

**Maharashtra Co-operative Societies (Amendment) Draft Rules, 2025**

**List of Proposed Changes and observations and suggestions**

Sr	Rule No	Rule Heading	Observations and Suggestions
1	4(1)(e)	Application for Registration and Registration Fees	<p>a) Registration Fees of Housing Societies proposed to be doubled from Rs.2,500/- to Rs.5,000/-</p> <p>b) The increase will put additional burden on the Housing Societies which are basically non-profit associations. This will also be in contrast to the Government policy to support cooperative sector.</p> <p>c) Registration Fees for all other categories are unchanged and thus, it is suggested not to change the registration fees of Housing Societies.</p> <p>d) Alternatively, it can be charged for premises societies which consist of offices or commercial galas only or housing societies having more than certain number of members say 100 members.</p>
2	10(1)	Classification and sub-classification of societies	<p>a) In the example against the newly proposed clause ( e ) in relation to Association of Societies, instead of "An association of five or more housing co-operative societies <del>or</del> other legal entities registered in the same layout." the wording "An association of five or more housing co-operative societies <b>and</b> other legal entities registered in the same layout." should be used.</p> <p>b) Replacing "and" in place of "or" in the example will ensure minimum 5 cooperative housing societies in accordance with the definition of Association of Society contained in Section 154B-1(3).</p>
3	65	Accounts and books to be kept	After removal of Form J-1 and J-2 on removal of active and non-active members, Register of Members in Form J as mentioned by amended Rule 33 should be added in the list of Books.
4	106C-1	Non-application of provisions of these rules to housing societies	<p>The list of non-applicable rules should include the following rules also viz.</p> <p>a) Rule 26 - Registration of nominations Rule 106C-9 is proposed to be inserted pertaining to "Registration of nominations" for Housing Societies although this Rule 26 is still applicable to All Societies.</p> <p>b) Rule 86B - Scrutiny of applications and notice to parties Provisions of Rule 86B are included in clauses (a) to (f) of sub-rule (3) Rule 106C-14.</p> <p>c) Rule 86C - Appearance of parties and consequences of non-appearance Provisions of Rule 86C are included in clauses (a) to (c) of sub-rule (4) Rule 106C-14.</p> <p>c) Rule 107B -Security to be furnished by officers and employees of societies handling cash, etc. If security to be furnished by officers and employees of societies handling cash is not applicable to Housing Societies, then this Rule may be made inapplicable and added in the list.</p>

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5	106C-3	Application for registration and registration fees	<p>Rule 106C-3(2) prescribes the documents to be annexed, however the list does not include the documents in original Rule 4, which is now inapplicable to Housing Societies, as below -</p> <ol style="list-style-type: none"> <li>such other documents as may be specified in the model bye-laws, if any, framed by the Registrar;</li> <li>In case any member of a society to be registered is a registered society, a copy of resolution authorising member of the committee of such registered society to sign the application for registration and the bye-laws on its behalf [Rule 4(2)]</li> <li>In case any member of a society to be registered is a firm, company, other corporate body, society registered under the Societies Registration Act, 1860, or local authority or public trust registered under any law for the time being in force, a copy of the resolution authorising any person to sign the application for registration and the bye-laws on its behalf. [Rule 4(3)]</li> <li>Reference to Form Y-4 is not correct in sub-section (1).</li> </ol>
6	106C-4	Conditions to be complied with for admission to membership, etc.	<ol style="list-style-type: none"> <li>As Rule is not having more than one sub-rule, the number (1) should be removed at the start of Rule.</li> <li>Rule should also exclude Joint member as he is not required to pay value of five shares.</li> <li>As Rule 20(1) is made inapplicable regarding admission of Joint members, separate Rule alongwith conditions for admission of Joint member should be prescribed which may contain payment of entrance fee of one hundred, consent from original member, agreement or other documents and approval by Committee etc.</li> </ol>
7	106C-5	Admission of associate members	<ol style="list-style-type: none"> <li>Sub-section (i) provides for submission of Form Y-4 for admission of associate member. However Form Y-4 is prescribed for admission of provisional member as indicated by Form heading as "Form of application for Provisional Membership by nominee".</li> <li>No mention of Admission Fee for Associate Member is made</li> <li>Separate Admission Form for Associate member needs to be prescribed.</li> </ol>
8	106C-6	Procedure for admission of provisional members	<ol style="list-style-type: none"> <li>Sub-section (1)(a) requires joint application alongwith indemnity bond, if there are more than one nominee, which may delay the procedure due to different location of nominees which may be in different states or even countries. Alternative should be provided.</li> <li>Sub-section (1)(b) and 2(c) requires advertisement, if a member of society dies without making a nomination and no nominee comes forward for transfer, for inviting applications from legal heirs of the deceased member for admitting as a provisional member.</li> </ol>

