



ఆంధ్రప్రదేశ్ రాజపత్రము

**THE ANDHRA PRADESH GAZETTE**  
**PART IV-A EXTRAORDINARY**  
**PUBLISHED BY AUTHORITY**

No. 23] AMARAVATI, FRIDAY, 28<sup>th</sup> OCTOBER, 2022.

**ANDHRA PRADESH ACTS, ORDINANCES AND  
REGULATIONS Etc.,**

The following Act of the Andhra Pradesh Legislature received the assent of the Governor on the 22<sup>nd</sup> October, 2022 and the said assent is hereby first published on the 28<sup>th</sup> October, 2022 in the Andhra Pradesh Gazette for general information :

**ACT No. 23 of 2022.**

**AN ACT FURTHER TO AMEND THE ANDHRA PRADESH  
CO-OPERATIVE SOCIETIES ACT, 1964.**

Be it enacted by the Legislature of the State of Andhra Pradesh in the Seventy-third year of the Republic of India, as follows:-

1. (1) This Act may be called the Andhra Pradesh Co-operative Societies (Amendment) Act, 2022.

Short title and commencement.

(2) It shall come into force on such date as the Government may, by notification, appoint.

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

Amendment of section 2.

(i) after clause (i-a), the following shall be inserted, namely,-

Act No. 7 of 1964

“(i-b) Impact Investor’ means individuals, companies, organizations, and fund investors with an established track record of working with social enterprises and are willing to invest in a society with an intention to generate a measurable, beneficial social or environmental impact alongside a financial return. The minimum investment shall be Rs. 50 lakhs which shall be within 50% of total paid-up share capital of that society, over and above of which shall be as a grant.”.

(ii) after clause (j-iv), the following shall be inserted, namely,-

“(j-v) ‘Non-loanee member’ means a member who has not availed any service as loan from the society.”

(iii) after clause (1), the following shall be inserted, namely,-

“(1-i) ‘RBK’ means Rythu Bharosa Kendra established by State Government as a one stop solution for the benefit of farmers to avail services as per their needs.”

Amendment  
of section 12.

3. In the principal Act, in section 12, in sub-section (1), after the words “A society may” the words “only after the previous approval of the Registrar if having Government dues”, shall be inserted.

Amendment  
of section 13.

4. In the principal Act, in section 13, in sub-section (3), in sub-clause (ii), after the words and expression “in whole or in part” the words and expression “done after approval of the Registrar in case with Government dues” shall be inserted.

Amendment  
of section 20.

5. In the principal Act, in section 20, under sub-section (2), after the existing proviso, the following proviso shall be added, namely,-

“Provided that the society may invite participation of impact investors through appropriate financial instruments as may be prescribed in their byelaws.”

Amendment  
of section 26.

6. In the principal Act, in section 26, after the existing proviso, the following proviso shall be added, namely, -

“Provided further that in the case of a cooperative Urban Bank individual share holding of a member shall not exceed **one twentieth** of total paid up Share Capital of the Bank.”

Amendment  
of section 31.

7. In the principal Act, in section 31-A, after sub-section (23), the following shall be added, namely,-

“(24). Review achievements vis-a-vis business plans at least quarterly.”

Amendment  
of section 34.

8. In the principal Act, for sub-section (6), the following shall be substituted, namely, -

“(6) Where a society is indebted to any financing bank, the Registrar shall, before taking any action under sub-section (1) in respect of that society, consult the financing bank by giving 15 working days’ time and may consider it to arrive at his opinion.

Provided further that in case no response is received by the Registrar within the time specified above, it will not preclude him from taking further action.”

## 9. In the principal Act, in section 50,

Amendment  
of section 50.

## (i) in sub-section (1),

(a) the existing proviso shall be numbered as third proviso.

(b) in the third proviso as so numbered for the words "provided that" the words "provided also that" shall be substituted.

(c) before the third proviso as so numbered above, the following provisos shall be inserted, namely,-

"Provided that in case of a Primary Agricultural Cooperative Credit Society, concurrent audit shall also be done in addition to the final audit of the accounts of the society, as per the guidelines prescribed by the Chief Auditor.

Provided further that the Primary Agricultural Cooperative Credit Society can opt either for audit by department or a Chartered Accountant for conduct of such audits. In case, the society opts audit by the Department for final audit for a particular financial year, it shall be mandatory to get the concurrent audit done by the Chartered Accountants for that particular financial year and vice versa."

