

**Andhra Pradesh Co-Operative Societies (Amendment) Act,
1996**

22 of 1996

[28 September 1996]

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An Act further to amend the Andhra Pradesh Co-operative Societies Act, 1964. Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the Forty-seventh Year of the Republic of India as follows:-

1. Short Title :-

This Act may be called the Andhra Pradesh Co-operative Societies (Amendment) Act, 1996.

2. Insertion Of New Section 12-A Act 7 Of 1964 :-

After Section 12 of the Andhra Pradesh Co-operative Societies Act, 1964, the following section shall be inserted, namely:-

12-A. "Special provision in respect of spinning mills and sugar factories.--

(1) (a) Notwithstanding anything contained in this Act or the rules made there under or the bye-laws of the societies concerned or in any other law for the time being in force, where, in the opinion of the Registrar, a Cooperative Spinning Mill or a Co-operative Sugar Factory in which majority of the shares are held by the Government, is or has become sick, and that there is no possibility to rehabilitate the same, the Registrar shall, after consulting the

Government and the financing Bank, if any, to which such spinning mill or sugar factory is indebted, call upon the Committee concerned by notice in writing containing such particulars as may be prescribed and within such time as may be specified in the notice to transfer its assets and liabilities to any other society or a company or a firm or a body whether incorporated or not on such terms and conditions as may be formulated in the manner prescribed, and on such transfer the society formed for such spinning mill or sugar factory under this Act shall stand dissolved;

(b) If, within the time specified in the notice referred to in clause (a), the society fails to comply with the direction of the Registrar, he shall after giving an opportunity in the manner prescribed, to the general body, the committee of such society and the creditors thereof to make their representation, if any, by order notified in the Andhra Pradesh Gazette, take such action as he deems fit in the matter, including the issue of a direction to the society to transfer its assets and liabilities in the manner referred to in clause (a).

(2) It shall be competent for the Government to make rules and to give such directions as they deem fit to the Registrar, for purposes of this section.

Explanation:-For the purpose of this section company means a company as defined in the Companies Act, 1956.

(3) The provisions of this section shall be in force only for a period of one year from the date of commencement of the Andhra Pradesh Co-operative Societies (Amendment) Act, 1996".