



കേരള ഗസറ്റ് KERALA GAZETTE

അസാധാരണം EXTRAORDINARY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്
PUBLISHED BY AUTHORITY

വാല്യം 12
Vol. XII

തിരുവനന്തപുരം,
വ്യാഴം
Thiruvananthapuram,
Thursday

2023 ഒക്ടോബർ 05
05th October 2023
1199 കന്നി 18
18th Kanni 1199
1945 ആശ്വിനം 13
13th Aswina 1945

നമ്പർ
No. } 3257

GOVERNMENT OF KERALA

Co-operation (B) Department

ORDER

G.O.(P)No.205/2023/Co-op

Dated, Thiruvananthapuram 5th October, 2023

18th Kanni, 1199.

S. R. O. No. 1070/2023

WHEREAS, under sub-section (1) of section 29 of the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969), a general body meeting of the society shall be held within a period of six months of the close of the financial year;



AND WHEREAS, under sub-section (3) of section 29 of the said Act, where the board of a Co-operative society fails to convene the annual general body meeting within the period specified in sub-section (1), the Registrar or the person authorized by him in this behalf shall be competent to convene such annual general body meeting within a period of ninety days from the date of expiry of the period mentioned in sub-section (1) and the expenditure incurred on such meeting shall be borne by the Co-operative society;

AND WHEREAS, under sub-section (4) of section 29 of the said Act, members of the Board who, in the opinion of the Registrar, were responsible for not convening the annual general body meeting within the stipulated period shall be disqualified for one term for being elected as committee members and to continue as members of a society in addition to being liable for any other provision under this Act;

AND WHEREAS, under sub-section (4) of section 63 of the said Act, it shall be the duty of the managing committee cause to audit the accounts of every society at least once in every year and it is provided that the accounts of every society shall be audited within six months of the close of the financial year to which such accounts relate;

AND WHEREAS, under sub-section (8) of section 63 of the said Act, the minimum qualification and experience of auditors for auditing the accounts of co-operative society may be such, as may be prescribed;

AND WHEREAS, under sub-section (9) of section 63 of the said Act, every co-operative society shall cause to be audited by an auditor or auditors or team of auditors referred to in sub-section (8) appointed by the general body or special general body from among the panel of auditors approved by the Director



of Co-operative Audit and it is provided that if there are no auditors available from the above panel, the general body of a society may appoint auditing firms from among a panel approved by the Director of Co-operative Audit;

AND WHEREAS, under sub-section (10) of section 63 of the said Act, the financial accounts of all apex societies shall be audited by auditing firms from among the panel approved by Director of Co-operative Audit and the administrative matters and related accounts of assisted apex societies shall be audited by the departmental auditors from among the panel approved by the Director of Co-operative Audit as may be prescribed and submit the audit reports to the Director of Co-Operative Audit;

AND WHEREAS, under sub-section (11) of section 63 of the said Act, the audit report of the accounts of an apex co-operative society which includes the report on administrative matters, shall be laid by the Government before the Legislative Assembly, in the manner prescribed;

AND WHEREAS, under sub-section (12) of section 63 of the said Act, it is the responsibility of the managing committee to convene general body meeting or special general body meeting in order to appoint auditors or auditing firms within the stipulated time from among the panel approved by Director of Co-operative Audit, failing which, the members of the managing committee shall cease to hold their office and in such cases to avoid administrative stalemate, the Registrar may *suo motu* or on application from the Director of Co-operative Audit or from any person authorized in this behalf, appoint an administrator or an administrative committee consisting of not more than three persons, who need not be members of the society, one among them as convener, to manage the affairs of the society, for a period not exceeding six months as may be specified in the order and it is provided that such administrator or administrative committee shall



arrange for the constitution of a new committee or for entering upon office of the new committee, as the case may be;

AND WHEREAS, under sub-section (4) of section 64 of the said Act, the financial statements and other statutory statements as required by auditors shall be prepared by the Chief Executive of the society within one month from the date of close of the financial year and submit it before managing committee and the fact shall be reported to the Director of Co-operative Audit or to the persons authorized by him in this behalf;

AND WHEREAS, under sub-section (4A) of section 64 of the said Act, it shall be the duty of the managing committee of every society to ensure the accuracy of financial and other statutory statements and it is the responsibility of the Managing Committee to submit the above statements for audit within one month from the date of receipt of the above statements before the auditor and lapse on the part of managing committee in this regard will be considered as a disqualification to hold office and they shall cease to be a member of the committee as may be prescribed and in such cases to avoid administrative stalemate, the Registrar may *suo motu* or on application from the Director of Co-operative Audit or by any person authorized in this behalf, appoint an administrator or an administrative committee consisting of not more than three persons, who need not be members of the society, one among them as convener, to manage the affairs of the society, for a period not exceeding six months as may be specified in the order and it is provided that such administrator or administrative committee shall arrange for the constitution of a new committee or for entering upon office of the new committee as the case may be;

AND WHEREAS, under sub-section (4B) of section 64 of the said Act, within three months from the date of receipt of the audit report, the Director of Co-operative Audit shall issue an audit certificate to the concerned society with a



copy of audit memorandum as may be prescribed;

AND WHEREAS, under sub-section (5) of section 64 of the said Act, the auditor or auditing firms appointed as per section 63 shall complete the audit within four months from the date of receipt of the statements and submit audit report to the Director of Co-operative Audit or to the persons authorized by him in this behalf;

AND WHEREAS, under section 66C of the said Act every Co-operative Society shall file returns, within six months of the closure of every financial year before the Registrar containing the following particulars, namely:-

