



महाराष्ट्र शासन राजपत्र

असाधारण भाग आठ

वर्ष ३, अंक २७]

शनिवार, मार्च २५, २०१७/चैत्र ४, शके १९३९

[पृष्ठे १३, किंमत : रुपये २७.००

असाधारण क्रमांक ५२

प्राधिकृत प्रकाशन

महाराष्ट्र विधानमंडळाचे अधिनियम व राज्यपालांनी प्रख्यापित केलेले अध्यादेश व केलेले विनियम आणि विधि व न्याय विभागाकडून आलेली विधेयके (इंग्रजी अनुवाद).

In pursuance of clause (3) of article 348 of the Constitution of India, the following translation in English of the Maharashtra Co-operative Societies (Second Amendment) Bill, 2017 (L. A. Bill No. XVI of 2017), introduced in the Maharashtra Legislative Assembly on the 25th March 2017, is hereby published under the authority of the Governor.

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

PRAKASH. H. MALI,
Principal Secretary to Government,
Law and Judiciary Department.

L. A. BILL No. XVI OF 2017.

A BILL

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

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 Sixty-eighth Year of the Republic of India as follows :—

1. (1) This Act may be called the Maharashtra Co-operative Societies (Second Amendment) Act, 2017.

Short title
and
commence-
ment.

(2) It shall come into force on such date as the State Government may, by Notification in the *Official Gazette*, appoint.

Mah.
XXIV of
1961.

2. After Chapter XI of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as "the principal Act"), the following Chapter shall be inserted, namely :—

Insertion of
Chapter
XI-1A in
Mah. XXIV of
1961.

“ CHAPTER XI-1A

NON-AGRICULTURAL CO-OPERATIVE CREDIT SOCIETIES

Application
of Chapter
XI-1A to
non-
agricultural
co-operative
credit
societies.

144-2A. (1) Unless the context otherwise requires, this Chapter shall apply to the non-agricultural co-operative credit societies.

(2) The provisions of this Chapter shall be, in addition to and not, save as hereinafter provided, in derogation of the provisions of this Act or any other law for the time being in force.

Definitions.

144-3A. In this Chapter, unless the context otherwise requires,—

(a) “non-agricultural co-operative credit society” means a society, the primary object of which is to provide credit to its members and accept deposits from members and includes,—

(i) an urban credit co-operative society ;

(ii) a rural non-agricultural credit co-operative society ;

(iii) a salary earners’ credit co-operative society ; and

(iv) any other society or class of societies, which the State Government may, by general or special order published in the *Official Gazette*, from time to time, specify in this behalf ;

(b) “the Maharashtra State Non-agricultural Co-operative Credit Societies Regulatory Board” or “the Regulatory Board” means the Board constituted under section 144-13A ;

(c) “Stabilization and Liquidity Support Fund” means the Stabilization and Liquidity Support Fund created under section 144-25A.

Forms of
business in
which non-
agricultural
co-operative
credit
societies may
engage.

144-4A. (1) From the date of commencement of the Maharashtra Co-operative Societies (Second Amendment) Act, 2017 (hereinafter in this Chapter referred to as “the said Amendment Act, 2017”), a non-agricultural co-operative credit society may engage in any one or more of the following forms of business, namely :—

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2017.

(a) borrowing, raising or accepting deposits from members, lending or advancing of money either upon or without security, negotiating loans and advances, providing safe deposit vaults by itself to members ;

(b) managing, selling and realizing any property which may come in possession of such non-agricultural co-operative credit society in satisfaction or part satisfaction of any of its claims ;

(c) acquiring, holding and generally dealing with any property or any right, title or interest in any such property which may form the security or part of security for any loans or advances or which may be connected with any such security ;

(d) acquisition, construction, maintenance and alteration of any building or works necessary or convenient for the purpose of the non-agricultural co-operative credit society ;

(e) selling, improving, managing, developing, exchanging, leasing, mortgaging, disposing of or turning into account or otherwise dealing with all or any part of the property and rights of the non-agricultural co-operative credit society ;

(f) acquiring and undertaking the whole or any part of the business of any member of the non-agricultural co-operative credit society for the purpose of recovery of loan advanced to such member, when such business is of a nature specified in this section ;

(g) doing all such other things as are incidental or conducive to the promotion or advancement of the business of the non-agricultural co-operative credit society ;

(h) undertaking functions itself or seek assistance for asset reconstruction with previous sanction of the Registrar in accordance with law for the time being in force ;

(i) any other form of business which the State Government may, by notification in the *Official Gazette*, specify as a form of business in which it is lawful for a non-agricultural co-operative credit society to engage.

