
A BILL

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

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

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 (Second Amendment) Ordinance, 2019, on the 9th March 2019 ;

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

1. (1) This Act may be called the Maharashtra Co-operative Societies (Second Amendment) Act, 2019.

(2) It shall be deemed to have come into force on the 9th March 2019.

Mah. XXIV of 1961.

RNI No. MAHENG/2009/35528

By order and in the name of the Governor of Maharashtra,

RAJENDRA G. BHAGWAT,
Secretary (Legislation) to Government,
Law and Judiciary Department.
2. In section 2 of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as “the principal Act”), in clause (17), after the words “liquidator under this Act” the words, brackets and figures “and includes Board of persons appointed as Liquidator under sub-section (1) of section 103 of this Act” shall be added.

3. In section 81 of the principal Act,—

(a) in sub-section (3),—

(i) in clause (b), after the words “for further action, if any,” the words “The provisions of this Act as applicable to audit of accounts of the society shall apply to such examination by the Flying Squad.” shall be added at the end;

(ii) in clause (c), after the words “by the Registrar in such order.” the words “The provisions of this Act as applicable to audit of accounts of the society shall apply to such test audit.” shall be added at the end;

(b) in sub-section (7), after the words “Special Audit Report.” the words “The provisions of this Act as applicable to the audit of accounts of the society shall apply to such special audit.” shall be added at the end.

4. In section 92 of the principal Act, in sub-section (1), in clause (c), after the words “nominated committee or an administrator” the words “or committee of administrators” shall be inserted.

5. In section 103 of the principal Act, in sub-section (1), after the words “appoint a person” the words “or the Board of persons” shall be inserted.

6. In section 110A of the principal Act, in sub-section (1),—

(1) in clause (iii),—

(a) after the words “appointment of an administrator” the words “or committee of administrators” shall be inserted;

(b) after the words “In case of supersession, an administrator” the words “or committee of administrators” shall be inserted;

(c) after the words “suspension and direct the administrator” the words “or committee of administrators” shall be inserted;

(2) in clause (iv), after the words “appointment of an administrator” the words “or committee of administrators” shall be inserted.

7. In section 152 of the principal Act, in sub-section (1), in clause (a), after the words “approved by the Registrar” the words “or the Special Registrar” shall be inserted.

8. In section 154 of the principal Act, in sub-section (2), after the words “passed by the Registrar” the words “or the Special Registrar” shall be inserted.

9. In section 161 of the principal Act, after the words, figures and letters “section 73CB, or as an administrator” the words “or committee of administrators” shall be inserted.
10. In section 165 of the principal Act, in sub-section (2), in clause (xxxix),—

(a) after the words “for the appointment of administrator” the words “or committee of administrators” shall be inserted;

(b) after the words “by the committee, administrator” the words “or committee of administrators” shall be inserted.

11. (1) The Maharashtra Co-operative Societies (Second Amendment) Ordinance, 2019, is hereby repealed.

(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

In pursuance to the provisions of section 103 of the Maharashtra Co-operative Societies Act, 1960 (Mah. XXIV of 1961), a Liquidator can be appointed for the winding up of a Society. Liquidator is expected to complete the Liquidation proceeding within a period of six years, however, this period may be extended up to ten years as prescribed in the Act.

It was observed that, for completing the work of liquidation proceedings adequate number of employees of officers were not available and the concerned Liquidator, appointed for the said purpose, had to perform the duties of Liquidator in addition to his regular duties. Therefore, he might not be able to devote sufficient time for the work of Liquidation, as a result, Liquidation might not be completed within the time as prescribed in the provisions of the Act. If a Board of persons would be appointed as Liquidator then, other members in the Board would devote time, so that the work of Liquidation could be undertaken speedily.

Likewise, there was a provision to appoint an administrator as per section 110A of the said Act. However, as the administrator undertakes the work under said section 110A, in addition to his regular duties, he might not be able to give adequate time for the work and, therefore, it was necessary to appoint a Committee of Administrators. For these purposes, it was expedient to amend section 2(17), 92, 110A, 161 and 165 of the Maharashtra Co-operative Societies Act, 1960, suitably.

2. With regard to the reports submitted by the Flying Squad under the Test Audit or under Special Audit, such reports were not considered for filling of F.I.R. as contemplated under section 81. Upon such provision being made, all the reports under section 81 of the said Act, would be treated as sufficient evidence, making it possible to initiate criminal or civil proceedings in this regard, and, therefore, it was considered expedient to amend said section 81, suitably.

3. Clause (a) of sub-section (1) of section 152 of the Act provided for an appeal to the State Government in respect of the orders or decisions, under sections specified therein, if such order or decision is made by the Registrar, Additional Registrar or the Joint Registrar on whom the powers of Registrar were conferred. The said clause did not explicitly provided for an appeal to the State Government in respect of the order or decision, made by the Special Registrar under those sections.

Similarly, section 154 of the Act provided for the revisionary powers of the State Government in respect of the orders or decisions made by any sub-ordinate Officers. However, there was no explicit provision for revision to the State Government in respect of the orders or decisions made by the Special Registrar. With a view to make explicit provisions, it was considered expedient to amend clause (a) of sub-section (1) of section 152 and sub-section (2) of section 154 of the said Act, suitably.
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 (Mah. XXIV of 1961), for the purposes aforesaid, the Maharashtra Co-operative Societies (Second Amendment) Ordinance, 2019 (Mah. Ord. X of 2019), was promulgated by the Government of Maharashtra on the 9th March 2019.

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

Mumbai,  
Dated the 3rd June, 2019.  
SUBHASH DESHMUKH,  
Minister for Co-operation.