

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 1st November 2012 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 48 of 2012

A Bill further to amend the Tamil Nadu Co-operative Societies Act, 1983.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Third Amendment) Act, 2012.

Short title and Commencement.

(2) It shall be deemed to have come into force on the 3rd day of August 2012.

Tamil Nadu
Act 30 of
1983.

2. In section 21 of the Tamil Nadu Co-operative Societies Act, 1983, (hereinafter referred to as the principal Act), in sub-section (2), in clause (i),-

Amendment of section 21.

(a) after the expression “by the board”, the expression “or by the general body, where there is no board” shall be inserted;

(b) in the first proviso, after the expression “the board” in two places where it occurs, the expression “or the general body, as the case may be,” shall be inserted;

(c) in the second proviso, after the expression “the board”, the expression “or the general body, as the case may be,” shall be inserted.

Tamil Nadu
Ordinance
14 of 2012.

3. (1) The Tamil Nadu Co-operative Societies (Third Amendment) Ordinance, 2012 is hereby repealed.

Repeal and saving.

(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 Act.

STATEMENT OF OBJECTS AND REASONS.

Under the Tamil Nadu Co-operative Societies Act, 1983 (Tamil Nadu Act 30 of 1983) the Board of Directors of a registered society is vested with the power to admit any individual eligible for admission, as a member of the society. At present Special Officers are managing the affairs of the registered society. When the Special Officers were empowered, by making specific provision in the said Tamil Nadu Act 30 of 1983, to admit any individual eligible for admission, as member of the Co-operative Society, the Full Bench of the High Court of Madras in K. Nithyanandam Vs. State of Tamil Nadu And Others (2006-1-L.W. 363) declared the said provision as arbitrary, unreasonable, ultravires and unconstitutional, by observing as follows:—

“In view of the above discussion, this Court is of the view that the Co-operative Societies are constituted to function through the democratic management by the General Body through its elected board which alone is empowered to enroll the new Members.”

In view of the above, new members could not be admitted in the Co-operative Societies for the past 11 years.

2. Article 43-B and Part IX-B of the Constitution envisages that the State shall endeavour and promote voluntary formation, autonomous functioning, democratic control and professional management of Co-operative Societies. In order to pave the way for democratic functioning of the Co-operative Societies in tune with the provisions of the Constitution, the Government have considered to admit new members in the Co-operative Societies by empowering the General Body of the Co-operative Societies to admit, any individual eligible for admission, as a member of the Society and have decided to amend the said Tamil Nadu Act 30 of 1983 suitably for the said purpose. Accordingly, the Tamil Nadu Co-operative Societies (Third Amendment) Ordinance, 2012 (Tamil Nadu Ordinance 14 of 2012) was promulgated by the Governor on the 3rd August 2012 and the same was published in the *Tamil Nadu Government Gazette* Extraordinary, dated the 3rd August 2012.

3. The Bill seeks to replace the said Ordinance.

SELLUR K. RAJU,
Minister for Co-operation.

A.M.P. JAMALUDEEN,
Secretary.