- a) a comprehensive annual report of its activities;
- b) its audited statements of accounts;
- c) plan for surplus disposal as approved by the general body of the Co-operative society;
- d) list of amendments to the bye-laws of the Co-operative society, if any;
- e) declaration regarding date of holding of its general body meeting and conduct of elections when due; and
- f) any other information required by the Registrar in pursuance of any of the provisions of this Act or rules;

AND WHEREAS, the Registrar of Co-operative Societies has also reported that the audit of societies are in arrears due to the lack of sufficient number of department arrear auditors to conduct the audit ;

AND WHEREAS, panel of auditors can be furnished to this co-operative societies only after framing of the rules in accordance with the Kerala Co-operative Societies (Amendment) Act, 2013 (Act 8 of 2013);



AND WHEREAS, the Registrar of Co-operative Societies has reported that it is mandatory for the societies to convene the meeting of annual general body in order to appoint auditors or auditing firms within the stipulated time from among the panel approved by Director of Co-operative Audit, failing which, the members of the managing committee shall cease to hold their office, and in the above circumstances the Societies are not in a position to adhere with the provisions regarding appointment of auditors and convening of general body meetings which affect the existence of elected Board of Directors upon which administration of the societies are vested with, and that the absence of Boards in societies will affect the day-to-day functioning of the societies which ultimately affects the interest of the general public. Therefore, the Registrar of Co-operative Societies has recommended to the Government to exempt all the Co-operative Societies from the provision of sub-sections (1), (3) and (4) of section 29, sub sections (4), (8), (9) (10), (11) and (12) of section 63, sub-sections (4), (4A), (4B) and (5) of section 64 and section 66 C of the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) for the period of three months from 1st October, 2023 to 31th December, 2023;

AND WHEREAS, the Government have considered the matter in detail and are satisfied that it is necessary in public interest to grant exemption to all Co-operative Societies in the State of Kerala which were not able to convene their general body meeting prior to 30th September, 2023 from the provisions of sub-sections (1), (3) and (4) of section 29, sub sections (4), (8), (9) (10), (11) and (12) of section 63, sub-sections (4), (4A), (4B) and (5) of section 64 and section 66 C of the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) for the period of three months from 1st October, 2023 to 31st December, 2023;

Now, THEREFORE, in exercise of the powers conferred by section 101 of the Kerala Co-operative Societies Act, 1969 the Government of Kerala hereby exempt all Co-operative Societies from the provisions of sub-sections (1), (3)



and (4) of section 29 and sub-sections (4), (8), (9), (10), (11) and (12) of section 63 and sub-sections (4), (4A), (4B) and (5) of section 64 and section 66 C of the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) for the period of three months from 1st October, 2023 to 31st December, 2023.

By order of the Governor,
MINI ANTONY,
Secretary to Government.

Explanatory Note

(This does not form part of the order, but is intended to indicate its general purport.)

As per sub-section (1) of section 29 of the Kerala Co-operative Societies Act, 1969(Act 21 of 1969) a general body meeting of the society shall be held within a period of six months of the close of the financial year and under sub-section (4) of section 29 of the said Act members of the Board who, in the opinion of the Registrar, were responsible for not convening the annual general body meeting within the stipulated period shall be disqualified for one term for being elected as committee members and to continue as members of a society in addition to being liable for any other provisions under this Act and it is provided that the accounts of every society shall be audited within six months of the close of the financial year to which such accounts relate and under sub-section (9) of section 63 of the said Act, every co-operative society shall cause to be audited by an auditor or auditors or team of auditors referred to in sub-section (8) appointed by the general body or special general body from among the panel of auditors approved by the Director of Co-operative Audit and under sub-section (12) of section 63 of the said Act as amended by the said Amendment Act, it is the



responsibility of the managing committee to convene general body meeting or special general body meeting in order to appoint auditors or auditing firms within the stipulated time from among the panel approved by Director of Co-operative Audit, failing which, the members of the managing committee shall cease to hold their office as may be prescribed.

The Registrar of Co-operative Societies has also reported that the audit of societies are in arrears due to the lack of sufficient number of department arrear auditors to conduct the audit. The Registrar of Co-operative Societies has further reported that it is mandatory for the societies to convene the meeting of annual general body to appoint auditors or auditing firms within the stipulated time from among the panel approved by the Director of Co-operative Audit, failing which, the members of the managing committee shall cease to hold their office, and in the above circumstances the societies are not in a position to adhere with the provisions regarding appointment of auditors and convening of general body meetings which affect the existence of elected Board of Directors upon which administration of the societies are vested with, and that the absence of Board of Directors in societies will affect the day-to-day functioning of the societies which ultimately affects the interest of the general public. In the above circumstances, the Registrar of Co-Operative Societies has recommended to the Government to extend the exemption already granted to the co-operative societies from the provisions of sub-sections (1), (3) and (4) of section 29, sub-sections (4), (8), (9), (10), (11) and (12) of section 63, sub-sections (4), (4A), (4B) and (5) of section 64 and section 66 C of the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) for a period of three months from 1st October, 2023 to 31st December, 2023.

The Government have considered the matter in detail and are satisfied that it is necessary in public interest to exempt the Co-operative Societies which were not able to convene their general body meeting prior to 30th September, 2023 from the provisions of sub-sections (1), (3) and (4) of section 29 and sub sections



(4), (8), (9), (10), (11) and (12) of section 63, sub-sections (4), (4A), (4B) and (5) of section 64 and section 66 C of the Kerala Co-Operative Societies Act, 1969 for a period of three months from 1st October, 2023 to 31st December, 2023.

This order is intended to achieve the above object.

