

L. A. BILL No. XXV OF 2021.

A BILL

further to amend the Maharashtra Co-operative Societies Act, 1960.

WHEREAS both Houses of the State Legislature were not in session ;

5 AND WHEREAS the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Maharashtra Co-operative Societies Act, 1960, for the purposes hereinafter appearing ; and, therefore, promulgated the Maharashtra Co-operative Societies (Amendment and Validation) Ordinance, 2021, on the 2nd November 2021 ;

Mah.
XXIV of
1961.
Mah. 10
Ord. IX
of 2021.

AND WHEREAS it is expedient to replace the said Ordinance by an Act of the State Legislature ; it is hereby enacted in the Seventy-second Year of the Republic of India as follows :—

Short title and commencement.

1. (1) This Act may be called the Maharashtra Co-operative Societies (Amendment and Validation) Act, 2021.

(2) It shall be deemed to have come into force on the 2nd November 2021.

Amendment of section 73AAA of Mah. XXIV of 1961.

2. In section 73AAA of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as “the principal Act”), in sub-section (3),—

Mah. XXIV of 1961.

(i) before the existing proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 24th March 2020, namely :—

“ Provided that, if the term of office of the elected members of the committee and its office bearers has expired, and if the election to the committee of the society could not be held due to imposition of lockdown in the State in view of the Covid-19 pandemic, the orders issued by the Government, from time to time, or any reason not attributable to the members of the committee of the society, such members and office bearers of the committee shall be deemed to have continued as members and office bearers of the committee till new committee is duly constituted :”;

(ii) in the existing proviso, for the words “ Provided that ” the words “ Provided further that ” shall be substituted.

Validation and saving.

3. Notwithstanding anything contained in the principal Act or in any judgment, decree or order of any court, to the contrary, anything done or any action taken or order issued, by the committee or the members of the committee and its office bearers, under the provisions of the principal Act or rules or orders or by-laws, made thereunder, shall be deemed to have been validly done, taken or, as the case may be, issued, in accordance with law as if, the provisions of the first proviso to sub-section (3) of section 73AAA, as amended by the Maharashtra Co-operative Societies (Amendment and Validation) Act, 2021, had been continuously in force at all material times.

Mah. of 2021.

Repeal of Mah. Ord. IX of 2021 and saving.

4. (1) The Maharashtra Co-operative Societies (Amendment and Validation) Ordinance, 2021, is hereby repealed.

Mah. Ord. IX of 2021.

(2) Notwithstanding such repeal, anything done or any action taken (including any notification or order issued) under the corresponding provisions of the principal Act, as amended by the said Ordinance, shall be deemed to have been done, taken or issued, as the case may be, under the corresponding provisions of the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Due to outbreak of the Covid-19 pandemic and the consequent declaration of lockdown in the country, social and economic activities in the State have suffered a setback from the 24th March 2020. Due to lockdown, functioning of the co-operative societies in the State has also been adversely affected, and therefore, it was not possible to conduct elections to the committees of the co-operative societies within the specified time frame as provided in the Maharashtra Co-operative Societies Act, 1960 (Mah. XXIV of 1961), and the rules framed thereunder. Therefore, by the Maharashtra Co-operative Societies (Amendment) Ordinance, 2020 (Mah. Ord. XII of 2020), the third proviso to sub-section (15) of section 73CB of the said Act was inserted which provided for extension of the time frame for conduct of election of the committee of society which was due but had not been conducted before the date of commencement of the said Ordinance.

2. Sub-section (3) of section 73AAA of the said Act provides that, on expiry of the term of the committee, the members of such committee shall be deemed to have vacated their offices as members of the committee. By the said Ordinance a proviso was added to sub-section (3) of section 73AAA of the said Act which provides that, if the election to the committee of the society could not be held for any reason not attributable to the members of the committee of such society, the existing members of the committee shall be deemed to have continued till new committee is duly constituted. The said Ordinance is converted into Maharashtra Act No. XXVII of 2020.

The said proviso to sub-section (3) of section 73AAA of the said Act came into force with effect from the date of publication of the said Ordinance in the *Maharashtra Government Gazette* i.e. from the 10th July 2020. In view of this, the members of the committee and its office bearers whose term of office have already expired on or after the 10th July 2020 could get the protection of continuation, as members of the committee till the new committee is duly constituted. However, those members of the committee and its office bearers whose terms of office have already expired before the 10th July 2020, could not get the protection of continuation as members of the committee till the new committee is duly constituted.

Also due to the provisions of section 73I read with section 77A of the said Act, in case where the term of the committee or its members has expired, then the Registrar may, either *suo-moto* or on the application of any officer or members of the society, appoint a committee consisting of not more than three members of the society or one or more authorized officers to manage the affairs of the society till a new committee is constituted.

As such societies are huge in number, it was not practically possible to appoint authorised officers to manage the affairs of such societies and it was also not in the interest of the co-operative sector. Such an action of appointment of the authorised officer in such cases would have led to court cases.

3. Therefore, it was considered expedient to provide that with effect from the 24th March 2020, the date of first lockdown imposed in the State due to Covid-19 pandemic, if the term of office of the elected members of the committee and its office bearers has expired, and if the election to the committee of the society could not be held due to imposition of lockdown in the State in view of the Covid-19 pandemic, the orders issued by the Government, from time to time, or any reason not attributable to the members of the committee of the society, such members and office bearers of the committee shall be deemed to have continued as members and office bearers of the committee till new committee is duly constituted, by inserting a proviso before the existing proviso to sub-section (3) of section 73AAA of the said Act.

4. As both Houses of the State Legislature were not in session and the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Maharashtra Co-operative Societies Act, 1960, for the purposes aforesaid, the Maharashtra Co-operative Societies (Amendment and Validation) Ordinance, 2021 (Mah. Ord. IX of 2021), was promulgated by the Governor of Maharashtra on the 2nd November 2021.

5. The Bill is intended to replace the said Ordinance by an Act of the State Legislature.

Mumbai,
Dated the 12th November, 2021.

BALASAHEB PATIL,
Minister for Co-operation.

*ANNEXURE TO THE L. A. BILL No. XXV OF 2021—THE
MAHARASHTRA CO-OPERATIVE SOCIETIES (AMENDMENT AND
VALIDATION) BILL, 2021.*

(Extracts from the Maharashtra Co-operative Societies Act, 1960)

(Mah. XXV of 1961)

1. to 73A. * * * *

73AAA. (1) and (2) * * * *

Constitution
of committee.

(3) The term of the office of the elected members of the committee and its office bearers shall be five years from the date of election and the term of the office bearers shall be co-terminus with the term of the committee and on the expiry of the term of the committee, the members shall be deemed to have vacated their offices as members of the committee.

Provided that, if the election to the Committee of the society could not be held for any reason not attributable to the members of the Committee of such Society. The existing members of the Committee shall be deemed to have continued till new committee is duly constituted.

(4) to (5) * * * *

73B. to 73I. * * * *

74. to 168. * * * *

**MAHARASHTRA LEGISLATURE
SECRETARIAT**

[L. A. BILL No. XXV OF 2021.]

**[A Bill further to amend the
Maharashtra Co-operative
Societies Act, 1960.]**

**[SHRI BALASAHEB PATIL,
Minister for Co-operation.]**

**RAJENDRA BHAGWAT,
Principal Secretary,
Maharashtra Legislative Assembly.**