

L. A. BILL No. XXXIX OF 2021.

A BILL

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

(As passed by the Legislative Assembly on the 28th December 2021.)

(As passed by the Legislative Council on the 28th December 2021.)

Mah.
XXIV of
1961.

WHEREAS it is expedient further to amend the Maharashtra Co-operative Societies Act, 1960, for the purposes hereinafter appearing; it is hereby enacted in the Seventy-second Year of the Republic of India as follows:—

1. This Act may be called the Maharashtra Co-operative Societies (Third Amendment) Act, 2021. Short title.

Mah.
XXIV of
1961.

2. In section 2 of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as “the principal Act”), in clause (19), sub-clause (a-1) shall be deleted. Amendment of section 2 of Mah. XXIV of 1961.

3. In section 25A of the principal Act, after the words “provisions of this Act”, the words “or the rules made thereunder” shall be inserted. Amendment of section 25A of Mah. XXIV of 1961.

Substitution of section 26 of Mah. XXIV of 1961.

No rights of membership to be exercised till due payments are made.

4. For section 26 of the principal Act, the following section shall be substituted, namely:—

“**26.** A member shall be entitled to exercise such rights as provided in the Act, rules and by-laws:

Provided that, no member shall exercise the rights, until he has made such payment to the society in respect of membership, or acquired such interest in the society, as may be prescribed and specified under the by-laws of the society, from time to time:

Provided further that, in case of increase in minimum contribution of member in share capital to exercise rights of membership, the society shall give a due notice of demand to the member and give reasonable period to comply with it.”.

Amendment of section 27 of Mah. XXIV of 1961.

5. In section 27 of the principal Act,—

(1) sub-section (1A) shall be deleted;

(2) in sub-section (3), the word “active” shall be deleted.

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

6. In section 73A of the principal Act, in sub-section (9), the words “is not an active member and” shall be deleted.

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

7. In section 73AAA of the principal Act, in sub-section (1),—

(1) after first proviso, the following proviso shall be inserted, namely:—

“Provided further that, in case of an apex society and, in exceptional circumstances, in case of any other society, the Registrar may increase the number of members of the committee upto twenty-five with the prior approval of the State Government.”;

(2) in the second proviso, for the words “Provided further that” the words “Provided also that” shall be substituted.

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

8. In section 73CA of the principal Act, in sub-section (1),—

(1) clause (ii-a) shall be deleted;

(2) in clause (iv), after the words “the rules made thereunder” the words “or by-laws of the society” shall be inserted.

Amendment of section 75 of Mah. XXIV of 1961.

9. In section 75 of the principal Act, in sub-section (1),—

(1) before the first proviso, the following proviso shall be inserted, namely:—

“Provided that, the Registrar may, in exceptional circumstances such as infectious diseases, pandemic, flood, heavy rains, droughts or earthquake, by general or special order, extend the above referred period not exceeding three months.”;

(2) in the first proviso, for the words “Provided that” the words “Provided further that” shall be substituted;

(3) in the second proviso, for the words “Provided further that” the words “Provided also that” shall be substituted.

Amendment of section 77A of Mah. XXIV of 1961.

10. In section 77A of the principal Act,—

(1) in sub-section (1), the third proviso shall be deleted;

(2) in sub-section (3),—

(i) for the words “six months” the words “twelve months” shall be substituted;

(ii) in the proviso, for the words “six months” the words “twelve months” shall be substituted.

11. In section 78 of the principal Act, in sub-section (1),—

(1) in clause (i), for the words “six months” the words “twelve months” shall be substituted;

(2) the third proviso shall be deleted.

Amendment of section 78 of Mah. XXIV of 1961.

12. In section 78A of the principal Act, in sub-section (1), in clause (a), in sub-clause (ii), for the words “six months” the words “twelve months” shall be substituted.

Amendment of section 78A of Mah. XXIV of 1961.

13. In section 79 of the principal Act,—

(1) the existing sub-section (1) shall be renumbered as sub-section (1-1A) thereof; and before sub-section (1-1A) as so renumbered, the following sub-section shall be inserted, namely:—

Amendment of section 79 of Mah. XXIV of 1961.

“(1) The Registrar may direct any society or class of societies to take action to comply with the provisions of this Act, rules made thereunder, by-laws of the society or any order passed by the Registrar under this Act; and the officer or officers of the society shall be bound to comply with order within the period specified therein.”;

(2) in sub-section (3), for the words, brackets and figure “sub-section (1)”, the words, brackets, figures and letter “sub-sections (1) and (1-1A)” shall be substituted.

