

**<sup>48a</sup>[57B. Deposit Guarantee Scheme.-** (1)The Government may, by notification in the Gazette, frame a scheme to be called “the Deposit Guarantee Scheme” specifying the purpose of the scheme and shall be administered in such manner, as may be specified therein.

(2)A society may contribute to the Deposit Guarantee Scheme at such rates as may be provided in the said scheme.]

<sup>48</sup>[(3) All societies covered under the Deposit Guarantee Scheme shall enroll and contribute towards the scheme within six months from the date of commencement of the Kerala Co-operative Societies (Amendment) Act, 2013 failing which the societies have no right to accept deposit from depositors and the Registrar shall be competent to issue prohibition order, restraining the society from accepting deposits for such period specified in the order:

Provided that before making such order, the Registrar shall give an opportunity to the chief executive of the society to state his objections, if any, to the proposed action.

(4)Notwithstanding anything contained in sub section (3) the Registrar may exempt any society for a period up to one year by general or special order from enrolling such societies under the Deposit Guarantee Scheme with reasons to be recorded:

Provided that if any society violate the prohibition order under sub-section (3) the Registrar shall be competent to demand a sum of rupees five thousand only as penalty. If any society fails to pay such penalty, within two weeks from the date of receipt of demand notice, the Registrar shall be competent to issue direction to the financing bank to recover the amount from the account maintained in the financing bank by the society, or to recover the amount under the provisions of the Kerala Revenue Recovery Act, 1968 (15 of 1968). If the violation is a continuing one, a further penalty of rupees one thousand for every day shall be levied, after the first day during which the violation continues.]

48 inserted by [Act 8/2013](#)

48a inserted by [Act 1/2000](#)