(2) In case any form of business other than the business referred under sub-section (1) is already undertaken by any non-agricultural co-operative credit society before the date of commencement of the said Amendment Act, 2017, such society shall conclude such business within eighteen months from the date of commencement of the said Amendment Act, 2017 :

Provided that, in special cases, if the Registrar is satisfied that any extension to a non-agricultural co-operative credit society is in its interest, he may extend this period for a period not exceeding twelve months so that the total period does not exceed thirty months in the aggregate and subject to such terms and conditions, as he may deem fit.

144-5A. Notwithstanding anything contained in any Act, a non-agricultural co-operative credit society shall not accept deposit from any person who is not its member. If any society which has accepted deposit from non-members, before the date of commencement of the said Amendment Act, 2017, it shall either enroll them as members or refund deposits of all non-members within two years from commencement of the said Amendment Act, 2017.

Prohibition on accepting deposit from non-members.

Explanation.— For the purposes of this section, “member” does not include nominal member.

144-6A. Notwithstanding anything contained in section 144-4A or in any contract, no non-agricultural co-operative credit society shall directly or indirectly deal in buying or selling or bartering of goods, except in connection with the realization of security given to or held by it, or engage in any trade, buy, sell or barter goods for others.

Prohibition on trading.

Explanation.— For the purposes of this section, “goods” means every kind of movable property, other than actionable claims, stocks, money, bullion and specie, and all instruments referred to in sub-section (1) of section 144-4A.

144-7A. Notwithstanding anything contained in section 144-4A, no non-agricultural co-operative credit society shall hold any immovable property howsoever acquired, which is not required for its own use, for any period exceeding seven years from acquisition thereof or from the commencement of the said Amendment Act, 2017, whichever is later or any extension of such period under this section, and such property shall be disposed of within such period or extended period, as the case may be:

Disposal of property not required for non-agricultural co-operative credit society.

Provided that, the non-agricultural co-operative credit society may, within the period of seven years as aforesaid deal in any such property for the purpose of facilitating the disposal thereof :

Provided further that, the Registrar may in any particular case extend the aforesaid period of seven years by such period not exceeding three years, where he is satisfied that such extension shall be in the interest of the non-agricultural co-operative credit society and shall also be subject to such terms and conditions, as he may deem fit.

Limit on administrative and establishment expenses.

144-8A. The non-agricultural co-operative credit society shall not exceed the limit on administrative and establishment expenses as notified by the Regulatory Board.

Society to maintain cash reserve.

144-9A. The non-agricultural co-operative credit society shall maintain by way of cash reserve with itself or by way of average balance in current account, saving account or short term deposit not exceeding fifteen days, in a bank or banks a sum equivalent to such percentage which shall not be more than five per cent., of the total of its deposits, as the Regulatory Board may specify, from time to time and shall submit the return thereof to the Registrar, on or before fifteenth day of the end of each quarter, showing the total and for each branch, the amount so held :

Provided that, an over draft drawn on the statutory liquidity maintained in excess of the limit specified in section 144-10A may be treated as cash reserve for the purpose of this section.

Explanation.— For the purpose of this section, the term “bank” means a bank as stated in section 70.

Society to maintain statutory liquidity ratio.

144-10A. The non-agricultural co-operative credit society shall maintain the statutory liquidity ratio by way of average balance in term deposit in a bank a sum equivalent to such percentage which shall not be less than twenty five per cent., or such percentage not exceeding forty per cent., as the Regulatory Board may, from time to time, specify, of the total of its deposits and shall submit the return showing the amount so held to the Registrar on or before fifteenth day of the end of each quarter.

