall have a fair knowledge of the functioning of the Co-operatives and shall have an experience of at least three years in auditing and who would like to be included in the panel and such

chartered accountant shall have adequate understanding and knowledge of the Kannada language sufficient for the due performance of auditing Or a Cost Accountant within the meaning of Cost and Works Accountant Act, 1959, who shall have fair knowledge of the functioning of the Co-operatives and shall have an experience of atleast 3 years in auditing and shall have working knowledge of kannada language.

(ii) **‘Auditing firm’** means a firm of more than one Chartered Accountant within the meaning of the Chartered Accountants Act, 1949 Or a firm of more than one Cost Accountant within the meaning of Cost and Works Accountant Act, 1959 who or which shall have a fair knowledge of the functioning of the Co-operatives and shall have an experience of at least three years in auditing and which would like to be included in the panel and such chartered accountants shall have adequate understanding and knowledge of the Kannada language sufficient for the due performance of auditing.”

21. Amendment of section 35.- In section 35 of the Principal Act, in sub-section (2), in clause (1), after the words, “native referred”, the words “in the following circumstances also shall be held.” shall be inserted.

22. Amendment of Section 37:- In section 37 of the principal Act, the following shall be inserted at the end, namely:-

“The general body is fails to initiate action against culprits and Registrar shall issue direction to take action against the culprits, and follow up action till the defects are rectify.”

23. Amendment of section 38-A.- In section 38-A of the principal Act, in sub-section (1), for the words, "directors have tendered resignation" the words, “or for the reason that the new board has not been constituted and the term of previous board has expired” shall be inserted.

24. Amendment of section 39.- In section 39 of the principal Act, (i) in sub-section (1), clause (d), the words, “except dispute” shall be omitted.

(ii) sub-sections (4) and (5) shall be omitted.

25. Insertion of new section 43-A.- After section 43 of the principal Act, the following shall be inserted, namely:-

“43-A. Fee.- The Registrar shall notify from time to time, quantum of fees to be submitted along with applications in respect of disputes and enforcement of orders issued under the Act”.

26. Amendment of section 46.- In section 46 of the principal Act, the following shall be inserted at the end, namely:-

“ Provided that no appeal against an order, decision or award for payment of money shall be considered by the Appellate Authority unless it is accompanied by satisfactory proof for having deposited with the concerned cooperative twenty-five percent of the amount due in terms of the order, decision or award. After the disposal of the appeal, the amount so deposited shall be adjusted towards the amount of payable by the appellant and in case no amount is required to be paid by the appellant, the amount so deposited shall be refunded to him by the cooperative”.

27. Amendment of section 53.- In section 53 of the principal Act, in sub-section (9), for the word “representative”, wherever they occurs the word “delegate” shall respectively be substituted.

28. Insertion of new section 53B.- After section 53A of the principal Act, the following shall be inserted, namely:-

“53B. Disqualification of Directors.- If federal Co-operative fails to function in accordance with Act, Rules the Registrar may disqualify the persons who are responsible for the failure, after giving reasonable opportunity.

Provided, if vacuum situation is created in section 38 shall apply mutatis-mutandis.”

29. Amendment of section 55.- In section 55 of the principal Act, in sub-section (4), the words, brackets and figures “sub-sections (6) and (7) of section 30” shall be omitted.

30. Amendment of section 64.- In section 64 of the principal Act, in the heading, for the word “Audit”, the word "Audit of Federal Co-operative" shall be substituted.

31. Amendment of section 70.- In section 70 of the principal Act, after the word "provisions " , the words" or clarification if any " shall be inserted.

STATEMENT OF OBJECTS AND REASONS

It is considered necessary to further to amend the Karnataka Souharda Sahakari Act, 1997 (Karnataka Act No, 17 of 2000) to provide for,-

- (i) rejection of bye-laws on technical reasons;
- (ii) prescribing fee for bye-law amendments;
- (iii) avoid dual membership;
- (iv) provisions for appeal in case of rejection of membership;
- (v) confirm the voting rights;
- (vi) restrictions on collecting of deposits on Non-members; and
- (vii) other incidental and consequential amendments.

