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Government of Kerala  
2017



Regn. No. KERBIL/2012/45073  
dated 5-9-2012 with RNI  
Reg. No. KL/TV(N)/634/2015-17

**കേരള ഗസറ്റ്**  
**KERALA GAZETTE**

**അസാധാരണം**  
**EXTRAORDINARY**

**ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്**  
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	Thiruvananthapuram, Tuesday	1192 കർകടകം 2 2nd Karkadakam 1192 1939 ആഷാഢം 27 27th Ashadha 1939	

**GOVERNMENT OF KERALA**  
**Law (Legislation-H) Department**  
**NOTIFICATION**

No. 7932/Leg.H2/2017/Law. 18th July, 2017  
Dated, Thiruvananthapuram, 2nd Karkadakam, 1192  
27th Ashadha, 1939.

The following Ordinance promulgated by the Governor of Kerala on the 18th day of July, 2017 is hereby published for general information.

By order of the Governor,  
**B. G. HARINDRANATH,**  
*Law Secretary.*

**ORDINANCE No. 17 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, in order to keep alive the provisions of the said Ordinance, the Kerala Co-operative Societies (Amendment) Ordinance, 2017 (8 of 2017) was promulgated by the Governor of Kerala on the 1st day of June, 2017;

AND WHEREAS, a Bill to replace Ordinance 8 of 2017 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 8th day of June, 2017 and ended on the same day;

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 (8 of 2017) will cease to operate on the 20th day of July, 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 Banks, 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,—

(a) in sub-section (1), the third proviso shall be omitted;

(b) in sub-section (1H), for the words “at least one” the words “at least two” shall be substituted;

(c) sub-section (1I), shall be omitted.

8. *Amendment of section 28AB.*—In section 28AB of the principal Act, after sub-section (2), the following sub-section 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 of this sub-section shall not apply to the President or Vice-President of the societies holding office as such on the date of commencement of the Kerala Co-operative Societies (Amendment) Ordinance, 2017 (4 of 2017), 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 the 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 date of 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 the said 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 shall 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 (8 of 2017) is hereby repealed.

(2) Notwithstanding such repeal, anything done or deemed to have been done or any action taken or deemed to have been 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.