



The Andhra Pradesh Co-Operative laws (Amendment) Act, 1987

Act 1 of 1987

Keyword(s):

Agricultural Credit Society, Agricultural Occupation, Agricultural Society, Apex Society, Central Society, Credit Society, Primary Society

Amendment appended: 35 of 1987

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THE ANDHRA PRADESH CO-OPERATIVE LAWS
(AMENDMENT) ACT, 1987.

ACT NO. 1 OF 1987*.

[9th January, 1987.]

An Act further to amend the Andhra Pradesh Co-operative Societies Act, 1964 and the Andhra Pradesh Co-operative Societies (Amendment) Act, 1985.

Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the Thirty Seventh Year of the Republic of India as follows:-

1. (1) This Act may be called the Andhra Pradesh Co-operative Laws (Amendment) Act, 1987.

Short title
and
Commence-
ment.

(2) Sections 4(1), 6, 7 to 11 and 13 shall come into force on such date as the State Government may, by notification, appoint and the remaining provisions shall come into force at once.

*Received the assent of the Governor on the 9th January, 1987. For Statement of Objects and Reasons, please see the Andhra Pradesh Gazette, Part IV-A; Extraordinary, dated the 7th January, 1987 at page 10.

Amendment
of Section
15A, Act 7
of 1964.

2. In the Andhra Pradesh Co-operative Societies Act, 1964 (hereinafter referred to as the principal Act), in Section 15A,—

(1) for sub-sections (1), (2) and (3), the following sub-sections shall be substituted, namely:—

“(1) Notwithstanding anything in this Act or the rules made thereunder or the byelaws of the society concerned, if the Registrar is of the opinion that it is necessary to amalgamate or merge any society with any other such society or to divide and restrict or transfer the area of operation of a society or to liquidate a society for any of the following purposes, namely:—

(a) for ensuring economic viability of any or all the societies concerned, or

(b) for avoiding overlapping or conflict of jurisdictions of societies in any area; or

(c) for securing proper management of any society; or

(d) in the interest of the co-operative movement in general and of co-operative credit structure in particular in the State taken as a whole; or

(e) for any other reason in the public interest, he may identify the viable and non-viable societies which may be retained or divided with consequential restriction of the area of operation or the transfer of such area or amalgamated or liquidated, as the case may be, and may by a notification to be published in the prescribed manner, specify the area of operation of each such society or societies to be retained divided or amalgamated with any other society indicated in the said notification and invite objections or suggestions from the societies or any members, depositors,

creditors, employees or other persons concerned with the affairs of each such society to be received within twenty one days from the date of publication of the notification.

Explanation:—For the purpose of this Section,—

(i) the term 'Registrar' means the person on whom the powers of the Registrar under this Section are conferred under clause (n) of section 2.

(ii) any society may convene the general body meeting within seven days from the date of publication of the notification.

(2) The Registrar may, after having considered the matter in the light of any suggestions or objections which may be received by him within the period specified in sub-section (i) and after making if necessary, such modification in the proposal as he may deem fit, make an order and publish it in the prescribed manner;

(3) On making such an order,—

(i) the societies affected by the amalgamation, shall be deemed to have been amalgamated with the Society or societies with which each one is amalgamated;

(ii) the registration of every amalgamated or divided society shall stand cancelled whereupon such society shall cease to exist as a corporate body;

(iii) the area added to the area of operation of the society shall be deemed to have been transferred to such society to which it is added:

(iv) the assets of such amalgamated or divided society shall stand transferred to and its liabilities shall devolve on, the society with which it is amalgamated and all immovable properties located in the

area transferred shall be deemed to be transferred to the society to which the area is transferred;

(v) every member of such amalgamated or divided society and residing in the area so transferred shall be deemed to have been transferred together with his loans, share capital, deposits to the society with which it is amalgamated or to which the area is transferred and he shall have the same rights, privileges and liabilities which he has had in the amalgamated or divided society;

(vi) the Committee of the amalgamated or divided society shall stand dissolved and thereupon, the Registrar shall nominate a Committee or appoint a person or persons, wherever necessary to manage the affairs of such society for a period not exceeding six months and arrange for the conduct of elections before the expiry of the term;

(vii) it shall be competent for the Registrar to allot, by order, employees of such societies which are amalgamated or divided to any society or societies; and

(viii) notwithstanding anything in this Act or in any other law, or in any contract, award or any other instrument for the time being in force, the provisions of the order of the Registrar under sub-sections (2) and (3) shall be binding on all societies and their members, depositors, creditors, employees and other persons having any rights, assets or liabilities in relation to all or any of the concerned societies.”;

(2) in sub-section (4), the words “or potentially viable society” shall be omitted.