Explanation.— For the purposes of this section, the term “bank” means a bank as stated in section 70.

Restrictions on loans and advances.

144-11A. (1) The non-agricultural co-operative credit society shall not,—

(a) grant any loans or advances on the security of its own shares as per section 44 ;

(b) enter into any commitment for granting any loan or advance to or on behalf of,—

(i) any of its present directors and his family members except against his own fixed deposits or those held in the name of the family member in the same society, where he is the director or against adequate and clear security furnished by him;

(ii) any firm or company in which any of the directors and his family member is interested as owner, partner, manager, guarantor or major shareholder or in which he holds any interest.

(2) Where any loan or advance granted and disbursed by a non-agricultural co-operative credit society is such that it could not have been

granted and disbursed, if clause (b) of sub-section (1) had been in force on the date on which the loan or advance was granted and disbursed before the commencement of the said Amendment Act, 2017, steps shall be taken to recover the amount due to the non-agricultural co-operative credit society on account of the loan or advance, together with interest, if any, due thereon within the period stipulated at the time of the grant of the loan or advance, or where no such period has been stipulated, before the expiry of two years from the date of the commencement of the said Amendment Act, 2017.

(3) If any question arises whether any transaction is a loan or advance for the purpose of this section, it shall be referred to the Registrar, whose decision shall be final.

Explanation.— For the purposes of this section, the term “family” shall have the same meaning as explained in Explanation I of sub-section (2) of section 75.

144-12A. (1) Notwithstanding anything contained in this Act, a non-agricultural co-operative credit society shall not, except with the prior approval of the Registrar and in consultation with the Regulatory Board, remit in whole or in part any debt due to it by,—

Restrictions on power to remit debt.

(a) any of its past and present Director and his family members ;
or

(b) any firm or company in which any of its past and present Director or his family member is interested as director, partner, managing agent or guarantor or major shareholder or in which he holds any interest.

(2) Any remission made in contravention of the provisions of sub-section (1) shall be void and of no effect.

Explanation.—For the purposes of this section, the term “family” shall have the same meaning as explained in Explanation I of sub-section (2) of section 75.

144-13A. The State Government shall, as soon as may be, after the commencement of the said Amendment Act, 2017, by notification in *Official Gazette*, constitute the Maharashtra State Non-Agricultural Co-operative Credit Societies Regulatory Board, to perform such duties and functions assigned to it by or under this Act.

Maharashtra State Non-Agricultural Co-operative Credit Societies Regulatory Board.

144-14A. The Regulatory Board shall consist of the following members, namely :—

Composition of the Regulatory Board.

(a) The Registrar, who shall be the Chairman of the Regulatory Board ;

(b) an officer not below the rank of Additional Registrar appointed by the Registrar ;

(c) two retired officers, not below the rank of Deputy General Manager from any co-operative bank to be nominated by the State Government,—

(i) who shall have an experience of at least ten years as officer not below the rank of Deputy General Manager of bank and no disciplinary or any other legal action was taken against them ; and

(ii) one of them shall be retired from the service of bank whose area of operation is entire State and other shall be retired from the service of bank whose area of operation is less than the State ;

(d) one Chartered Accountant, whose name appears on the panel of auditors kept by the Registrar, and having at least ten years of experience of auditing of non-agricultural co-operative credit societies, to be nominated by the State Government ;

(e) four representatives of the non-agricultural co-operative credit societies, who have been awarded "A" audit class in last three consecutive years, to be nominated by the State Government,—

(i) who shall have an experience of at least ten years as director of non-agricultural co-operative credit society and shall not be ineligible for being a member or being appointed or nominated or co-opted or elected as a member of committee of any society as specified in section 73CA ; and

(ii) one of them shall be director of society whose area of operation is the entire State; one of them shall be director of society whose area of operation is not less than a district; and two of them shall be director of society whose area of operation is less than a district.

Secretary to the Regulatory Board. **144-15A.** An officer not below the rank of the Deputy Registrar shall be appointed as the Secretary of the Regulatory Board by the Registrar.

