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PUNJAB VIDHAN SABHA SECRETARIAT

NOTIFICATION

The 5th March, 2021

No. 10-PLA-2021/12.-The Punjab Co-operative Societies (Amendment) Bill, 2021 is hereby published for general information under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly):-

BILL No. 10-PLA- 2021

THE PUNJAB CO-OPERATIVE SOCIETIES (AMENDMENT)

BILL, 2021

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 Seventy-second Year of the Republic of India as follows:-

Short title and
Commencement.

1. (1) This Act may be called the Punjab Co-operative Societies (Amendment) Act, 2021.

- (2) It shall come into force at once.
2. In the Punjab Co-operative Societies Act, 1961 (hereinafter referred to as the principal Act), in section 3, in sub-section (5), for the words and sign "purposes of appeal, ", the words and sign "purposes of appeal and revision," shall be substituted. Amendment in section 3 of Punjab Act 25 of 1961.
3. In the principal Act, in section 6,- Amendment in section 6 of Punjab Act 25 of 1961.
- (i) before the existing proviso, the following proviso shall be inserted, namely:-
"Provided that in case of Urban Co-operative Bank (UCB), shareholding of an individual member, in no case, shall exceed five per cent of the share capital."; and
- (ii) in the existing proviso, for the words "Provided that" the words "Provided further that" shall be substituted.
4. In the principal Act, in section 7, for sub-section (1), the following sub-section shall be substituted, namely:- Amendment in section 7 of Punjab Act 25 of 1961.
- "(1) For purposes of registration, an application shall be made to the Registrar alongwith the Registration Fees, as may be prescribed, by the Registrar from time to time."
5. In the principal Act, in section 22, in sub-section (1), in clause (b), for the words "two years", the words "three years" shall be substituted. Amendment in section 22 of Punjab Act 25 of 1961.
6. In the principal Act, after section 26-B , the following section shall be inserted, namely:- Insertion of new section 26-C in Punjab Act 25 of 1961.
- "26-C. In case of an insured Co-operative Bank, if an order for supersession of its Committee, as per the requisition of the Reserve Bank of India, is made under sub-section (3) of Section 70A, at any time within a period of ten years before the date of incorporation of this section or at any time after such incorporation, then, no member of such Committee shall be eligible for being re-appointed, re-nominated, re-elected or re-co-opted on the Committee of such bank or, for being a member or being appointed, nominated, elected, or co-opted, as a member of Committee of such bank or any other bank, for a period of two terms of the Committee from the date of order of supersession of the Committee."
- Restriction on membership of an insured Bank imposed after the order of Reserve Bank of India as a consequence under Section 70- A.

Amendment in section 55 of Punjab Act 25 of 1961.

7. In the principal Act, in section 55, in sub-section (1), after clause (d), for the words "such dispute shall be referred to the Registrar", the words "such dispute shall be referred to the Registrar within a period of six years" shall be substituted.

Amendment in section 66 of Punjab Act 25 of 1961.

8. In the principal Act, in section 66, for the words, figures, signs and brackets, "purposes of Article 182 of the First Schedule to the Indian Limitation Act, 1908 (9 of 1908).", the words, figures and signs "purposes of Article 136 of the First Schedule to the Indian Limitation Act, 1963." shall be substituted.

Amendment in section 68 of Punjab Act 25 of 1961.

9. In the principal Act, in section 68, in sub-section (2), in clause (e), for the sign ".", the sign ":" shall be substituted, and thereafter, the following proviso shall be added, namely:-

"Provided that if an appeal is filed beyond a period of sixty days, the Appellate Authority may condone the delay for sufficient reasons."

Amendment in section 69 of Punjab Act 25 of 1961.

10. In the principal Act, in section 69, for Explanations (i) and (ii), the following Explanations shall be substituted, namely:-

"(i) The Government shall notify the officers, who shall exercise these powers on behalf of the Government. The Registrar of Co-operative Societies may also notify the officers, who shall exercise these powers on behalf of the Registrar.

(ii) The application of a party to a reference shall not lie before the Registrar, if an order or decision is made in revision by the Registrar or any authority authorized by him in this regard."

STATEMENT OF OBJECTS AND REASONS

The Punjab Co-operative Societies Act 1961 came into existence through Punjab Act No. 25 of 1961. During these years some inadequacies have come to light, which have created practical difficulties for the field offices in the State. Further, the Department of Cooperation has also received suggestions / directions from the Government of Punjab and RBI to make certain modifications through amendment of the Punjab Co-operative Societies Act, 1961. In order to address the inadequacies and also to comply with the directions of the Government of Punjab and the RBI, various amendments to the Punjab Co-operative Societies Act have been made.

OBJECTIVES

1. To insert an enabling provision in The Punjab Co-operative Societies Act, 1961 to charge registration fees along with the application for registration.
2. To put restriction on membership of an insured bank imposed as a consequent upon the order of RBI under Section 70-A.
3. To restrict individual shareholding of a member in case of Urban Co-operative Bank (UCB) , in no case it shall exceed 5% of the share capital:
4. To provide more clarity about effective disposal of revision petitions.
5. More time is proposed to be given to the office bearers for effecting recovery of loans.
6. To provide a limitation period for referring arbitration disputes to the Registrar.

SUKHJINDER SINGH, RANDHAWA,
Co-operation Minister, Punjab,

CHANDIGARH
THE 5TH MARCH, 2021

SHASHI LAKHANPAL MISHRA,
SECRETARY.