CO-OPERATION, MARKETING AND TEXTILES DEPARTMENT  
Mantralaya, Madam Cama Marg, Hutatma Rajguru Chowk,  
Mumbai 400 032, dated the 2nd November 2021.  

MAHARASHTRA ORDINANCE No. IX OF 2021.  

AN ORDINANCE  

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

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

AND WHEREAS the Governor of Maharashtra is satisfied that  
circumstances exist which render it necessary for him to take immediate  
action further to amend the Maharashtra Co-operative Societies Act, 1960,  
for the purposes hereinafter appearing;
NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 213 of the Constitution of India, the Governor of Maharashtra is hereby pleased to promulgate the following Ordinance, namely:—

1. (1) This Ordinance may be called the Maharashtra Co-operative Societies (Amendment and Validation) Ordinance, 2021.

(2) It shall come into force at once.

2. In section 73AAA of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as “the principal Act”), in sub-section (3),—

(i) before the existing proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 24th March 2020, namely:—

"Provided that, if the term of office of the elected members of the committee and its office bearers has expired, and if the election to the committee of the society could not be held due to imposition of lockdown in the State in view of the Covid-19 pandemic, the orders issued by the Government, from time to time, or any reason not attributable to the members of the committee of the society, such members and office bearers of the committee shall be deemed to have continued as members and office bearers of the committee till new committee is duly constituted:";

(ii) in the existing proviso, for the words “Provided that” the words “Provided further that” shall be substituted.

3. Notwithstanding anything contained in the principal Act or in any judgment, decree or order of any court, to the contrary, anything done or any action taken or order issued, by the committee or the members of the committee and its office bearers, under the provisions of the principal Act or rules or orders or by-laws, made thereunder shall be deemed to have been validly done, taken or, as the case may be, issued, in accordance with law as if the provisions of the first proviso to sub-section (3) of section 73AAA, as amended by the Maharashtra Co-operative Societies (Amendment and Validation) Ordinance, 2021, had been continuously in force at all material times.
STATEMENT

Due to outbreak of the Covid-19 pandemic and the consequent declaration of lockdown in the country, social and economic activities in the State have suffered a setback from the 24th March 2020. Due to lockdown, functioning of the co-operative societies in the State has also been adversely affected, and therefore, it was not possible to conduct elections to the committees of the co-operative societies within the specified time frame as provided in the Maharashtra Co-operative Societies Act, 1960 (Mah. XXIV of 1961), and the rules framed thereunder. Therefore, by the Maharashtra Co-operative Societies (Amendment) Ordinance, 2020 (Mah. Ord. XII of 2020), the third proviso to sub-section (15) of section 73CB of the said Act was inserted which provided for extension of the time frame for conduct of election of the committee of society which was due but had not been conducted before the date of commencement of the said Ordinance.

2. Sub-section (3) of section 73AAA of the said Act provides that, on expiry of the term of the committee, the members of such committee shall be deemed to have vacated their offices as members of the committee. By the said Ordinance a proviso was added to sub-section (3) of section 73AAA of the said Act which provides that, if the election to the committee of the society could not be held for any reason not attributable to the members of the committee of such society, the existing members of the committee shall be deemed to have continued till new committee is duly constituted. The said Ordinance is converted into Maharashtra Act No. XXVII of 2020.

The said proviso to sub-section (3) of section 73AAA of the said Act came into force with effect from the date of publication of the said Ordinance in the Maharashtra Government Gazette i.e. from the 10th July 2020. In view of this, the members of the committee and its office bearers whose terms of office have already expired on or after the 10th July 2020 could get the protection of continuation, as members of the committee till the new committee is duly constituted. However, those members of the committee and its office bearers whose terms of office have already expired before the 10th July 2020, could not get the protection of continuation as members of the committee till the new committee is duly constituted.

Also due to the provisions of section 73I read with section 77A of the said Act, in case where the term of the committee or its members has expired, then the Registrar may, either suo-moto or on the application of any officer or members of the society, appoint a committee consisting of not more than three members of the society or one or more authorized officers to manage the affairs of the society till a new committee is constituted. Such an action of appointment of the authorised officer in such cases would lead to court cases.

As such societies are huge in number, it is not practically possible to appoint authorized officers to manage the affairs of such societies and it would also not be in the interest of the co-operative sector. Such an action of appointment of the authorised officer in such cases would lead to court cases.

3. Therefore, it is considered expedient to provide that with effect from the 24th March 2020, the date of first lockdown imposed in the State due to Covid-19 pandemic, if the term of office of the elected members of the committee and its office bearers has expired, and if the election to the committee of the society could not be held due to imposition of lockdown in the State in view of the Covid-19 pandemic, the orders issued by the Government, from time to time, or any reason not attributable to the members of the committee of the society, such members and office bearers of the committee shall be deemed to have continued as members and office bearers of the committee till new committee is duly constituted, by inserting a proviso before the existing proviso to sub-section (3) of section 73AAA of the said Act.
4. As both Houses of the State Legislature are not in session and the Governor of Maharashtra is satisfied that circumstances exist which renders it necessary for him to take immediate action further to amend the Maharashtra Co-operative Societies Act, 1960, for the purposes aforesaid, this Ordinance is promulgated.

Mumbai,  
Dated 1st November 2021.  

BHAGAT SINGH KOSHYARI,  
Governor of Maharashtra.

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

ANOOP KUMAR,  
Principal Secretary to Government.