Hence the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

MEMORANDUM OF REGARDING DELEGATED LEGISLATION

clause-4	Section 11 sought to be inserted by clause (6) in sub-section (3) empowers to the Registrar of Co-operative Societies to fixation fee for Amendment of bye-laws of cooperative.
clause-25	Section 43A sought to be inserted empower the Registrar of Co-operatives to fix fee for disputes and enforcement of orders.

The proposed delegation of Legislative power is normal in character.

H.S. MAHADEVPRASAD

Minister for Co-operation and Sugar

P. OMPRAKASHA

Secretary
Karnataka Legislative Assembly

ANNEXURE

Extract from the Karnataka Souharda Sahakari Act, 1997 [Karnataka Act 17 of 2000]

XX

XX

XX

2. Definitions.- In this Act unless the context otherwise requires;-

XX

XX

XX

(a2)'Backward Classes' means such class or classes of citizens as may be classified as Backward Classes notified by the Government from time to time.

XX

XX

XX

4. Co-operatives which may be registered.- XX XX XX

(2) Subject to the provisions of this Act where,-

- (a) not less than ten individuals belonging to different families intend to form a Co-operative; or
 - (b) a Co-operative society intends to convert itself into a Co-operative under this Act by passing a resolution in this behalf; or
 - (c) twenty or more Co-operatives registered under this Act intend to form into a union Co-operative by passing a resolution in this behalf;
- they may be registered as Co-operative under this Act.

XX

XX

XX

11. Amendment of bye-laws.- XX XX XX

(2) In case of amendment of its bye-laws by the Co-operative, an application for the registration of the amendment with particulars specified in subsection (3), shall be forwarded by registered post to the Registrar within a period of thirty days from the date of the resolution.

(3) Every application forwarded under subsection (2) to the Registrar, shall be signed by the President or Chairperson and shall be accompanied by three copies of the resolution adopting the amendment along with the following particulars, namely:-

- (a) the date of the meeting at which the amendment was approved;
- (b) the total number of members on the roll of the Co-operative who were eligible to vote on the date of such meeting, the number present at the meeting and the number of eligible members who voted for the resolution.
- (c) in the case of a Co-operative Bank, a certificate signed by the President or Chairperson, stating that the proposed amendments are in conformity with sub-section (3) of section 10;

XX

XX

XX

17. Mobilisation of Funds.- A Co-operative may mobilise funds in the form of share capital, deposits, debentures, loans and other contributions,-

- (i) from its members; or
 - (ii) from any other person, institutions and organisations;
- to such extent and subject to such conditions as may be specified in the bye-laws of the Co-operative:

Provided that a Co-operative shall not be eligible to receive any loan, subsidy, grant or financial aid in any form from the Government or any guarantee by the Government.

Provided further that nothing contained in the first proviso shall apply to a Co-operative Bank.

XX**XX****XX**

20. Persons who may be admitted or continued as members.- (1) Subject to the provisions of this Act, no person shall be admitted as a member of a Co-operative,-

XX**XX****XX**

- (b) if he conducts any business, such business being in conflict or competition with the business of the Co-operative as specified in the bye-laws; and

XX**XX****XX**

21A. Nominal members.- (1) A Co-operative may, in its interest, admit,-

XX**XX****XX**

Provided further that a person who is eligible for membership under section 20 shall not be admitted as a nominal member.

XX**XX****XX**

22. Restriction on services to non-members.- The services of a Co-operative shall ordinarily be available only to members unless otherwise provided in the bye-laws.

23. General Body.-

XX**XX****XX**

- (3) Subject to the other provisions of this Act, rules and the bye-laws, the following matters shall be dealt with by the general body namely:-

XX**XX****XX**

- (k-4) decision on the appeal filed by an employee who has been removed or dismissed or terminated from the service or who has been imposed a major penalty by the board after holding a disciplinary inquiry;

XX**XX****XX**

23A - Opening of branches by a Co-operative in its area of operation.-A Co-operative may commence branches, sub branches, pay offices or offices called by whatever name in the area of operation for the use of its members only with the prior approval of its general meeting and the federal Co-operative.