3. In section 21 AA of the principal Act,—

(i) in sub-section (1), clause (a) shall be omitted;

Amendment
of 1953
1953

(ii) in sub-section (2), after the words "sanctioning benami loans", the words "or against whom an order of surcharge is issued under section 60" shall be inserted.

4. In section 31 of the principal Act,—

Amendment
of Section
31.

(1) in sub-section (1),—

(i) in clause (a),—

(a) the first proviso shall be omitted;

(b) in the second proviso, for the words "Provided further" the words "provided" shall be substituted;

(c) in the third proviso for the words "provided also", the words "provided further" shall be substituted.

(ii) in clause (b) in the first proviso, the words "an Agricultural Development Bank" and "a Primary Co-operative Marketing Society" shall be omitted.

(2) after sub-section (4), the following sub-section shall be added, namely:—

"(5) In the case of all primary co-operative societies, the president shall, subject to the provisions of section 21-A, be elected by the members of the general body from among themselves in the manner prescribed. The president elected under this sub-section shall be an ex-officio member of the Committee."

5. In section 34-A of the principal Act, after sub-section (13), the following sub-section shall be added namely:—

Amendment
of Section
34-A.

"(14) The provisions of this section shall not apply in respect of president of any co-operative society elected by the members of the general body from among themselves."

Amendment of Section 84.

6. In section 84 of the principal Act,—

(i) in clause (a), the words "and includes a financing bank or any person authorised by it" shall be added;

(ii) for clause (b), the following clause shall be substituted, namely:—

"(b) 'Central Agricultural Development Bank' means the Andhra Pradesh Co-operative Central Agricultural Development Bank.";

(iii) in clause (c), the words "and admitted as a member of the Central Agricultural Development Bank" shall be omitted.

Amendment of Section 88.

7. In section 88 of the principal Act, in sub-section (1) for the words "Agricultural Development Banks to the Central Agricultural Development Bank", the words "Primary Agricultural Co-operative Societies to the financing bank and by the financing bank to the Central Agricultural Development Bank" shall be substituted.

Amendment of Section 93.

8. In section 93 of the principal Act, in sub-section (2), for the expression "Andhra Pradesh Ceiling on Agricultural Holdings Act, 1961", the expression "Andhra Pradesh Land Reforms (Ceiling on Agricultural Holdings) Act, 1973" shall be substituted.

Omission of sections 114A and 114B.

9. Sections 114 A and 114 B of the principal Act shall be omitted.

10. Throughout the principal Act, for the words "Agricultural Development Bank" or "Agricultural Development Banks" wherever they occur, the words "Financing Bank|Primary Agricultural Co-operative Society" and "Financing Banks|Primary Agricultural Co-operative Societies" shall respectively be substituted.

Substitution of "Primary Agricultural Co-operative Society" for "Agricultural Development Bank"

11. (1) with effect on and from the date appointed by the Government under sub-section (2) of section 1, the Primary Agricultural Development Banks registered under the principal Act or deemed to have been registered under that Act shall stand abolished.

Abolition of Primary Agricultural Development Banks.

(2) On such abolition of a Primary Agricultural Development Bank under sub-section (1), —

(a) all rights and assets vesting in the said Banks and all liabilities against it shall devolve on the Co-operative Central Bank of the district concerned;

(b) all contracts made by or on behalf of the said Bank prior to its abolition and subsisting on the date of such abolition shall be deemed to have been transferred to the Co-operative Central Bank of the district concerned;

(c) persons who were members of the said Bank prior to its abolition shall, notwithstanding anything in section 19 or the rules or bye-laws, be deemed to be nominal members of the Co-operative Central Bank of the district concerned without the right to vote till their loans are discharged;

(d) the Registrar may transfer the officers and other employees who immediately before such abolition were in the service of the said Bank (including those belong to a centralised service) to

the service of the Financing Bank or to a Primary Agricultural Co-operative Society in the manner prescribed:

Provided that,—

(i) the terms and conditions applicable to such officers and other employees, consequent on their absorption in the service of the Co-operative Central Bank or the Primary Agricultural Co-operative Society shall not be less favourable than those applicable to such employees immediately before such abolition as respects pay and allowances, leave, gratuity, provident fund and age of superannuation; and

(ii) the service rendered by any such officer or other employee under the said Bank upto its abolition shall be deemed to be service under the Co-operative Central Bank or, as the case may be the Primary Agricultural Co-operative Society and he shall be entitled to count that service for purpose of increment, leave or Provident fund and gratuity.