Term of non-official members of the Regulatory Board. **144-16A.** Subject to the pleasure of the State Government, the term of the non-official members of the Regulatory Board shall be of three years from the date of nomination. The non-official member of the Regulatory Board may be renominated only once.

Resignation of non-official member. **144-17A.** A non-official member may resign his office at any time, by writing in his own hand, addressed to the Chairman of the Regulatory Board. The resignation of the member of the Regulatory Board shall come into effect as soon as it is received by the Chairman.

Removal of non-official member. **144-18A.** The State Government may remove a non-official member from office, if the member,—

(a) becomes an insolvent; or

(b) is convicted and sentenced to imprisonment for an offence which in the opinion of the Government involves moral turpitude ; or

(c) becomes of unsound mind, and stands so declared by a competent authority; or

(d) refuses to act or becomes incapable of acting as the member; or

(e) becomes ineligible for being a member or being appointed or nominated or co-opted or elected as a member of committee of any society as specified in section 73CA.

Casual vacancies how to be filled in. **144-19A.** Casual vacancies in the Regulatory Board shall be filled up as and when they fall vacant in the manner as provided in section 144-14A.

Conduct of business of the Regulatory Board. **144-20A.** Notice of the meeting of the Regulatory Board, quorum and procedure regarding transaction of the business of the Regulatory Board shall be such as may be prescribed.

144-21A. The non-official members of the Regulatory Board shall be paid such allowances, out of the Stabilization and Liquidity Support Fund, as the State Government may, by notification in the *Official Gazette*, specify from time to time.

Allowances to non-official members of the Regulatory Board.

144-22A. (1) Subject to the provisions of the Act and the rules made thereunder, the Regulatory Board shall have power to frame regulations for the following matters, namely :—

Functions and powers of the Regulatory Board.

(a) the maximum amount of deposit that can be collected from an individual member by a society ;

(b) the maximum and minimum rates of interest for deposits and secured and unsecured loans ;

(c) the upper limit up to which loan could be granted to an individual member and all his connected accounts ;

(d) the maximum limit to be maintained by the non-agricultural co-operative credit society by way of cash reserve ;

(e) the rate of contribution to be made by non-agricultural co-operative credit society to the Stabilization and Liquidity Support Fund and its periodicity which may be annual or otherwise ;

(f) the criteria for a society to be eligible to receive support for the refund of deposit from the Stabilization and Liquidity Support Fund ;

(g) the maximum limit of expenditure permitted to be incurred by non-agricultural co-operative credit society, on its administrative and establishment expenses.

(2) The Regulatory Board shall have power to issue guidelines for the following matters :—

(a) the classification of non-performing asset ;

(b) the minimum educational qualification and training for being eligible to be appointed as Chief Executive Officer and other officers and staff of society ;

(c) the eligibility criteria for a society which may contribute to the Stabilization and Liquidity Support Fund ;

(d) the recognition of one or more companies or societies to function as asset reconstruction company or otherwise in accordance with law for the time being in force ;

(e) general guidelines on those matters which the Regulatory Board may deem fit and require to issue from time to time in the interest of the non-agricultural co-operative credit societies.

(3) The State Government may, by notification in the *Official Gazette*, confer any other functions and powers on the Regulatory Board, as it may deem fit from time to time.

144-23A. (1) The non-agricultural co-operative credit society shall be bound to comply with the regulations and guidelines, issued by the Regulatory Board as per section 144-22A.

Regulations and guidelines to be binding on non-agricultural co-operative credit societies.

(2) The Registrar may call report from society as to the compliance of regulations framed and guidelines issued by the Regulatory Board, from time to time.

Moratorium
and or
directions to
non-
agricultural
co-operative
credit society.

144-24 A. (1) The Registrar shall have power to impose moratorium and or issue directions, after giving an opportunity of being heard , where he is satisfied to do so, in case of any non-agricultural co-operative credit society, in order to prevent the affairs of any non-agricultural co-operative credit society being conducted in a manner detrimental to the interest of the depositors and, or members, or in a manner prejudicial to the interest of the non-agricultural co-operative credit society, or to secure the proper management of the non-agricultural co-operative credit society.

