GOVERNMENT OF KERALA:

Law (Legislation-H) Department

NOTIFICATION

No. 7932/Leg.H2/2017/Law.

1st June, 2017/

Dated, Thiruvananthapuram, 18th Idavam, 1192/

11th Jyaishtha, 1939.

The following Ordinance promulgated by the Governor of Kerala on the 1st day of June, 2017 is hereby published for general information.

By order of the Governor,

B. G. HARINDRANATH,
Law Secretary.
ORDINANCE No. 8 OF 2017

THE KERALA CO-OPERATIVE SOCIETIES
(AMENDMENT) ORDINANCE, 2017

Promulgated by the Governor of Kerala in the Sixty-eighth Year of
the Republic of India.

AN

ORDINANCE

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

Preamble.—Whereas, the Kerala Co-operative Societies
(Amendment) Ordinance, 2017 (4 of 2017) was promulgated by the
Governor of Kerala on the 10th day of April, 2017;

AND WHEREAS, a Bill to replace the said Ordinance by an Act of the
State Legislature could not be introduced in, and passed by, the
Legislative Assembly of the State of Kerala during its session which
commenced on the 25th day of April, 2017 and ended on the 25th day
of May, 2017;

AND WHEREAS, under sub-clause (a) of clause (2) of Article 213 of
the Constitution of India, the Kerala Co-operative Societies
(Amendment) Ordinance, 2017 (4 of 2017) will cease to operate on the
5th day of June, 2017;

AND WHEREAS, difficulties will arise if the provisions of the said
Ordinance are not kept alive;

AND WHEREAS, the Legislative Assembly of the State of Kerala is
not in session and the Governor of Kerala is satisfied that circumstances
exist which render it necessary for him to take immediate action;
NOW, THEREFORE, in exercise of the powers conferred by clause (1)
of Article 213 of the Constitution of India, the Governor of Kerala is
pleased to promulgate the following Ordinance:—

1. Short title and commencement.—(1) This Ordinance may be
called the Kerala Co-operative Societies (Amendment) Ordinance, 2017.

(2) It shall be deemed to have come into force on the 10th day
of April, 2017.

2. Act 21 of 1969 to be temporarily amended.—During the period
of operation of this Ordinance, the Kerala Co-operative Societies Act,
1969 (21 of 1969) (hereinafter referred to as the principal Act) shall have
effect subject to the amendments specified in sections 3 to 10.

3. Amendment of section 2.—In section 2 of the principal Act, for
clause (ia), the following clause shall be substituted, namely:—

“(ia) “District Co-operative Bank” means a Central Society, the
principal object of which is to raise funds to be lent to its members and
individuals having, jurisdiction over one revenue district and having as its
members only primary agricultural credit societies and urban co-operative
banks;”.

4. Omission of section 16A.—Section 16A of the principal Act
shall be omitted.

5. Amendment of section 18.—In section 18 of the principal Act, to
sub-section (1), after the second proviso, the following proviso shall be
added, namely:—

“Provided also that a District Co-operative Bank may admit any co-
operative society registered under the provisions of this Act other than
Primary Agricultural Credit Societies and Urban Co-operative Bank
functioning within its area of operation as nominal or associate members.”.

6. Omission of section 19A.—Section 19A of the principal Act
shall be omitted.
7. Amendment of section 28.—In section 28 of the principal Act,—

(i) in sub-section (1), the third proviso shall be omitted;
(ii) in sub-section (1H), for the words “at least one” the words “at least two” shall be substituted;
(iii) sub-section (11), shall be omitted.

8. Amendment of section 28·AB.—In section 28·AB of the principal Act, after sub-clause (2), the following sub-clause shall be inserted, namely:—

“(3) No member of a society shall be eligible to hold office as its President or Vice-President for more than two consecutive terms:

Provided that the provisions contained in sub-section (3) shall not apply to the President or Vice-President of the societies holding office as such on the date of commencement of this Ordinance, till the completion of their present term.”.

9. Amendment of section 32.—In section 32 of the principal Act, in sub-section (1), after the third proviso, the existing Explanation shall be numbered as Explanation II and before the Explanation II as so numbered, the following Explanation shall be inserted, namely:—

“Explanation I:—For the purposes of this proviso, financial assistance includes any financial assistance from Kerala Co-operative Development and Welfare Fund Board, Deposit Guarantee Scheme implemented by the Kerala State Co-operative Deposit Guarantee Fund Board, Risk Fund Scheme implemented by the Kerala Co-operative Development and Welfare Fund Board, NABARD, National Co-operative Development Corporation and any other financial institution under the control of the State or Central Government and also any financial assistance guaranteed by the said institutions.”.
10. **Special Provision in respect of the existing District Co-operative Banks.**—(1) Notwithstanding anything contained in the principal Act, or in any judgment, decree or order of any court, tribunal or other authority, on the commencement of the Kerala Co-operative Societies (Amendment), Ordinance, 2017 (4 of 2017),—

(a) the members of a District Co-operative Bank other than Primary Agricultural Credit Societies and Urban Co-operative Banks as on the date of commencement of this Ordinance shall become nominal or associate members of such District Co-operative Banks at such commencement;

(b) the committees in office of the District Co-operative Bank at such commencement shall cease to exist and the Registrar shall be competent to appoint a new committee or one or more administrator or administrators, who need not be members of the society, to manage the affairs of the Bank for a period not exceeding six months, as may be specified in the order, which period may, at the discretion of the Registrar, be extended from time to time, so however, that the aggregate period does not exceed one year.

(2) The committee or the administrator or the administrators appointed under sub-section (1) shall, subject to the control of the Registrar and to such instructions as he may from time to time give, have power to exercise the powers and perform the functions of the committee or of any officer of the society and take such action as may be required in the interest of the society.

(3) The committees or administrator or administrators shall, before the expiry of its or his or their term of office, arrange for the constitution of a new committee in accordance with the provisions contained in the principal Act and the bye-laws of the Bank.
11. **Repeal and saving.**—(1) The Kerala Co-operative Societies (Amendment) Ordinance, 2017 (4 of 2017) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action 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 Ordinance.

P. SATHASIVAM,

*GOVERNOR.*