

**L. A. BILL No. VII OF 2024.**

*A BILL*

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

**(As passed by the Legislative Assembly on the 1st March, 2024.)**

5        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-fifth Year of the Republic of India, as follows :—

Mah.  
XXIV  
of  
1961.

1. This Act may be called the Maharashtra Co-operative Societies (Second Amendment) Act, 2024. Short title.

Mah. 10  
XXIV  
of  
1961.

2. After section 69 of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as “the principal Act”), the following section shall be inserted, namely :—

Insertion of  
new section  
69A in Mah.  
XXIV of 1961.

Constitution  
of  
Co-operative  
District Cadre  
of Secretaries  
and  
establishment  
of  
Employment  
Fund for such  
Cadre.

**“69A.** (1) There shall be constituted a Co-operative District Cadre of Secretaries of the Primary Agricultural Co-operative Credit Societies (hereinafter in this section referred to as “the Co-operative District Cadre”) consisting of persons recruited for this purpose by the District Supervision Co-operative Society. The number of persons to be recruited in the 5 Co-operative District Cadre and their conditions of service shall be determined by the District Supervision Co-operative Society in accordance with such general or special guidelines, if any, as may be issued by the State Government, in this behalf, from time to time.

(2) A District Supervision Co-operative Society may, from time to time, 10 depute any person appointed by it to work under any society referred to in sub-section (1) as it may consider necessary. Where any such person is posted to work under any society, his services shall be taken over by the society on such post, for such period and on such other terms and conditions, as the District Supervision Co-operative Society may determine. The person so 15 posted shall draw his salary and allowances from the Fund established under sub-section (4).

(3) The immediate initial supervisory control on the person appointed in the Co-operative District Cadre and deputed or posted to work as a Secretary under each of the societies referred to in sub-section (1) shall vest 20 with the society concerned. Such society shall follow the bye-laws of the District Supervision Co-operative Society regarding the terms and conditions of services of Secretaries.

(4) A District Supervision Co-operative Society shall establish a Fund to be called “the Co-operative District Cadre Employment Fund” and it shall 25 be utilised for meeting the expenses on the salaries, allowances and other emoluments to be paid to the persons appointed to the Co-operative District Cadre and the other expenditure relating to the Cadre.

(5) Every society, which derives any benefit directly from the service of any Secretary belonging to the Co-operative District Cadre shall contribute 30 to the said Fund at such rate and in such manner as may be prescribed by the State Government. In determining the rate of contribution, the State Government shall take into consideration the expenditure referred to in sub-section (4), the services likely to be rendered, the financial condition of the societies, including the loans disbursed and outstanding and other 35 non-credit activities undertaken by the concerned society.

(6) The State Government may make rules regulating all matters connected with or ancillary to the custody and maintenance of, the payment of money into, and the expenditure and withdrawal of money from, the said Fund.”

**3.** In section 88 of the principal Act, in sub-section (1), in the first proviso, for the words “within a period of two years”, the words “within a period of one year” shall be substituted.

Amendment  
of section 88  
of Mah.  
XXIV of  
1961.



## STATEMENT OF OBJECTS AND REASONS

The Maharashtra Co-operative Societies Act, 1960 (Mah. XXIV of 1961) aims at the orderly development of the co-operative movement within the State. The Central Government has aimed at transformation of the Primary Agricultural Co-operative Credit Societies into multipurpose business entities, with a view to empower the co-operative sector for economic development of rural area. For smooth functioning and effective control over the said Primary Agricultural Co-operative Credit Societies it is considered necessary to introduce the Co-operative District Cadre of Secretaries of such societies and establishment of the Employment Fund for such Cadre. For the said purposes, it is proposed to insert a new section 69A in the said Act for constitution of Co-operative District Cadre of Secretaries and establishment of the Co-operative District Cadre Employment Fund for such Cadre.

2. It is also proposed to amend section 88 of the said Act with a view to reduce the period of completion of the inquiry and proceedings under sub-section (1) of section 88, by the authorized person, from two years to one year.

3. The Bill seeks to achieve the above objectives.

Mumbai,  
Dated 28th February, 2024.

DILIP WALSE-PATIL,  
Minister for Co-operation.



**MEMORANDUM REGARDING DELEGATED LEGISLATION**

The Bill involves the following proposals for delegation of legislative power, namely :—

*Clause 2.*— Under this clause, which seeks to insert a new section 69A in the Maharashtra Co-operative Societies Act, 1960,—

(i) in sub-section (5), power is taken to the State Government to prescribe the rate and manner of the contribution to be paid by the society which derives benefit directly from the service of secretary belonging to the Co-operative District Cadre ;

(ii) in sub-section (6), power is taken to the State Government to make rules for regulating all matters connected with or ancillary to the custody and maintenance of, payment of money into, and the expenditure and withdrawal of money from the Co-operative District Cadre Employment Fund.

2. The above-mentioned proposals for delegation of legislative power are of normal character.





*ANNEXURE TO THE L.A. BILL No. VII OF 2024 —  
THE MAHARASHTRA CO-OPERATIVE SOCIETIES  
(SECOND AMENDMENT) BILL, 2024*

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

**(Mah. XXIV of 1961)**

**1. to 87.** \* \* \* \*

**88. (1)** Where, in the course of or as a result of an audit under section 81 or an inquiry under section 83 or an inspection under section 84 or the winding up of a society, the Registrar is satisfied on the basis of the report made by the auditor or the person authorised to make inquiry under section 83 or the person authorised to inspect the books under section 84 or the Liquidator under section 105 or otherwise that any person who has taken any part in the organisation or management of the society or any deceased, or past or present officer of the society has, within a period of five years prior to the date of commencement of such audit or date of order for inquiry, inspection or winding up, misapplied or retained, or become liable or accountable for, any money or property of the society or has been guilty of misfeasance or breach of trust in relation to the society, the Registrar or a person authorised by him in that behalf may frame charges against such person or persons, and after giving a reasonable opportunity to the person concerned and in the case of a deceased person to his representative who inherits his estate, to answer the charges, make an order requiring him to repay or restore the money or the property or any part thereof, with interest at such rate as the Registrar or the person authorised under this section may determine, or to contribute such sum to the assets of the society by way of compensation in regard to the misapplication, retention, misfeasance or breach of trust, as he may determine :

Power of Registrar to access damages against delinquent promoters, etc.

Provided that, proceedings under this sub-section, shall be completed by the authorised person within a period of two years from the date of issue of order by the Registrar :

Provided further that, the Registrar may, after recording the reasons therefor, extend the said period for a maximum period of six months :

Provided also that, the Government may, on the report of the Registrar or *suo moto*, for the reasons to be recorded in writing, extend the said period as may be required, from time to time, to complete the proceedings under this sub-section :

Provided also that, in case of the proceedings under this sub-section which have not been completed within the aforesaid period on the date of commencement of the Maharashtra Co-operative Societies (Amendment) Act, 2017, the Government may, on the report of the Registrar or *suo moto*, for the reasons to be recorded in writing, extend the period, from time to time, for completion of such proceedings as may be required.

(2) to (3) \* \* \* \*

**88A.** \* \* \* \*

**89. to 168.** \* \* \* \*

**MAHARASHTRA LEGISLATURE  
SECRETARIAT**

**[L. A. BILL No. VII OF 2024.]**

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

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

**[ As passed by the Legislative Assembly  
on the 1st March, 2024.]**

**JITENDRA BHOLE,  
Secretary (1) (I/C),  
Maharashtra Legislative Assembly.**