(2) For the purposes of this section, the Registrar may,—

(a) impose restrictions on any non-agricultural co-operative credit society for refund of deposit and or its withdrawal, till such date as may be specified;

(b) issue orders when a society shall not accept any more and further deposits, till it complies with certain conditions as related to Statutory Liquidity Ratio and Cash Reserve Ratio or any other condition; or

(c) modify or cancel any moratorium or direction issued under sub-section (1), and in so modifying or cancelling any moratorium or direction, may impose such conditions as he may deem fit, subject to which the modification or cancellation shall have effect.

Constitution
of
Stabilization
and Liquidity
Support
Fund.

144-25A. The State Government shall, by notification in the *Official Gazette*, create “ the Stabilization and Liquidity Support Fund ” and shall consist of contributions made by the non-agricultural co-operative credit societies, refund of amount of assistance and interest thereupon, borrowings, donations received and any aid received from the Government.

Contribution
to the Fund
by the
Societies.

144-26A. (1) Every non-agricultural co-operative credit society shall contribute annually or otherwise towards the Stabilization and Liquidity Support Fund at such rate and in such manner as may be notified by the Regulatory Board in the *Official Gazette*, from time to time.

(2) No portion of the contribution once made shall be refunded to any non-agricultural co-operative credit society for any reason.

Utilisation of
the Fund.

144-27A. (1) The “ Stabilization and Liquidity Support Fund ” shall be utilized for providing liquidity support to the eligible non-agricultural co-operative credit society for maintaining Statutory Liquidity Ratio as specified in the section 144-10A on such terms and conditions as determined by the Regulatory Board, from time to time.

(2) The Stabilization and Liquidity Support Fund shall also be used for the settlement of claims in respect of the deposits of members of the non-agricultural co-operative credit societies which are taken into liquidation after the date of commencement of settlement as notified under sub-section (3) of this section. The amount of settlement per member depositor shall be a sum of the actual amount of deposit of the depositor or an amount which may be notified by the State Government in the *Official Gazette*, from time to time, whichever is less.

(3) For the purposes of sub-section (2) of this section, the State Government shall notify the date of the commencement of the settlement in the *Official Gazette*.

144-28A. (1) The Stabilization and Liquidity Support Fund shall be maintained and operated by the Regulatory Board. Maintenance operation and investment of the Fund.

(2) The money credited to the Stabilization and Liquidity Support Fund shall be deposited in the accounts opened in the name of the Regulatory Board in any Nationalized Bank, or the Maharashtra State Co-operative Bank, or the District Central Co-operative Bank having 'A' audit class during last three years, or any Bank having net worth of rupees two hundred crores or more.

(3) The money credited to the Stabilisation and Liquidity Support Fund may be invested in any of the aforesaid banks. The amount so invested in any bank shall not exceed twenty per cent. of total corpus of the said Fund at the time of such investment.

(4) For the purposes of this section, the Regulatory Board shall have following powers, namely :—

(a) to pass order, to sanction and draw and pay an amount from the Stabilization and Liquidity Support Fund to an eligible society to maintain statutory liquidity ratio as prescribed by the Regulatory Board, at such rate of interest, schedule of repayment, as stated in the order ;

(b) to pass order, to sanction and draw an amount from the Stabilization and Liquidity Support Fund to pay deposit of members of a non-agricultural co-operative credit society which is taken into liquidation after the date of commencement of the settlement ;

(c) to frame such regulations as are necessary for providing support or assistance for repayment of deposit by the liquidator. The Regulatory Board shall be competent to decide the quantum of assistance or amount of support, as the case may be, subject to the amount notified by the State Government in the *Official Gazette*, from time to time Government.

(5) The Regulatory Board shall monitor recovery of the amount so released, from the society and or the liquidator of the society, as the case may be.

