

**THE TELANGANA STATE CO-OPERATIVE SOCIETIES  
(RECONSTITUTION) ACT, 1956.**

**ACT NO. XLII OF 1956.**

**ARRANGEMENT OF SECTIONS**

**Sections**

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# THE TELANGANA STATE CO-OPERATIVE SOCIETIES (RECONSTITUTION) ACT, 1956.<sup>1</sup>

ACT No. XLII OF 1956.

1. (1) This Act may be called <sup>2</sup>[the Telangana State Co-operative Societies (Reconstitution) Act, 1956].

Short title, extent  
and  
commencement.

(2) It extends to the whole of the <sup>2</sup>State of Telangana.

(3) It shall come into force at once.

2. (1) Each of the following societies, that is to say, the Hyderabad State Co-operative Bank Limited, and the Hyderabad Central Co-operative Land Mortgage Bank Limited (hereinafter in this Act referred to as “the existing societies”), shall be reconstituted in the manner hereinafter appearing.

Reconstitution of  
certain existing  
Co-operative  
Societies.

(2) From the areas of operations of each of the existing societies, the following territories shall be excluded, namely:-

(a) the territories comprised in the talukas of Bidar, Humnabad, Bhalki and Santpur of Bidar district, the talukas of Raichur, Manvi, Sindhnur, Gangawathi, Kopbal, Yelbarga, Kushtagi, Lingsugur and Devdurg of Raichur district, and the talukas of Gulbarga, Chitapur, Yadgir, Shahpur, Shorapur, Jiwargi, Afzalpur, Aland Chincholi and Sedam of Gulbarga

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1. The Andhra Pradesh (Telangana Area) State Co-operative Societies (Reconstitution) Act, 1956 received the assent of the President on the 21<sup>st</sup> September, 1956. The said Act in force in the combined State of the Andhra Pradesh, as on 02.06.2014, has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014) vide. the Telangana Adaptation of Laws (No.2) Order, 2016, issued in G.O.Ms.No.46, Law (F) Department, dated 01.06.2016.

2. Substituted by G.O.Ms.No.46, Law (F) Department, dated 01.06.2016.

district (hereinafter in this Act referred to as the Karnataka area);

(b) the territories comprised in the districts of Aurangabd, Parbhani, Nanded, excluding Kuber, Mudhol and Bhainsa revenue circles of Mudhol taluka and Jukkal and Bichkonda revenue circles of Deglur taluka of Nanded district, Osmanabad and Bhir and the talukas of Nilanga, Ahmedpur and Udgir of Bidar district, Islapur revenue circle of Boath taluka and Kinwat and Rajura talukas of Adilabad district (hereinafter referred to as the Marathwada area).

(3) The proposals for the reconstitution of the existing societies under section 3 shall, inter alia, provide-

(a) In relation to the Karnataka area-

(i) for the disaffiliation from the existing societies of the member-societies within that area;

(ii) for the affiliation of the said member societies to the corresponding societies of the Mysore State, that is to say, the Mysore State Co-operative Bank Limited or, as the case may be, the Mysore Central Co-operative Land Mortgage Bank Limited, registered under the Mysore Co-operative Societies Act; and

(iii) for the transfer of the relative portion of the assets and liabilities of the existing societies to the said corresponding Mysore societies;

(b) In relation to the Marathwada area-

(i) for the disaffiliation from the existing societies of the member-societies within that area;

(ii) either for the affiliation of the the member-societies to the corresponding societies of Co-Bombay State, that is to say, the Bombay State Co-operative Bank Limited, or as the case may be, the Bombay State Co-operative Land Mortgage Bank Limited, registered under the Bombay Co-operative Societies Act, or for the formation and registration of a corresponding new society or societies for that area with the societies disaffiliated under sub-clause (i) as its or their members, as the Government may, by notification in the Official Gazette, direct; and

(iii) for the transfer of the relative portion of the assets and liabilities from the existing societies to the said corresponding Bombay societies or, as the case may be, the corresponding new society or societies.

