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, 2018 on the 13th June 2018;
AND WHEREAS it is expedient to replace the said Ordinance by an Act of the State Legislature; it is hereby enacted in the Sixty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Maharashtra Co-operative Societies (Second Amendment) Act, 2018.

(2) It shall be deemed to have come into force on the 13th June 2018.
2. In section 73AAA of the Maharashtra Co-operative Societies Act, 1960 (hereafter referred to as “the principal Act”), in sub-section (3), after the words “co-terminus with the term of the committee” the words “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” shall be added.

3. In section 73CB of the principal Act, for sub-section (15), the following sub-section shall be substituted, namely :—

“(15) Where in respect of any society, the term of its committee has expired before the date of commencement of the Maharashtra Co-operative Society (Second Amendment) Act, 2018, the election to such committee shall be held by State Co-operative Election Authority within a period of six months from the date of such commencement:

Provided that, in respect of such a society, the committee shall continue to hold the office till such a period of six months or declaration of results of election of such a society whichever is earlier:

Provided further that, in case of society doing business of banking, the requisition made or guidelines issued by the Reserve Bank of India or the National Bank shall prevail.”.

4. In section 166 of the principal Act, sub-section (4) shall be deleted.

5. (1) The Maharashtra Co-operative Societies (Second Amendment) Ordinance, 2018, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken (including any notification or order issued) under the corresponding provision 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 principal Act, as amended by this Act.
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. The provisions of the said Act governs the management aspect of the Co-operative Societies and protects the interest of its members.

Sub-section (3) of section 73AAA provide that, 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. When election could not be held before the expiry of the term of the committee, the present committee has to continue to work till the new committee comes in existence, which was violating the earlier provisions under section 73AAA, that is term of five years and as such, in such circumstances, there was a need to amend section 73AAA, by additional provision thereby, enabling the Registrar to undertake the action as contemplated by section 77A.

As per the provisions of section 73CB of the said Act, all elections of the Co-operative Societies have to be conducted by the State Co-operative Election Authority. As per sub-section (15) of the said section 73CB, election to the committee and consequent election to the office bearers which is due on the date of commencement of the Maharashtra Co-operative Societies (Amendment) Act, 2013 (Mah. XVI of 2013), or may become due after such date, until 31st March 2013 shall be held before the 30th June 2015. The State Co-operative Election Authority, since 11th September 2014, that is the date on which the said authority was established, is conducting elections for more than three years and the elections of majority of Co-operative Societies have been completed. However, in cases where the Co-operative Societies whose election have not been held due to certain reasons, it was not lawful that the committee of such societies shall continue to hold its office even after the expiry of its term. In view of this, it was proposed to substitute sub-section (15) of the said section 73CB to provide that, in cases of committees, whose term has expired, the State Co-operative Election Authority shall hold election to such a committee within a period of six months from the date of commencement of the proposed Act and such a committee shall continue to hold the office till a period of six months from the date of such commencement or declaration of results of election of members of committee of such society, whichever is earlier.

It was also proposed to delete sub-section (4) of section 166 of the said Act to make it in consonance with section 73CB and 73I of the said Act.

2. In this regard, in the Budget Session of the State Legislature, which commenced on the 26th February 2018, the Maharashtra Co-operative Societies (Amendment) Bill, 2018 (L. A. Bill No. XXVI of 2018), was introduced in the Maharashtra Legislative Assembly on the 26th March 2018. However, the said Bill could not be passed by the State Legislature, as the session of the State Legislature was prorogued on the 28th March 2018. It was, therefore, considered expedient to amend the said sections 73AAA, 73CB and 166, urgently.
3. As both Houses of the State Legislature were not in session and the Governor of Maharashtra was satisfied that the 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, 2018 (Mah. Ord. XVI of 2018), was promulgated by the Governor of Maharashtra on the 13th June 2018.

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

Mumbai, dated the 20th June 2018.

SUBHASH DESHMUKH,
Minister for Co-operation.