Amendment
of Section
36 Act 21 of
1985.

12. In the Andhra Pradesh Co-operative Societies (Amendment) Act, 1985, for Section 36, the following section shall be substituted, namely:—

"Elections to committees.
36. Notwithstanding anything in the principal Act and any judgement, decree or order of any court or tribunal or other authority to the contrary, it shall be lawful for the Registrar to hold elections to the societies before the 30th June, 1987 in accordance with the provisions of the Principal Act and the rules made thereunder."

Repeal and
Savings, Act
XL IV of
1961.

13. The Andhra Pradesh Co-operative Central Agricultural Development Bank (Formation) Act, 1961 is hereby repealed:

Provided that any bank existing at the commencement of the Andhra Pradesh Co-operative Laws (Amendment) Act, 1987 which has been registered or deemed to have been registered under the repealed Act shall be deemed to have been registered under the Andhra Pradesh Co-operative Societies Act, 1964, and the bye laws of such bank shall, so far as they are not inconsistent with the provisions of the said 1964, Act or the rules made thereunder, continue to be in force until altered or rescinded in accordance with the provisions of the said Act and the rules made thereunder.

THE ANDHRA PRADESH CO-OPERATIVE LAWS
(SECOND AMENDMENT) ACT, 1987.

ACT NO. 35 OF 1987*

[20th August, 1987]

An Act further to amend the Andhra Pradesh Co-operative Societies Act, 1964 and the Andhra Pradesh Co-operative Societies (Amendment) Act, 1985.

Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the Thirty-eight Year of the Republic of India as follows:-

1. (1) This Act may be called the Andhra Pradesh Co-operative Laws (Second Amendment) Act, 1987.

Short title,
and
commencement.

(2) Section 2 shall be deemed to have come into force on 3rd April, 1987, section 5 shall be deemed to have come into force on the 29th June, 1987 and the remaining provisions shall be deemed to have come into force on the 26th June, 1987.

*Received the assent of the Governor on the 19th August, 1987. For Statement of Objects and Reasons, please see the Andhra Pradesh Gazette, Part IV-A Extraordinary, dated the 23rd July, 1987, at pages 4 & 5.

Amendment of section 32, Act 7 of 1964.

2. In the Andhra Pradesh Co-operative Societies Act, 1964 (hereinafter referred to as the principal Act) in section 32, in sub-section (7), in clause (a), for the words "two years", the words "three years" shall be substituted.

Amendment of section 61.

3. In section 61 of the principal Act,—

(i) in sub-section (3), in clause (b), after the words "any election"; the expression "to the office of President of a Primary Co-operative Society referred to in sub-section (5) of section 51 or" shall be inserted;

(ii) in sub-section (4), for the expression "to committee shall be referred under sub-section (1) or", the expression "shall be referred under" shall be substituted.

Validation.

4. Notwithstanding any judgement, decree or order of any court, tribunal or other authority,—

(a) no order passed under clause (c) of sub-section (7) of section 32 of the principal Act, extending the term of office of the person or persons appointed to manage the affairs of any society; and

(b) no act or thing done or proceeding taken after the commencement of section 2 of this Act, in pursuance of an order passed under clause (a) of sub-section (7) of section 32 of the principal Act by any person or persons appointed to manage the affairs of any society, in exercise of the powers or the performance of the duties entrusted to them by or under the principal Act shall be deemed to be illegal or invalid or ever to have become illegal or invalid and accordingly the extension of the term of office of the person or persons appointed to manage the affairs of the societies ordered in the notification issued in G.O. Ms. No. 150, Food and Agriculture (Co-operation-IV) Department, dated the 3rd April, 1957 and all acts or things done or proceedings taken by the said person or persons shall for all

purposes be deemed to be and to have always been done or taken, in accordance with the provisions of the principal Act, as amended by this Act, and no suit or other proceeding shall be instituted or continued in any court against any such extension, act or thing or proceeding on the ground only that any such extension, act, thing or proceeding was not done or taken in accordance with law.

5. In the Andhra Pradesh Co-operative Societies Amendment (Amendment) Act, 1985, in section 35, for the expression "30th June, 1987", the expression "31st December, 1987" shall be substituted.

6. The Andhra Pradesh Co-operative Societies (Amendment) Ordinance, 1987 and the Andhra Pradesh Co-operative Societies (Amendment) Amending Ordinance, 1987 are hereby repealed.