23B – Representative General body meeting.-The general body of a primary or secondary Co-operative, whose membership exceeds three thousand or whose area of operation is more than a Taluka, may amend its bye-laws providing for the constitution of a smaller body consisting of such number of members of the Co-operative as may be prescribed, elected in accordance with the rules (hereinafter referred to as the representative general body) to exercise all or any of the powers of the general body as may be specified in the bye-laws and any reference, by whatever form or words in this Act to the general body or a meeting thereof shall have effect as if such reference were a reference to the representative general body or a meeting thereof, as the case may be

24. Constitution of the Board.- The Board of every Co-operative shall consist of not less than eleven but not exceeding the number of members specified below excluding the chief executive namely:-

- (1) in case of a primary Co-operative and a secondary Co-operative whose area of operation extends to,-

XX**XX****XX**

Provided also that not more than three functional directors of a co-operative shall also be the members of the board and such members shall be excluded for the purpose of counting the total number of directors specified in the sub-section (1).

(2) The term of the office of the elected members of the board shall be five years from the date of election.

XX

XX

XX

25. Disqualification for being elected or continued as director.- (1) A person shall be disqualified for being elected or continued as director of the Co-operative for a period of five years from the date of incurring disqualification, if such person,-

XX

XX

XX

(2) All the directors shall incur disqualification for being elected as directors in a Co-operative for a period of five years from the date of incurring such disqualification and shall also be disqualified to continue as directors of that Co-operative or any other Co-operative, if during the term of office as directors of a Co-operative they,-

- (a) have not rendered necessary assistance to the Co-operative election commission for conducting election to the board before the expiry of its term within the stipulated time or as a result or otherwise the co-operative election commission has failed to conduct elections to the board within prescribed time; or

XX

XX

XX

26. Election of Board.-

XX

XX

XX

(4) Notwithstanding anything contained in this Act, the rules or the bye-laws of any Co-operative, the elections to the boards and consequent election of the office-bearers which are due during March and April 2013 shall be held;

- (a) before the thirtieth day of September 2013 in respect of the primary Co-operatives;
- (b) before the thirty first day of October 2013, in respect of the secondary Co-operatives;
- (c) before the thirtieth day of November 2013 in respect of the union Co-operatives;
- (d) before the thirty first day of December 2013 in respect of the apex Co-operatives including the federal cooperative;

Provided that the incumbent board of every such co-operative shall continue to be in office till the conduct of the elections as above

XX

XX

XX

28. Election of office bearers.-

XX

XX

XX

(3) The term of Office of the President or chair person, vice president or vice chair person and any other Office-bearers shall be five years from the date of election and shall be Co-terminus with the term of the board.

30. Meetings.-

XX

XX

XX

(4) The quorum for a general meeting shall be as specified in the bye-laws, but shall not be less than twenty percent of the members eligible to vote at the meeting and the quorum for a representative general meeting shall not be less than sixty percent of the representatives eligible to vote at the meeting. If there is no quorum at the time of transaction of any business in any general meeting, such business shall not be transacted.

XX

XX

XX

33. Audit.-(1) Every Co-operative shall get its accounts audited at least once in a year before the first day of September following the close of the co-operative year by an auditor or an auditing firm appointed by the general body of the

Co-operative from a panel of auditors or auditing firms approved by the Director of Co-operative audit;

XX

XX

XX

Provided further that the Director of Co-operative audit shall communicate a panel of auditors and auditing firms, not exceeding ten, to every Co-operative within thirty days from the close of the Co-operative year.

(2) The general body of every Co-operative shall at its general meeting appoint an auditor or an auditing firm to audit the accounts of the Co-operative for the Co-operative year in which the general meeting is held.

XX

XX

XX

(19) The remuneration of the auditor or auditing firms of a Co-operative shall be borne by the Co-operative and shall be at such rates as may be fixed by general body of the Co-operative."

Explanation:- For the purpose of this Section;

(i) '**Auditor**' means an auditor or an officer of the Department of Co-operative Audit who has passed, in addition to the graduation or post graduation degree, Higher Diploma in Co-operative Management or Diploma in Co-operative Audit or General Diploma in Co-operative Management and who has completed the period of probation successfully and who has a working knowledge of the Kannada language; or

A Chartered Accountant within the meaning of the Chartered Accountants Act, 1949 who shall have a fair knowledge of the functioning of the Co-operatives and shall have an experience of at least three years in auditing of which the auditor would like to be included in the panel and chartered accountants shall have working knowledge of the Kannada language.

