CO-OPERATION, MARKETING AND TEXTILES DEPARTMENT

Mantralaya, Madam Cama Marg, Hutatma Rajguru Chowk, Mumbai 400 032, dated the 7th June 2023.

MAHARASHTRA ORDINANCE No. II OF 2023.

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;

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

SATISH WAGHOLE,
Secretary (Legislation) to Government, Law and Judiciary Department.

(Translation in English of the Maharashtra Co-operative Societies (Amendment) Ordinance, 2023 (Mah. Ord. II of 2023), published under the authority of the Governor.)
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) Ordinance, 2023.
   (2) It shall come into force at once.

2. In section 2 of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as “the principal Act”), in clause (19), after sub-clause (a), the following sub-clause shall be inserted, namely:--

   “(a-1) “active member” means a member who participates in the affairs of the society and utilizes the minimum level of services or products of that society, as may be specified in the by-laws;”.

3. For section 26 of the principal Act, the following section shall be substituted, namely:--

   “26. (1) A member shall be entitled to exercise such rights as provided in the Act, rules and by-laws:

   Provided that, no member shall exercise the rights, until he has made such payment to the society in respect of membership, or acquired such interest in the society, as may be prescribed and specified under the by-laws of the society, from time to time:

   Provided further that, in case of increase in minimum contribution of member in share capital to exercise right of membership, the society shall give a due notice of demand to the members and give reasonable period to comply with.

   (2) It shall be the duty of every member of a society,--

   (a) to attend at least one general body meeting within a consecutive period of five years:

   Provided that, nothing in this clause shall apply to the member whose absence has been condoned by the general body of the society;

   (b) to utilise minimum level of services or products at least once in a period of five consecutive years as specified in the by-laws of the society:

   Provided that, a member who does not attend at least one meeting of the general body as above and does not utilise minimum level of services or products at least once in a period of five consecutive years, as specified in the by-laws of such society, shall be classified as non-active member:

   Provided further that, when a society classifies a member as a non-active member, the society shall, in the prescribed manner communicate such classification, to the concerned member within thirty days from the date of close of the financial year:

   Provided also that, a non-active member who does not attend at least one meeting of the general body and does not utilise minimum level of services or products as specified in the by-laws, in next five years from the date of classification as a non-active member, shall be liable for expulsion under section 35:
Provided also that, a member classified as non-active member shall, on fulfilment of the eligibility criteria as provided in this sub-section be entitled to be re-classified as an active member:

Provided also that, if a question of a member being active or non-active member arises, an appeal shall lie to the Registrar within a period of sixty days from the date of communication of such classification:

Provided also that, the provisions of this section shall not be applicable to the societies whose final voters list is published on or before the date of commencement of the Maharashtra Co-operative Societies (Amendment) Ordinance, 2023.”.

4. In section 27 of the principal Act,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Notwithstanding anything contained in sub-section (1), an active member who fails to participate in the affairs of the society and to use the services or products upto the minimum level as specified, from time to time, in the by-laws, shall cease to be an active member and shall not be entitled to vote.”;

(ii) in sub-section (3), after the words “appoint one of its”, the word “active” shall be inserted.

5. In section 73A of the principal Act, in sub-section (9), after the words “nominated as a designated officer, if he” the words “is not an active member and” shall be inserted.
STATEMENT

The Maharashtra Co-operative Societies Act, 1960 (Mah. XXIV of 1961) is enacted for the orderly development of the co-operative movement in the State. Society is autonomous association of persons united voluntarily to meet their common needs and aspirations through a jointly owned and democratically controlled enterprise and adhering to the co-operative principles and values. Participation of members plays vital role in the development and functioning of the society. It is observed that the most of the members of the societies are not taking active participation in the activities of the societies, which affects the overall development of the society as well as members thereof.

2. To strengthen the co-operative movement in the State and to ensure and to encourage the active participation of the members in the affairs of the society, it is proposed that, the member shall attend at least one general body meeting of the society within a consecutive period of five years and shall utilise minimum level of services or products at least once in a period of five consecutive years, as specified in the by-laws of such society. It is, therefore, considered expedient to amend sections 2, 26, 27 and 73A of the said Act, suitably.

3. As both Houses of the State Legislature are not in session and 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 aforesaid, this Ordinance is promulgated.

Mumbai,   \[\text{RAMESH BAIS,}\]
\[\text{dated the 7th June 2023.}\]
\[\text{Governor of Maharashtra.}\]

\[\text{By order and in the name of the}\]
\[\text{Governor of Maharashtra,}\]

\[\text{MANOJ SAUNIK,}\]
\[\text{Additional Chief Secretary to Government.}\]