

Fourteenth Kerala Legislative Assembly

Bill No. 93

**THE KERALA CO-OPERATIVE SOCIETIES
(AMENDMENT) BILL, 2018**

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

Preamble.—WHEREAS, it is expedient further to amend the Kerala Co-operative Societies Act, 1969 for the purposes hereinafter appearing;

BE it enacted in the Sixty-ninth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Co-operative Societies (Amendment) Act, 2018.

(2) It shall be deemed to have come into force on the 26th day of December, 2017.

2. *Amendment of section 88.*—In section 88 of the Kerala Co-operative Societies Act, 1969 (21 of 1969) (hereinafter referred to as the principal Act), for clause (a) of sub-section (1), the following clause shall be substituted, namely:—

“(a) seven members representing the various categories of affiliated societies within the circle, elected, in such manner as may be prescribed, by the members of the committee of each such category of societies from among themselves;”.

3. *Repeal and saving.*—(1) The Kerala Co-operative Societies (Second Amendment) Ordinance, 2017 (39 of 2017) is hereby repealed.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 Act.

STATEMENT OF OBJECTS AND REASONS

As per sub-section (1) of section 88 of the Kerala Co-operative Societies Act, 1969 (21 of 1969), the Government shall, by notification in the Gazette, constitute a Circle Co-operative Union for each circle in the State with the members specified in clauses (a) to (g) of the said section.

2. Clause (a) of sub-section (1) of section 88 of the said Act provides for seven members elected, in such manner as may be prescribed, by the members of the committees of the affiliated societies within the circle, from among themselves. This provision does not ensure proportional representation from each category of society. The Government considers that seven members as per the said provision have to be elected from different categories of affiliated societies from among themselves so as to ensure representation for each category of society.

3. In *Anthiyur Handloom Weavers Co-operative Society Limited Vs. State of Kerala & Others* (MANU/KE/0224/1969), the Hon'ble High Court of Kerala in its judgment dated 4-9-1969 has also observed that the issue relating to the grievances of the societies which are only few in number that clubbing them along with all other general co-operative societies in the matter of election to the Circle Union and State Union would cause them considerable hardship since they are not likely to get any representation at either level, is purely a matter of legislative policy.

4. As the Kerala Legislative Assembly was not in session and the said proposal had to be given effect to immediately, the Kerala Co-operative Societies (Second Amendment) Ordinance, 2017 was promulgated by the Governor of Kerala on the 26th day of December, 2017 and the same was published as Ordinance No. 39 of 2017 in the Kerala Gazette Extraordinary No. 2864 dated 26th December, 2017.

5. The Bill is intended to replace Ordinance No. 39 of 2017 by an Act of the State Legislature.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any additional expenditure from the Consolidated Fund of the State.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause (a) of sub-section (1) of section 88 proposed to be amended by clause 3 of the Bill seeks to empower the Government to make rules prescribing the manner in which the members representing the various categories of affiliated societies within the circle are elected by the members of the committee of each such category of societies.

The matters in respect of which rules may be made are matters of procedure and are of routine and administrative in nature. Further, the rules, after they are made, are subject to scrutiny by the Legislative Assembly. The delegation of the legislative power is, thus, of a normal character.

KADAKAMPALLY SURENDRAN.

