

**MATERIALS FOR UPDATION OF GOVERNMENT WEBSITE  
( PARLIAMENTARY AFFAIRS DEPARTMENT )**

**CABINET DECISIONS**

**30.06.2005**

**1. Report on enquiry on the incident of arrest of a Youth Congress Leader in Bhawanipatna of Kalahandi District on 10.03.2005.**

The Government in Home Department had ordered on 21.03.2005 an Administrative Enquiry into the arrest of a youth Congress leader in Bhawanipatana of Kalahandi District on 10.03.2005 and had entrusted in to the Revenue Divisional Commissioner, Southern Division, Berhampur.

The Enquiring Authority has opined that there was no malafide in the arrest of Shri Gobardhan Das, the Youth Congress leader. It was effected for valid and justified reasons and all the guidelines prescribed for arrest, were duly followed.

The Cabinet accepted the Enquiry Report.

**2. Winding up of the Orissa State Handloom Development Corporation Limited.**

Orissa State Handloom Development Corporation was set up in the year 1977-78 under Companies Act,1956 to promote own establish aid & assist the Rehabilitation growth & development of Handloom (Cotton, Wool & Silk) garment manufacturing hosiery industry outside the Co-operative.

2. On 19.09.97, a decision was taken to close down the Corporation when the recommendation of Cabinet Sub-Committee for its revival failed. But, the decision of closure could not be implemented due to the petition filed by the employees Union in the Hon'ble High Court.

3. During the pendency of the petition, 463 Nos. of employees have already been separated under Voluntary Retirement Scheme and the Hon'ble Supreme Court have in its order dt. 13.09.2004 upheld the decision of closure taken by the State Government.

4. At present, the liabilities of the Corporation has gone up much more than its assets. As such, it is felt expedient to wind up of the Corporation under Companies Act, 1956.

The Cabinet, today, has given its approval to the proposal.

**3. Proposal to amend the Orissa Co-operative Societies Act, 1962 (Orissa Act 2 of 1963).**

As per the provisions of Section 28(2)(g)(iv) of the Orissa Cooperative Societies Act, 1962, the Registrar is required to reconstitute the Managing Committees of all Cooperative Societies in the State in a phased manner by 02.07.2005. In the meantime, the policy for reservation of seats in the Managing Committees of Primary, Central and Apex Cooperative Societies in the State in favour of SC, ST, OBC and Women has been changed to create opportunities for the weaker sections to contest elections for the seats retained unreserved and for the other categories of members to cast their votes in favour of the candidates belonging to the reserved categories by the Orissa Cooperative Societies (Amendment) Act, 2004. The proposal for amendment of the Orissa Cooperative Societies (Elections to the Committees) Rules, 1992 through the Orissa Cooperative Societies (Elections to the Committees) Amendment Rules, 2005 to bring it in conformity with the said new reservation policy is under the consideration of Government. The Registrar has completed elections in 5739 Primary Cooperative Societies out of 7177 (i.e. 80%) functional Primaries and in 59 Central Societies out of 165 (i.e. 36%) Central Societies as per the pre-amended provisions. Now, the Managing Committees of all Primary, Central and Apex Cooperative Societies are required to be reconstituted afresh as per the new reservation policy after finalization of said Amendment Rules, 2005 and after expiry of the tenure of the Managing Committees of the said societies. The Registrar, Cooperative Societies, Orissa has requested to extend the statutory period of forty-two months specified under Section 28(2)(g)(iv) of the Act for the purpose. But the question is if the elections of Central and Apex Societies are immediately completed taking the membership of the existing Committees of the Primaries, then, after two years, the election to the said Primaries will be held on completion of their term / tenure and consequently again election to the Central and Apex Societies will be held resulting in unnecessary expenditure and difficulties. Instead, the election of Central and Apex Societies could be now held up till completion of the term of the existing Primaries and after conduct of election to the Primaries afresh, the Central and Apex elections can be taken up.

Since the said statutory period will expire on 02.07.2005, the proposed amendment was urgently required to be made by promulgation of an Ordinance as the Orissa Legislative Assembly is not in session and not likely to be held before 02.07.2005.

Today the Cabinet approved the proposal for amendment of the Orissa Co-operative Societies Act, 1962 by substituting the words '42 months' under section 28 sub-section (2) clause-g - sub-clause (iv) by the words '48 months'. The Cabinet decided to recommend to the Governor for promulgation of an Ordinance to give effect to the same.

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