

**Fifteenth Kerala Legislative Assembly**

**Bill No. 156**

---

---

**THE KERALA DAIRY FARMERS' WELFARE FUND  
(AMENDMENT) BILL, 2023**

---

---

©

Kerala Legislature Secretariat

2023

KERALA NIYAMASABHA PRINTING PRESS.

**Fifteenth Kerala Legislative Assembly**

**Bill No. 156**

**THE KERALA DAIRY FARMERS' WELFARE FUND  
(AMENDMENT) BILL, 2023**

**Fifteenth Kerala Legislative Assembly**

**Bill No. 156**

[Translation in English of the “2023-ലെ കേരള ക്ഷീരകർഷക ക്ഷേമനിധി (ഭേദഗതി) ബിൽ” published under the authority of the Governor]

**THE KERALA DAIRY FARMERS' WELFARE FUND**

**(AMENDMENT) BILL, 2023**

**A**

**BILL**

*further to amend the Kerala Dairy Farmers' Welfare Fund Act, 2007*

*Preamble.*—WHEREAS, it is expedient further to amend the Kerala Dairy Farmers' Welfare Fund Act, 2007 (Act 7 of 2007) for the purposes hereinafter appearing;

BE it enacted in the Seventy-third Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Dairy Farmers' Welfare Fund (Amendment) Act, 2023.

(2) It shall come into force at once.

2. *Amendment of Preamble.*—In the Kerala Dairy Farmers' Welfare Fund Act, 2007 (Act 7 of 2007) (hereinafter referred to as the principal Act), for the Preamble, the following Preamble shall be substituted, namely:—

“*Preamble.*—WHEREAS, it is expedient to provide for the constitution of a Fund to grant relief to the dairy farmers engaged in cattle rearing in the State of Kerala, to ensure their welfare, to pay pension to them, to implement insurance schemes for them and family and to implement other financial assistances including schemes for the distribution of feed, medicine etc. for their cattle and for matters connected therewith or incidental thereto;”.

3. *Amendment of section 2.*—In section 2 of the principal Act,—

(i) clause (a) shall be re-lettered as clause “(aa)” and before clause (aa) so re-lettered, the following clause shall be inserted, namely:—

“ (a) 'Anand Pattern Milk Producers Co-operative Society' means Milk Producers Co-operative Societies registered and functioning in the State after 1<sup>st</sup> January, 1980 as per the Kerala Co-operative Societies Act, 1969 (21 of 1969) and the rules made thereunder in the name Anand Pattern Co-operative Societies and under the administrative control of the Dairy Development Department;”;

(ii) after clause (m), the following clause shall be inserted, namely:—

“(ma) 'Traditional Primary Milk Co-operative Society' means the Primary Milk Co-operative Societies like Dairy Co-operative Societies, Milk Producers Co-operative Societies etc. under the administrative control of the Dairy Development Department which were registered and functioning prior to the commencement of the Kerala Co-operative Societies Act, 1969 (21 of 1969) as per the then existed Co-operative Laws in Travancore, Kochi, Travancore-Kochi and Malabar areas and after the commencement of the Kerala Co-operative Societies Act, 1969 registered before 1<sup>st</sup> January, 1980 and functioning as per the said Act and Rules made thereunder;”.

4. *Amendment of section 3.*— In section 3 of the Principal Act,—

(i) for item (iv) of sub-section (2), the following item shall be substituted, namely:—

“(iv) the receipts as determined by the Government from cattle feed manufacturing establishments, milk product manufacturers, private/co-operative dairy owners, veterinary medicine manufacturers and distributors and cattle semen producers and distributors ;”;

(ii) clause (e) of sub-section (4) shall be re-lettered as clause “(f)” and before clause (f) so re-lettered, the following clause shall be inserted, namely:—

“(e) for implementing schemes for the distribution of medicines, feed, feed supplements necessary for the cattle of dairy farmers and instruments relating to dairy farming etc.;”.

5. *Amendment of section 4.*—In section 4 of the principal Act,—

(i) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Application for registration of membership shall be submitted online and the application so submitted to the Welfare Fund, after the examination and recommendation by the dairy society related to the applicant, shall be attested by the Dairy Development Department Officer authorised by the Chief Executive Officer in this behalf and having jurisdiction in the place where applicant resides.”;

(ii) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) If the Chief Executive Officer is satisfied that the applicant has complied with the provisions of this Act and the Scheme made thereunder, his application for membership shall be considered in the very next Board meeting itself. If that application is rejected on any reason, the said information along with the reason thereof shall be intimated to the applicant through online system within thirty days from the date of decision to reject the application:

Provided that no application for registration shall be rejected without giving the applicant an opportunity of being heard.”.

6. *Amendment of section 6.*— For section 6 of the principal Act, the following section shall be substituted, namely:—

“6. *Societies to maintain registers.*—Every society shall maintain registers as prescribed showing such details of the quantity of milk collected, the date on which the milk supplied, the details of members, the details of pensioners, details of payment of contribution and details of contribution paid by dairy farmers etc. which are necessary for the implementation of the scheme and they shall be submitted for inspection whenever required by the Chief Executive Officer or the Officer authorised by him.”.