(ii) '**Auditing firm**' means a firm of more than one Chartered Accountants within the meaning of the Chartered Accountants Act, 1949 who or which shall have a fair knowledge of the functioning of the Co-operatives and shall have an experience of at least three years in auditing of which the auditing firm would like to be included in the panel and chartered accountants shall have working knowledge of the Kannada language.

XX

XX

XX

35. Inquiry.-

XX

XX

(2) An inquiry of the nature referred to in sub-section (1) shall be held on the application of.-

- (a) the Federal Co-operative to which the Co-operative is affiliated; or
- (b) not less than one third of the members of the Board of the Co-operative or
- (c) not less than one tenth of the total number of members of the Co-operative.

XX

XX

XX

37. Action on inquiry Report.- The Registrar, after such inquiry, if satisfied that any or all of the office bearers or directors or Chief Executive is or are responsible for any payment contrary to the Act, rules or the bye-laws and has or have caused loss or deficiency in the assets of the Co-operative by breach of trust or negligence or has or have misappropriated or fraudulently retained any money or property belonging to such Co-operative, without prejudice to any civil or criminal proceedings to which they may be liable, may direct the board to convene the general meeting within such reasonable time as or the Registrar, specify to discuss the findings of the inquiry report and for initiating necessary action against the concerned.

XX

XX

XX

38A. Appointment of Special Officer.-(1) Where the activities of a Co-operative are not being conducted in accordance with the provisions of this Act, the rules or the bye-laws as a result of the directors of the board falling short of the required number to form a quorum due to disqualification, resignation or death or removal of a director or where all the directors of a Co-operative have incurred any disqualification under sub-section (2) of section 25 or where all the directors have tendered resignation, the Federal Co-operative may by order appoint a Special Officer for such co-operative, for such period not exceeding six months.

XX

XX

XX

39. Disputes which may be referred to the Registrar for decision.- (1) Notwithstanding anything contained in any law for the time being in force, if any dispute, touching the constitution, management, or the business of a Co-operative or the Federal Co-operative, other than a dispute relating to the election of the board and the election of the office-bearers, arises,-

XX

XX

XX

(d) between the Co-operative or the Federal Co-operative and any other Co-operative or a credit agency, such dispute shall be referred to the Registrar for decision

XX

XX

XX

46. Appeal – An appeal against a decision or award made under Section 41, or an order made under section 37A shall lie to the Karnataka Appellate Tribunal constituted under the Karnataka Appellate Tribunal Act 1976 (Karnataka Act No. 10 of 1976) within sixty days from the date of the decision or award or order.

XX

XX

XX

53. Constitution, functions and management of Federal Co-operative.- XX

XX

XX

(9) The President or Chairperson of a member Co-operative shall be the representative at the general body of the Federal Co-operative. If for any reason, the Chairperson or President is unable to represent, he may nominate any director of the board to be the representative. The representative shall continue to represent the Co-operative in the Federal Co-operative as long as he remains in office in the member Co-operative.

XX

XX

XX

55. Disqualification for being elected or continued as director.-

XX

XX

XX

(4) The provisions of sub-sections (6) and (7) of section 30 shall mutatis-mutandis apply to the Federal Co-operative if its directors incur any of the disqualifications mentioned in clauses (a), (b), (c), (d) and (e) of sub-section (2).

XX

XX

XX

64. Audit.- XX

XX

XX

70. Power to remove difficulties.- If any difficulty arises in giving effect to the provisions of this Act, the Government may, by notification and after publication in the Official Gazette, make such provisions as appear to it to be necessary or expedient to remove the difficulty.

XX

XX

XX

(Provisionally admitted)

KARNATAKA LEGISLATIVE ASSEMBLY

FOURTEENTH LEGISLATIVE ASSEMBLY

(Fourth Session)

Amendments to the Karnataka Souharda Sahakari (Amendment) Bill, 2014
(L.A. Bill No. 52 of 2014)

CLAUSE 14

In clause 14 of the said Bill, after sub-clause (i), the following shall be inserted, namely:-

"(i-a) in the first proviso, after the words "belonging to backward classes", the words "in such manner" shall be inserted;"

CLAUSE 28

In clause 28 of the said Bill,-

(i) after the word "after", the words "due enquiry and" shall be inserted; and

(ii) in the proviso, for figure "38", the figure and letter "38A" shall be substituted.

P. OMPRAKASHA
Secretary