

The following Ordinance which was promulgated by the Governor on the 3rd August 2012 is hereby published for general information:—

TAMIL NADU ORDINANCE No. 14 OF 2012.

**An Ordinance further to amend the Tamil Nadu Co-operative Societies Act, 1983.**

WHEREAS the Legislative Assembly of the State is not in session and the Governor of Tamil Nadu is satisfied that circumstances exist which render it necessary for him to take immediate action for the purposes hereinafter appearing;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 213 of the Constitution, the Governor hereby promulgates the following Ordinance:—

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

Short title and commencement.

(2) It shall come into force at once.

Tamil Nadu  
Act 30 of  
1983.

2. In section 21 of the Tamil Nadu Co-operative Societies Act, 1983, 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.

3rd August 2012 .

K. ROSAIAH,  
*Governor of Tamil Nadu.*

**EXPLANATORY STATEMENT.**

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 a 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 in 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.

3. The Ordinance seeks to give effect to the above decision.

(By order of the Governor)

G. JAYACHANDRAN,  
*Secretary to Government,*  
*Law Department.*