7. *Amendment of section 8.*—In section 8 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The Board shall consists of fifteen Directors as follows, namely:—

(a) one person each, elected from the Governing Bodies of the three Regional Milk Co-operative Unions;

(b) three persons nominated by the Government from the Presidents of Traditional Primary Milk Co-operative Societies in the State;

(c) three persons nominated by the Government from the Presidents of Anand Pattern Milk Producers Co-operative Society functioning in the State;

(d) Chief Executive Officer (*ex-officio*);

(e) an Officer not below the rank of Joint Secretary in the Dairy Development Department nominated by the Government (*ex-officio*);

(f) an Officer not below the rank of Joint Secretary in the Law Department nominated by the Government (*ex-officio*);

(g) an Officer not below the rank of Joint Secretary in the Finance Department nominated by the Government (*ex-officio*);

(h) Director of the Dairy Development Department or representative (*ex-officio*);

(i) Milma Chairman (*ex-officio*).”.

8. *Amendment of section 11.*—In section 11 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The Chief Executive Officer shall be an officer in the post not below the rank of Joint Director of the Dairy Development Department working in that Department. He shall attend the Board meetings and shall maintain records including the minutes of the meeting.”.

9. *Amendment of section 13.*—In section 13 of the principal Act, after sub-section (3), the following sub-section shall be added, namely:—

“(4) If the contribution paid by the dairy farmers is not paid by the societies to the Welfare Fund in the same month itself, the Board shall have the power to realise the said amount from the responsible officer referred in sub-section (3) alongwith annual interest at the rate of eighteen percent :

Provided that the Board can take appropriate decision regarding the interest rate if application is submitted stating reasons for the delay in writing.”.

10. *Amendment of section 22.*—In the principal Act, in sub-section (1) of section 22, the words and the symbol “for such period not exceeding six months, as may be specified in the notification” shall be omitted.

## STATEMENT OF OBJECTS AND REASONS

The Kerala Dairy Farmers' Welfare Fund Act, 2007 to provide for the constitution of a Fund to grant relief, to ensure the welfare, and to pay pension to the farmers engaged in cattle rearing in the State of Kerala, came into force on 24<sup>th</sup> August, 2005. Now there are 12 members in the Kerala Dairy Farmers' Welfare Fund Board which is constituted as per section 8 of the Act, in order to supervise and carry out the activities of granting financial aid from the Fund. Government decided to increase the number of members in the Kerala Dairy Farmers' Welfare Fund Board from the existing 12 to 15 by including three persons nominated by the Government from the Presidents of Anand Pattern Milk Producers Co-operative Societies functioning in the State in the circumstance that there is no representation of the Anand Pattern Milk Societies (APCOS) in the existing Board which constitute 85 percent of the total milk societies in the aggregate.

The Government also decided to make amendments in the Act to include provisions in the Act to submit and process applications for membership in the Welfare Fund through online and to make it mandatory to keep the register recording the details which are necessary for the implementation of the scheme including the details regarding the members and pensioners in the societies and also to appoint an officer not below the rank of Joint Director in the Dairy Development Department as the Chief Executive Officer of the Board and to realise the amount with interest from the responsible officer in the society if the contribution paid by the dairy farmers is not paid to the Fund by the societies in the same month and to omit the limitation period specified to supersede the Board by the Government.

The Bill seeks to achieve the above objects.

## FINANCIAL MEMORANDUM

As per Clause 7 of the Bill, Government seeks to increase the number of members in the Kerala Dairy Farmers' Welfare Fund Board from the existing twelve to fifteen by including three persons nominated by the Government from the Governing Bodies of the Anand Pattern Milk Producers Co-operative Unions. Since the sitting fee and travelling allowance to be given to the Board members are met from the own fund of the Board, there would not involve any additional recurring and non-recurring expenditure from the Consolidated Fund of the State, if this Bill is enacted and brought into operation.

J. CHINCHURANI.







for the implementation of the scheme and it shall be submitted for inspection, whenever required by the Chief Executive Officer or the Officer authorised by him.

\*\* \*\* \* \* \* \*

8. *Constitution of the Board.*—(1) \*\* \* \* \* \*

(2) \*\* \* \* \* \*

(3) The Board shall consist of twelve Directors as follows, namely:—

(a) One member each, elected from the governing bodies of the three Regional Milk Co-operative Unions representing the Dairy farmers;

(b) three persons nominated by the Government from among the Presidents of traditional Primary Milk Co-operative Societies;

(c) Director of Dairy Development Department or representative;

(d) three persons nominated by the Government, representing the Government;

(e) Chief Executive Officer (*Ex-officio*) ;

(f) Milma Chairman.

\*\* \*\* \* \* \* \*

11. *Appointment of officers and staff.*—(1) \*\* \* \* \*

\*\* \* \* \* \*

(2) The Chief Executive Officer shall be an officer of the Dairy Development Department not below the post of Deputy Director working in the Dairy Development Department.

\*\* \* \* \* \*

13. Collection of contribution.—(1) \*\* \*\*

(2) \*\* \*\* \*\* \*\* \*\*

(3) Each dairy farmer shall pay the contribution to be paid to the Fund under section 7 to the respective societies and it shall be the duty of the Secretary of the Society to remit such amount to the Fund in the manner as may be prescribed.

\*\* \*\* \*\* \*\*

22. *Power to supersede the Board.*—(1) If the Government is satisfied that the Board has persistently made default in the performance of the duties imposed on it by or under the provisions of this Act or the Scheme exceeded or abused its powers the Government may, by notification in the Gazette, supersede the Board for such period not exceeding six months, as may be specified in the notification.

\*\* \*\* \*\* \*\*