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

"(4) The final audit shall be completed within a period of three months in case of Primary Agricultural Cooperative Credit Society. It shall be done within a period of six months in case of other societies from the close of the Co-operative year of the registered society concerned and such other further period not exceeding six months as the Chief Auditor may permit for reasons to be recorded in writing."

## 10. In the principal Act, in section 115-D,

Amendment  
of section 115-D.

## (i) in sub-section (1),-

(a) for clause (a), the following shall be substituted, namely,-

"(a) An associate member who is an individual or a group depositor holding a minimum deposit of Rs.2,500/- (Rupees Two Thousand and Five Hundred only) in scheduled areas or a higher sum as may be prescribed and Rs.10,000/- (Rupees **Ten Thousand only**) in other than scheduled areas for a continuous period of **twelve months** preceding the date of notification of election in Primary Agricultural Co-operative Credit Society shall have full voting rights."

(b) after clause (c), the following clause shall be added, namely,-

"(d) "A non-loanee member of PACS having transacted a, minimum business, other than Deposits and advances, of Rs. 10,000/- in the period of 12 months preceding the date of election notification shall have full voting rights."

- (ii). in sub-section 2,-
- (a) for clause (v), the following shall be substituted, namely,-
- “(v) Internal control systems, appointment of Auditors for both concurrent audit and final audit and compensation for the audit.”
- (b) after clause (v), as so amended the following new clause shall be added, namely,-
- “(vi) With respect to personnel policies of DCCBs may constitute a common category of General Manager and Deputy General Manager cadres of District Cooperative Central Banks, region wise, subject to guidelines issued by the Apex Bank from time to time.”
- (iii). in sub-section (15), after clause (b), the following shall be added, namely,-
- “(c) Before superseding the committee, an opportunity shall be provided to the committee for making its representation.”
- (iv). in sub-section (19),-
- (a) The existing provision shall be numbered as clause (b).
- (b) Before clause (b), as so renumbered, the following shall be inserted, namely,-
- “(a) For the purpose of selecting Chief Executive Officers of District Cooperative Central Banks, a Common Selection Committee shall be adopted at the State level comprising the President of the State Cooperative Bank, Managing Director of State Cooperative Bank, Registrar and Chief General Manager, NABARD along with two subject experts which will empanel . sufficient number of candidates in accordance with the vacancies that will arise in District Cooperative Central Banks in the following year. A panel of selected candidates shall be maintained and reviewed for addition or deletion periodically and fresh selection process conducted once in a year. A District Cooperative Central Bank in need of Chief Executive Officers shall be free to choose any one among them.”
- (v) for sub-section (20), the following shall be substituted, namely,-
- “(20) There shall be co-option of professionals on the Managing Committee of the PACS / DCCB / APCOB with voting rights in the committee meetings but shall not have voting right in any election or in no confidence motion.

Provided further that the representative of financing bank of respective CCS shall be nominated by that respective financing bank as prescribed.

Provided that the CEO of the concerned CCS shall be the Ex-Officio member. The representatives of financing bank nominated to its affiliated lower tier society shall have voting right in the committee meetings, but shall not have voting right in any election or in the no confidence motion.”

11. In the principal Act, after section 115-D, the following new section shall be added, namely,-

Addition of new section 115-E.

“115-E:-Integration of Rythu Bharosa Kendras(RBKs) with the CCS and primarily with Primary Agricultural Cooperative Credit Societies (PACS):- Notwithstanding anything contained in the Act, the following provisions shall apply for integration of RBKs:-

- (1) The cooperative credit structure in the State shall work in integration with Rythu Bharosa Kendras (RBKs) working at village level.
- (2) All the Rythu Bharosa Kendras (RBKs) to be geographically mapped with Primary Agriculture Cooperative Credit Societies (PACS) of that area for providing credit services to farmers and providing related information to PACS.
- (3) For smooth functioning of the integration, the Registrar may issue necessary guidelines in this regard from time to time.

12. In the principal Act, in section 123, at the end of portion, after the words “this Act”, the following shall be added, namely,-

Amendment of section 123.

“Subject to the guidelines prescribed.”.

**G. SATYA PRABHAKARA RAO,**  
Secretary to Government,  
Legal and Legislative Affairs & Justice,  
Law Department.