3. (1) The Registrar of Co-operative Societies of the <sup>3</sup>State of Telangana (hereinafter in this Act referred to as The Registrar) shall, subject to the provisions of section 2, place before a meeting of the general body of each of the existing societies, held in such manner as may be prescribed by rules made under this Act, proposals for the reconstitution of the existing societies.

**Proposals of Registrar and Confirmation by general body of each of the existing societies.**

(2) Without prejudice to the generality of the foregoing power, such proposals may provide for-

(a) the allocation of the assets and liabilities of the existing societies among the reconstituted societies, the corresponding Mysore societies mentioned in section 2 (3) (a) (ii) and the corresponding Bombay societies or the corresponding new society or societies, as the case may be, mentioned in section 2(3) (b)(ii);

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3. Substituted for the words "Telangana Area of the State of Andhra Pradesh" by G.O.Ms.No.46, Law (F) Department, dated 01.06.2016.

(b) the membership and management of the reconstituted societies and the corresponding new society or societies mentioned in section 2 (3) (b) (ii) in case such new society or societies are formed;

(c) the allocation of the establishments of the existing societies among the societies mentioned in clause (a) and the transfer of service of the officers and employees of such establishment; and

(d) all other matters which are necessary for or incidental to the aforesaid matters.

(3) Where such proposals provide for the allocation of the establishment or the transfer of service of officers or employees such allocation or transfer shall not entitle any such officer or employee to any compensation under the Industrial Disputes Act, 1947 (Central Act 14 of 1947) or any other law for the time being in force and no claim in respect thereof shall be entertained by any court, tribunal or other authority.

(4) If the proposals of the Registrar under sub-section (1) are confirmed by a resolution passed by a majority of the members present at the meeting either without modifications or with modifications to which the Registrar agrees, the Registrar shall certify the proposals and upon such certification the proposal shall, notwithstanding anything to the contrary contained in any law, rules, regulations or bye-laws for the time being in force, be binding on the existing societies and the societies mentioned in section 2 (3) (a) (ii) and section 2 (3) (b) (ii) and their shareholders and creditors.

**Procedure if  
Registrar's  
proposals not  
confirmed.**

4. If the proposals of the Registrar are not confirmed either without modifications or with modifications agreed to by the Registrar, the State Government shall refer the proposals to

a Judge of the High Court, Hyderabad, nominated by the Chief Justice, Hyderabad, in this behalf, and the decision of such Judge shall be final for all purposes and shall be binding in the same manner as if the proposals have been certified under sub-section (4) of section 3.

5. The allocation of the liabilities of each of the existing societies shall not affect the guarantee, if any, of the State Government for the due repayment of any debt owing by the existing societies.

**Allocation of liabilities not to affect guarantee of the State Government.**

6. The State Government may, by order, make such adaptations and modifications in <sup>4</sup>the Hyderabad Co-operative Societies Act, 1952 (XVI of 1952) and <sup>5</sup>the Hyderabad Land Mortgage Bank Act, 1349 Fasli (II of 1349 Fasli), as are consequential on or necessary to give full effect to the reconstitution of the existing societies and the formation and registration of the new societies.

**Adaptations and modifications to certain Acts.**

7. The provisions of this Act shall have effect notwithstanding anything to the contrary contained in <sup>4</sup>the Hyderabad Co-operative Societies Act, 1952 (XVI of 1952) and <sup>5</sup>the Hyderabad Co-operative Land Mortgage Bank Act, 1349 Fasli (II of 1349 Fasli).

**Act to override certain enactments.**

8. The State Government may, by notification in the <sup>6</sup>Telangana Gazette, make rules to carry out the purposes of this Act.

**Power to make rules.**

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4. Repealed by Andhra Pradesh Act 7 of 1964.

5. Repealed by Andhra Pradesh Act 44 of 1961.

6. Substituted by G.O.Ms.No.46, Law (F) Department, dated 01.06.2016.