A BILL

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

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. This Act may be called the Maharashtra Co-operative Societies Act, 1960.

2. In section 88 of the Maharashtra Co-operative Societies Act, 1960, in sub-section (1), after the second proviso, the following provisos shall be added, namely:

“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.”.
STATEMENT OF OBJECTS 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. Under section 88 of the said Act, the Registrar or an authorized officer so appointed by the Registrar may undertake the action to access the damages against delinquent promoters, etc. The present provisos to sub-section (1) of section 88 provides for a period of two and half years for the completion of the proceedings by the authorized officer appointed by the Registrar. Section 89 of the said Act provides that the Registrar or the person authorized by him acting under section 88 shall have the power to summon and enforce the attendance of any person in the same manner as is provided in case of a Civil Court under the Code of Civil Procedure, 1908 (V of 1908). Thus, the enquiries under section 88 are of quasi-judicial in nature.

Sub-rules (1) to (6) of rule 72 of the Maharashtra Co-operative Societies Rules, 1961, provide for the manner in which the proceedings under section 88 need to be carried out. It is noticed that, while following the procedure provided in the said rule 72, due to the various reasons like, stay granted by the Hon’ble High Court or the Appellate Authority, the submission of the record of the society to the other Court or the police station, etc., the authorized officer requires substantial time to complete the proceedings in certain cases under section 88. In such cases, the authorized officer may require the period beyond the period as provided in the provisos to sub-section (1) of section 88. There appears to be no clear provision for continuing with the enquiry to complete the proceedings beyond the said period. In such a situation, it may not be possible to complete the enquiry and hold the delinquents responsible for their mis-deeds and thus, leading to frustration of the very purpose of the enquiry. As the proceedings under section 88 are quasi-judicial in nature, the same need to be completed expeditiously. Therefore, in order to take the enquiries under section 88 to their logical end and to serve the ends of the justice, it is considered expedient to make express provision in the said section 88, enabling the authorized officer to complete the proceedings under it, with the prior approval of the Government. Such enabling provision is also proposed for enquiries in case of the proceedings under said section 88 which have not been completed on the date of commencement of the proposed law, so that such proceedings also can be taken to a logical conclusion.

2. The Bill seeks to achieve the above objectives.

Mumbai, Dated the 22nd March 2017.

SUBHASH DESHMUKH,
Minister for Co-operation.