144-29A. If a non-agricultural co-operative credit society fails to contribute to the Stabilization and Liquidity Support Fund or the society fails to repay the sum availed for liquidity support or the liquidator fails to repay the financial assistance availed for settlement of depositor to the said Fund, the Registrar shall issue recovery certificate, after giving an opportunity of being heard, to recover arrears of sum of contribution, liquidity support or settlement, etc., as the case may be, as an arrear of land revenue, and the amount and interest so due shall rank as first in priority in respect of all other liabilities of the society or the liquidator, as the case may be. Recovery of arrears of contribution, liquidity support or financial assistance.

144-30A. The Secretary of the Regulatory Board shall maintain the accounts of the Stabilization and Liquidity Support Fund in such form and manner as may be specified by the Regulatory Board. The audit of the accounts kept for the said Fund shall be done by the auditor appointed by the Regulatory Board. Accounts and Audit of the Fund.

144-31A. (1) Notwithstanding anything contained in this Act, if a contravention or default of the nature referred to in section 144-5A, section 144-9A, section 144-10A or, section 144-24A, as the case may be, is made by a non-agricultural co-operative credit society, then the Registrar may impose on such non-agricultural co-operative credit society, — Power of Registrar to impose penalty.

(a) where the contravention is of the nature referred to in section 144-5A or section 144-24A, a penalty not exceeding twice the amount of the deposits in respect of which such contravention was made ;

(b) where the contravention or default is of the nature referred to in sub-section (1) of section 144-9A or section 144-10A, a penalty not exceeding fifty thousand rupees or twice the amount involved in such contravention or default where such amount is quantifiable, whichever is more; and where such contravention or default is a continuing one, a further penalty which may extend to twenty-five thousand rupees; for everyday, after the first, during which the contravention or default continues.

(2) For the purpose of adjudging the penalty under sub-section (1), the Registrar shall serve notice on the non-agricultural co-operative credit society requiring it to show cause why the amount specified in the notice should not be imposed and a reasonable opportunity of being heard shall also be given to such non-agricultural co-operative credit society.

(3) Any penalty imposed by the Registrar under this section shall be payable within a period of fourteen days from the date on which notice issued by the Registrar demanding payment of the sum is served on the non-agricultural co-operative credit society and in the event of failure of the non-agricultural co-operative credit society to pay the sum within such period, it may be recovered in the manner provided by the Code of Criminal Procedure, 1973 for the recovery of the fines imposed by a Magistrate, as if such fine was imposed by the Magistrate himself. Such fine, on recovery shall be credited to the Stabilization and Liquidity Support Fund.”.

2 of
1974.

Amendment
of section 146
of Mah. XXIV
of 1961.

3. In section 146 of the principal Act, after clause (p), the following clauses shall be inserted, namely :—

“(p-1) in case of non-agricultural co-operative credit society, in addition to above,—

(i) the society violates section 43 or 44 ; or

(ii) the society engages in any form of business other than those referred to in sub-section (1) of section 144-4A ; or

(iii) the society deals in any activity which is prohibited as per the provisions of section 144-6A ; or

(iv) the society does not dispose of the property not required for the society within the stipulated period mentioned in section 144-7A ; or

(v) the society exceeds the limit on administrative and establishment expenses as notified as per section 144-8A ; or

(vi) the society acts contrary to the provisions of section 144-11A and section 144-12A; or

(vii) the society fails to comply with the guidelines issued and regulations framed under section 144-22A ; or

(viii) the society fails to contribute towards the Stabilization and Liquidity Support Fund as per the provision of section 144-26A ; or”.

Amendment
of section 147
of Mah. XXIV
of 1961.

4. In section 147 of the principal Act, after clause (p), the following clauses shall be inserted, namely :—

“(p-1) if it is an offence under clause (p-1) of that section, with fine which may extend to twenty-five thousand rupees, or with imprisonment for a term which may extend to three years, or with both ; ”.

STATEMENT OF OBJECT AND REASONS.

The Maharashtra Co-operative Societies Act, 1960 (Mah. XXIV of 1961), governs all the co-operative societies having different objects, classifications and sub-classifications. The provisions of the said Act governs and provide for the management aspect of the co-operative societies and protects the interest of its members.

