

L. A. BILL No. XI OF 2023.

A BILL

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

(As passed by the Legislative Assembly on the 25th March, 2023.)

Mah. 5 WHEREAS it is expedient further to amend the Maharashtra Co-operative
XXIV of Societies Act, 1960, for the purposes hereinafter appearing ; it is hereby enacted
1961. in the Seventy-fourth Year of the Republic of India, as follows :—

1. This Act may be called the Maharashtra Co-operative Societies Short title.
(Amendment) Act, 2023.

(G.C.P.) Hb 3004 (465-3-2023)

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), in the first proviso, the words “imposition of lockdown in the State in view of the Covid-19 pandemic,” shall be deleted. Mah. XXIV of 1961.

Amendment of section 78A of Mah. XXIV of 1961. **3.** In section 78A of the principal Act, in sub-section (1), the fourth 5 proviso shall be deleted.

STATEMENT OF OBJECTS AND REASONS.

The proviso to sub-section (3) of section 73AAA of the Maharashtra Co-operative Societies Act, 1960 (Mah. XXIV of 1961), *inter alia*, provides 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, such members and office bearers of the committee shall be deemed to have continued as members and office bearers of the committee, till the new committee is duly constituted.

As Covid-19 is no more a pandemic, the Government considers it necessary to delete the reference relating to the Covid-19 pandemic, from the proviso to sub-section (3) of section 73AAA of the said Act.

2. The Registrar of co-operative societies has received complaints regarding financial irregularities, fraud, etc., of working committees of societies. Section 78A of the said Act empowers the Registrar, in cases of financial irregularities, fraud, etc., to supersede the committee and appoint a committee consisting of three or more members of the society otherwise than the members of committee so superseded or appoint administrator or committee of administrators, to manage the affairs of the society for a period not exceeding six months. However, the Registrar has above referred powers only in respect of societies where the Government have shareholding or loan or financial assistance in cash or kind or guarantee by the Government. Therefore, in order to bring remaining societies within the purview of said section 78A, the Government considers it expedient to amend said section 78A of the Maharashtra Co-operative Societies Act, 1960, suitably.

3. The Bill seeks to achieve the above objectives.

Mumbai,
Dated the 10th March, 2023.

ATUL SAVE,
Minister for Co-operation.

*ANNEXURE TO THE L. A. BILL No. XI OF 2023—
THE MAHARASHTRA CO-OPERATIVE SOCIETIES
(AMENDMENT) BILL, 2023*

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

(Mah. XXIV 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 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 :

Provided further 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 78.	*	*	*	*	

78A. (1) If in the opinion of the Registrar, the committee or any member of such committee has committed any act, which is prejudicial to the interest of the society or its members or if the State Co-operative Election Authority has failed to conduct the elections in accordance with the provisions of this Act or where situation has arisen in which the committee or any member of such committee refuses or has ceased to discharge its or his functions and the business of the society has, or is likely to ; come to a stand-still, or if serious financial irregularities or frauds have been identified or if there are judicial directives to this effect or, if there is a perpetual lack of quorum or, where in the opinion of the Registrar the grounds mentioned in sub-section (1) of section 78 are not remedied or not complied with, or where any member of such committee stands disqualified by or under this Act for being a member of the committee, the Registrar may, after giving the committee or the member, as the case may be, an opportunity of stating its or his objections in writing as provided under sub-section (1) of section 78 and after giving a reasonable opportunity of being heard, and after consultation with the federal society to which the society is affiliated comes to a conclusion that the charges

Power of
supersession
of committee
or removal of
member
thereof.

mentioned in the notice are proved, and the administration of the society cannot be carried out in accordance with the provisions of this Act, rules and by-laws, he may by order stating reasons therefor,—

(a) (i) supersede the committee; and

(ii) appoint a committee consisting of three or more members of the society otherwise than the members of the committee so superseded, in its place, or appoint an administrator or committee of administrators who need not be the members of the society, to manage the affairs of society for a period not exceeding twelve months :

Provided that, the Registrar shall have the power to change the committee or any member thereof or administrator or administrators appointed at his discretion even before the expiry of the period specified in the order made under this sub-section :

Provided further that, such federal society shall communicate its opinion to the Registrar within forty-five days, from the date of receipt of communication, failing which it shall be presumed that such federal society has no objection to the order of supersession or removed of a member and the Registrar shall be at liberty to proceed further to take action accordingly :

Provided also that, in case of a society carrying on the business of banking, the provisions of the Banking Regulation Act, 1949, shall also apply and the committee shall not be superseded for a period exceeding one year :

Provided also that, nothing in this sub-section shall apply to a society, where there is no Government shareholding or loan or financial assistance in terms of any cash or kind or any guarantee by the Government;

(b) remove the member :

Provided that, the member who has been so removed shall not be eligible to be re-elected, re-co-opted or re-nominated as a member of any committee of any society till the expiry of period of next one term of the committee from the date on which he has been so removed :

Provided further that, in case of a society carrying on the business of banking, the provisions of the Banking Regulation Act, 1949, shall also apply.

(2)	*	*	*	*
79. to 168.	*	*	*	*

**MAHARASHTRA LEGISLATURE
SECRETARIAT**

[L. A. BILL No. XI OF 2023.]

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

[SHRI ATUL SAVE,
Minister for Co-operation.]

**[As passed by the Legislative Assembly
on the 25th March, 2023.]**

RAJENDRA BHAGWAT,
Principal Secretary,
Maharashtra Legislative Assembly.