

**THE ORISSA CO-OPERATIVE SOCIETIES, (AMENDMENT)  
BILL, 2002**

**A  
BILL**

**FURTHER TO AMEND THE ORISSA CO OPERATIVE  
SOCIETIES ACT, 1962.**

BE it enacted by the Legislature of the State in the Fifty-third Year of the Republic of India as follows: —

Short title  
and commence-  
ment.

1. (1) This Act may be called the Orissa Co-operative Societies (Amendment) Act, 2002.

(2) It shall be deemed to have come into force on the 29<sup>th</sup> June, 2002.

Amendment  
of section 28.

2. In the Orisa Co-operative Societies Act, 1962 (hereinafter referred to as the principal Act), in section 28,—

Orissa Act 2  
of 1963.

(i) in clause (if) of Sub-section (1-b), after the words and comma “affairs of the society ,” and before the words , “and constitute”. the words and comma “and if . necessary, take all or any policy decision including admission of members in, relation to the society” shall be Inserted;

(ii) in sub-section (1-c), after the words and comma “affairs of the society “ and before the words “for a period”, wherever they occur, the commas and words “and if necessary, take all or any policy decision including admission of members in relation to the society,” shall be inserted; and

(iii) in clause (g) of sub-section (2),

(a) for sub-clause (ii), the following sub-clause shall be substituted. namely:

“(ii) the management of every society, the Committee of which is so dissolved or which so continues to vest in the Registrar, shall vest or, as the case may be, shall so continue to vest in the Registrar. and the Registrar or a Committee nominated by him from amongst the members of the society, or a member society affiliated to it or a society affiliated to such member society, as far as practicable representing the Scheduled Castes, Scheduled Tribes, other Backward Classes and Women, shall manage the affairs of the society and take all or any policy decision including admission of members in relation to the society till the Committee is constituted in accordance with the Provision of this Act;” and

(b) in sub-clause (iv), for the words “six months” the words “eighteen months” shall be substituted.

Amendment  
of section  
29.

3. In section 29 of the principal Act, in sub-section (2), after clause (q), the following clause shall be inserted, namely: -

“(q-1) admission of members to the society when the Committee of the society is suspended under sub-section (7) of section 32; and”

Amendment  
of section  
32.

4. In sub-section (1) of section 32 of the principal Act, after the words “affairs of the society” and before the words “for a period” the commas and words”, and if necessary, take all or any policy decision including admission of members in relation to the society, shall be inserted.

Amendment  
of Section 116

5. In sub-section (3) of section 116 of the principal Act, a proviso shall be inserted, namely:-

“Provided that where any member of the concerned society intends to institute prosecution against -

- (i) the Registrar, he shall obtain prior approval of the State Government, and
- (ii) any officer subordinate to the Registrar, he shall obtain prior approval of the Registrar.”

Repeal and  
Saving

6. (1) The Orissa Co-operative Societies (Amendment) Ordinance, 2002 is hereby repealed.

Orissa  
Ordinance  
No.1 of  
2002.

(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**

The Bill seeks to replace the Orissa Co-operative Societies (Amendment) Ordinance, 2002.

In order to ensure representation and participation of the weaker sections (namely, Scheduled Castes, Scheduled Tribes, Other Backward Classes and Women) in the management of the affairs of Co-operative Societies; provisions have been made in the Act, for reservation of seats in the Managing Committees of Primary Central and Apex Co-operative Societies in their favour. However the provisions.

were not adequate and effective enough and those were followed more by breach than by observation. For giving adequate representation and immediate effective participation of those weaker sections in the management of the Co-operative Societies, the Managing Committees of all the Co-operative Societies in the State were dissolved on 3-7 2001, by promulgation of an Ordinance and the management of the society were vested in the Registrar for discharge of all functions in that regard by himself or through committees nominated by him from amongst the members of the society, till new committee, on the new principles of reservation are constituted. The Managing Committee of a society is competent to admit new members. The Hon'ble High Court of Orissa in O. J. C. No.4144194 and O. J. C. No. 15975/97, had adjudged the Administrator, ivl management-in-Charge, Authorized Officer and the nominated committee appointed by the Registrar, in the absence of the elected committee, as incompetent to take policy decisions including admission of new members. Hence, the Administrator, Authorised Officer management-in-charge and nominated committees have been specifically empowered to take policy decision

including admission of new members in relation to a society, in absence of its elected committee to enable the societies to suitably manage the affairs of the society concerned by taking policy decision like advancement of surplus funds, admission of new members, including Scheduled Castes, Scheduled Tribes, Other Backward Classes and Women, and undertaking such new plans, programmes and developmental activities as may be necessary. The general body of the society has also been empowered to admit new member, when its elected committee is under suspension. The elected members of the Committees of Primary Societies are the members of the general body of the Central and Apex Co-operative Societies, to which such Primary Societies are affiliated. On dissolution of the committees of Primary Societies, the Registrar is facing difficulties to nominate interim committees of Central and Apex Co-operative Societies due to non availability of the sufficient number of members in their general bodies. The Registrar has therefore been empowered in this Bill to nominate a committee from amongst the members of the society or a member society affiliated to it or a society affiliated to such member society, as far as practicable” representing the weaker Sections to manage the affairs of the society till new committee is constituted.

For ensuring adequate and active participation of those weaker sections amendments of relevant rules are under process, which will take some time to get completed. As the election of a large number of Co-operative Societies in the State will be held in a phased manner, it will take about a year for completion of such election. Registrar could not therefore comply with the statutory mandate for completion of election by 2-7-2002 because inter alia of the intervening Panchayat elections requiring deployment of manpower etc. for such election. Registrar has therefore been allowed to complete the election of Co-operative Societies within eighteen months instead of six months following the date of expiry of the period, specified in that regard i. e. from 2-1-2002.

Prosecution are also being instituted by any member of the society against the Government Officers Like Registrar and other Officers subordinate to him on fictitious grounds without knowledge of the Government and the Registrar, for which they are facing difficulties. To get rid of such problem. provision has been made for obtaining prior approval of the State Government before institution of prosecution against the Registrar and the Registrar before institution of prosecution against any officer subordinate to the Registrar.

The Bill seeks to achieve the above objective.

**ARABINDA DHALI**  
**Member-in-Charge**