14. For section 82 of the principal Act, the following section shall be substituted, namely:—

Substitution of section 82 of Mah. XXIV of 1961.

“**82.** (1) If the result of the audit held under the last preceding section discloses any defects in the working of a society, the society shall within three months from the date of the audit report, explain to the Registrar the defects or the irregularities pointed out by the auditor or auditing firm, and take steps to rectify the defects and provide remedy to irregularities, and report to the Registrar the action taken by it thereon and place the same before the next general body meeting. The Registrar may also make an order directing the society or its officers to take such action, as may be specified in the order to remedy such defects, within the time specified therein.

Rectification of defects in accounts.

(2) The Registrar or the person authorised by him shall scrutinise the audit rectification report and accordingly inform the society about such report within six months from the date of receipt thereof.

(3) It shall be the responsibility of the auditor or auditing firm concerned to offer his or its remarks, as the case may be, on the rectification report of the society, itemwise, till entire rectification is made by the society and submit his or its report to the Registrar.

(4) If, the society fails to submit the audit rectification report to the Registrar and to the annual general body meeting, the Registrar may by an order declare that any officer or member of the committee, as the case may be, whose duty was to submit the audit rectification report to the Registrar and to the annual general body meeting, and who without

reasonable excuse failed to do the aforesaid act, shall be disqualified for being elected or for being any officer or member of the committee for such period not exceeding five years, as he may specify in such an order and, if the officer is a servant of the society, impose upon him a penalty of an amount not exceeding five thousand rupees :

Provided that, before making such an order under this sub-section, the Registrar shall give, or cause to be given, a reasonable opportunity to the person concerned of showing cause against the action proposed to be taken against him.”.

Amendment of
section 109 of
Mah. XXIV of
1961.

15. In section 109 of the principal Act, in sub-section (1),—

(1) for the words “extended by the Registrar” the words “extended by the Registrar or the Government” shall be substituted;

(2) for the first proviso, the following provisos shall be substituted, namely:—

“Provided that, the Registrar shall not grant any extension for a period exceeding one year at a time and four years in the aggregate:

Provided further that, if it is necessary to grant further extension beyond ten years, the Registrar shall send proposal for such extension to the Government. The Government may grant extension for a period not exceeding one year at a time and five years in the aggregate :

Provided also that, immediately, after the expiry of fifteen years from the date aforesaid, it shall be deemed that the liquidation proceedings have been terminated and the Registrar shall pass an order of terminating the liquidation proceedings:” ;

(3) the second proviso shall be deleted.

Amendment of
section 144-5A
of Mah. XXIV
of 1961.

16. In section 144-5A of the principal Act, before *Explanation*, the following proviso shall be inserted, namely:—

“Provided that, the salary earners' credit co-operative society may accept deposits voluntarily from their members after their retirement by enrolling them as nominal members.”.

Amendment of
section 146 of
Mah. XXIV of
1961.

17. In section 146 of the principal Act, clause (l-1) shall be deleted.

Amendment of
section 147 of
Mah. XXIV of
1961.

18. In section 147 of the principal Act, clause (l-1) shall be deleted.

Amendment
of section 152A
of Mah. XXIV
of 1961.

19. In section 152A of the principal Act, in sub-section (1), for the words “within three days” the words “within three working days” shall be substituted.

Amendment of
section 154 of
Mah. XXIV of
1961.

20. In section 154 of the principal Act, in sub-section (2A),—

(a) the words and figures “or Certificate issued by the Liquidator under section 105” shall be deleted;

(b) for the words “amount of recoverable dues :” the words “amount of recoverable dues. If the revision application is allowed, the Revisional Authority may pass an order directing the society to refund the amount so deposited to the applicant :” shall be substituted.

21. In section 154B of the principal Act,—

Amendment of
section 154B of
Mah. XXIV of
1961.

(1) in sub-section (1), for the figures, letters, words and brackets “78A, sub-sections, (1), (1A)” the figures, letters, words, brackets and sign “78A, sub-sections (1), (1-1A), (1A)” shall be substituted.

(2) in sub-section (2), for the brackets, figures, letters and sign “(19) (a), (a-1), (b)” brackets, figures, letters “(19) (a), (b)” shall be substituted.

22. In section 157 of the principal Act, the second proviso shall be deleted.

Amendment of
section 157 of
Mah. XXIV of
1961.

**MAHARASHTRA LEGISLATURE
SECRETARIAT**

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

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

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

**[As passed by the Legislative Assembly on
the 28th December 2021.]**

**[As passed by the Legislative Council on
the 28th December 2021.]**

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