

PUNJAB VIDHAN SABHA

Bill No. 26-PLA-2017

**THE PUNJAB CO-OPERATIVE SOCIETIES (SECOND
AMENDMENT) BILL, 2017**

A

BILL

further to amend the Punjab Co-operative Societies Act, 1961.

BE it enacted by the Legislature of the State of Punjab in the Sixty-eighth Year of the Republic of India as follows :—

1. (1) This Act may be called the Punjab Co-operative Societies (Second Amendment) Act, 2017. Short title and commencement.

(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.

2. In the Punjab Co-operative Societies Act, 1961 (hereinafter referred to as the principal Act), in section 13, for sub-sections (11) and (12), the following sub-sections shall be substituted, namely :— Amendment in section 13 of Punjab Act 25 of 1961.

“(11) In case a member or a creditor who had objected to the proposed order under sub-section (9) remains aggrieved with the orders of the Registrar, may make second reference to the Government within thirty days of passing of such order. The Government shall, after affording due opportunity of hearing to the members and creditors who have made second reference to the Government, annul, modify or uphold the order of the Registrar passed under sub-section (9). The decision of the Government in this regard shall be final.

(12) The order passed by the Registrar under sub-section (9) or by the Government under sub-section (11), as the case may be, shall be final and where such an order involves the transfer of any assets and liabilities, the same shall, notwithstanding anything contained in any law for the time being in force, be a sufficient conveyance to vest the assets and liabilities in the society in which these are vested under that order without any further assurance.”.

Amendment in section 19 of Punjab Act 25 of 1961.

3. In the principal Act, in section 19, for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) Notwithstanding anything contained in sub-section (1), a co-operative society which is a member of another co-operative society, may, subject to the rules, appoint one of the members who is eligible to vote on its behalf in the affairs of that other society.

Explanation.— In case the member appointed by a society, to vote on its behalf in the affairs of another society of which such society is a member, gets elected to the committee of that society, his term of office shall be co-terminus with the term of committee of that society.”.

Amendment in section 26 of Punjab Act 25 of 1961.

4. In the principal Act, in section 26, in sub-section (1-D), the following *Explanation* shall be added, namely :—

“*Explanation.*— The delay caused in constitution of an elected committee due to judicial proceedings in civil courts in this regard, shall be excluded at the time of computing the period for which an Administrator is appointed.”.

Amendment in section 27 of Punjab Act 25 of 1961.

5. In the principal Act, in section 27, in sub-section (1), the existing *Explanation* shall be re-numbered as *Explanation* 1 and thereafter the following *Explanation* shall be added, namely :—

“*Explanation 2.*— The delay caused in constitution of an elected committee due to judicial proceedings in civil courts in this regard, shall be excluded at the time of computing the period for which an Administrator is appointed as provided in clause (a).”.

Amendment in section 69 of Punjab Act 25 of 1961.

6. In the principal Act, in section 69, the following *Explanation* shall be added, namely :—

“*Explanation.*—

(i) The application of a party to a reference shall not lie before the Registrar or the Government, as the case may be, if appeal under section 68 of the Act lies or has been availed of by such a party to a reference;

- (ii)* The application of a party to a reference shall not lie before the Registrar or the Government, as the case may be, if an order or decision is made in revision by the Registrar or any authority authorized by him in this regard;
- (iii)* No revision shall lie under section 69 against any order passed under the service rules of the concerned co-operative societies where in a revision is already provided in the service rules of that society; and
- (iv)* No revision under section 69 shall be available against any office order passed by the Registrar or his subordinates.”.

STATEMENT OF OBJECTS AND REASONS

Government of Punjab is committed to strengthen the Cooperative movement in the State, by bringing about necessary changes in the legislation as and when situation so warrants.

2. As a part of this endeavour, Section 13 of the Punjab Cooperative Societies Act, 1961 is proposed to be amended to provide an opportunity of being heard at Govt. level to the members or creditors of the Societies aggrieved by the orders of the RCS in reference to amalgamation, transfer of assets & liabilities and division. Further to bring in closure to the issue, the Government's orders would be final, in such an eventuality.

3. It is also proposed to amend Section 19 of the Act to widen the choice and give the right to a Cooperative Society to nominate one of the members of the Society who is otherwise eligible, in another society and make the term of such appointed member coterminus with the terms of the committee of the society to which he is appointed.

4. It is further proposed to suitably amend Section 26 and 27 of the Act, and add an explanation to the relevant sections clarifying that the delay due to judicial proceedings shall be excluded while computing the period for which an Administrator can be appointed in the society when it ceases to exist, or has not been constituted or is suspended or dismissed, as the case may be.

5. Further it is proposed to amend Section 69 of the Act to clarify that there shall be no revision against any orders which have a remedy of appeal under Section 68, no revision against the Revision by the Registrar, no revision against the orders passed under Service Rules of the Cooperative Societies and Institutions and no revision against the office orders passed by the Registrar or his subordinate officials to reduce litigation.

CAPTAIN AMARINDER SINGH,
Chief Minister, Punjab.

CHANDIGARH :
The 27th November, 2017.

SHASHI LAKHANPAL MISHRA,
Secretary.

N.B.— The above Bill was published in the *Punjab Government Gazette (Extraordinary)*, dated the 27th November, 2017 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).