Urban or rural non-agricultural co-operative credit societies (Credit Resource Societies) mainly function with the help of depositors who deposit their money with them for the time being and thus, protection of interest of depositors is the main concern of the machinery provided under the Act. With increase in the number of Credit Resource Societies and to ensure for qualitative growth of these societies, it is expedient to amend the said Act, which regulates the co-operative societies in the State of Maharashtra.

To protect the interest of depositors, it is expedient to separately regulate such societies. Thus, a need has become the more insistent on account of the considerable development that has taken place in recent years in the business of such Credit Resource Societies and their system as a whole. The amendment of the said Act and inclusion of separate comprehensive measures in consequence have now become important.

Therefore, a separate Chapter incorporating specific provisions for regulating such co-operative societies and for safeguarding the interest of depositors is proposed to be inserted in the said Act. It is also proposed to amend sections 146 and 147 to provide for the offence and punishment for certain acts relating to the said purposes.

2. The Bill seeks to achieve the above objectives.

Mumbai,
Dated the 23rd March, 2017.

SUBHASH DESHMUKH,
Minister for Co-operation.

MEMORANDUM REGARDING DELEGATED LEGISLATION

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

Clause 1(2).—Under this clause, power is taken to the State Government to appoint, by notification in the *Official Gazette*, the date on which the Act shall come into force.

Clause 2.—Under this clause, which seek to add Chapter XI-A in the Maharashtra Co-operative Societies Act, 1960, power is taken,—

(1) to the State Government under a new section 144-3A (a) (iv) to specify, by notification in the *Official Gazette*, any other society or class of societies which shall be the non-agricultural co-operative credit society for the purposes of the Act ;

(2) to the State Government under a new section 144-4A (i) to specify, by general or special order published in the *Official Gazette*, other form of business in which it will be lawful for a non-agricultural co-operative credit society to engage ;

(3) to the Regulatory Board, under a new section 144-8A to notify the limit of administrative and establishment expenses which shall not be exceeded by the non-agricultural co-operative credit society while engaging in its business ;

(4) to the State Government under a new section 144-13A to constitute, by notification in the *Official Gazette*, the Maharashtra State Non-agricultural Co-operative Credit Societies Regulatory Board to perform such duties and functions assigned to it by or under this Act ;

(5) to the State Government under a new section 144-20A to prescribe by rules, the notice of the meeting of the Maharashtra State Non-agricultural Co-operative Credit Societies Regulatory Board, quorum and procedure regarding transaction of its business ;

(6) to the State Government under a new section 144-21A to specify, by notification in the *Official Gazette*, the allowances that shall be paid to the non-official members of the Maharashtra State Non-agricultural Co-operative Credit Societies Regulatory Board ;

(7) to the State Government under a new section 144-22A (3) to confer, by notification in the *Official Gazette*, any other functions and powers to the Maharashtra State Non-agricultural Co-operative Credit Societies Regulatory Board, as it may deem fit from time to time ;

(8) to the State Government under a new section 144-25A to create, by notification in the *Official Gazette*, the Stabilization and Liquidity Support Fund for the purpose of the Act ;

(9) to the Regulatory Board under a new section 144-26A to notify the rate and the manner in which the non-agricultural co-operative credit societies shall contribute annually or otherwise towards the Stabilization and Liquidity Support Fund ;

(10) to the State Government under a new section 144-27A (2) to notify from time to time, in the *Official Gazette*, the amount which may be used for the settlement of the claims in respect of the deposits of members of the non-agricultural co-operative credit society which is taken into liquidation after the date of commencement of settlement as notified under sub-section (3) ;

(11) to the State Government under a new section 144-27A (3) to notify the date of commencement of the settlement in the *Official Gazette*, for the purpose of sub-section (2) of section 144-27A ;

(12) to the State Government under a new section 144-28A (4), (c) to notify in the *Official Gazette* the amount subject to which the Maharashtra State Non-agricultural Co-operative Credit Societies Regulatory Board shall be competent to decide the quantum of assistance or amount of support, as the case may be.

2. The above-mentioned proposals for delegated legislation are of normal character.