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Sr	Rule No	Rule Heading	Observations and Suggestions
9	106C-6	Procedure for admission of provisional members (Continued ...)	<p>c) Clarification required regarding whether advertisements to be given in one local language daily newspaper and one in english daily newspaper as normally adopted procedure in such cases.</p> <p>d) Clarification is also required regarding who is supposed to bear the cost of advertisement in such cases.</p> <p>e) Clause ( c ) of sub-section (1) provides for submission of Form Y-5 for admission of provisional member. However Form Y-5 is prescribed for admission of provisional member on the basis of Family Arrangement as indicated by Form heading as "The Form of application for Membership by the Legal Heirs executing duly registered Family Arrangement".</p> <p>f) Clarification is also required regarding whose name will be on share certificate in view of the clause (g) of sub-section (1) provides that provisional member name will not be included on the share certificate.</p> <p>g) Clarification is also required in case where claimants as legal heirs are more than one and they can not reached to an agreement on one name who would become provisional member, then as per provision of clause ( e ) of sub-section (1) requires legal heirship or succession certificate or letter of administration and till that time who will be provisional member and whose name will continue on share certificate.</p> <p>h) Clarification is also required in case where any claims or objections on family arrangement, then as per provision of clause ( e ) of sub-section (2) requires legal heirship certificate or letter of administration and till that time who will be provisional member and whose name will continue on share certificate.</p>
10	106C-7	Co-operative education and training for members, officers, and employees of housing societies	<p>a) Sub-rule (6) provides that the societies shall, every year make provision and contribute to Co-operative education and training fund of the notified Federal Societies or Apex Training Institutes.</p> <p>b) Sub-rule (1) requires every Co-operative Housing Society, Association of Societies, or Co-operative Housing Association to organize annual education and training programs for its members, officers, and employees through the State Federal Society or the State Apex Training Institute.</p> <p>c) Clarification whether Fund needs to be kept by Society to conduct programmes or to contribute to Federal Societies or Apex Training Institute as provided by sub-rule (6).</p>
11	106C-9	Registration of nominations	<p>a) Rule 26 regarding Registration of nomination is still applicable to Housing societies and thus this will be duplication.</p> <p>b) Rule 26 is also proposed to be amended to include section 154B-13 regarding "Transfer of interest on death of a Member".</p>

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Sr	Rule No	Rule Heading	Observations and Suggestions
12	106C-10	Conditions for borrowing by societies with limited liability	<ul style="list-style-type: none"> <li>a) Clarification needs regarding borrowing for redevelopment based on land cost.</li> <li>b) Rules based on land type viz. free hold or lease hold, approval of members, charge on society property etc. . need more preciously prescribed.</li> </ul>
13	106C-11	Funds	<ul style="list-style-type: none"> <li>a) Whether Transfer Premium should be credited to Reserve Fund similar to Transfer Fees.</li> <li>b) Whether the provisions of Section 66 are applicable to Housing Societies treating excess of income over expenditure as Net Profit from the transactions.</li> <li>c) As Corpus Fund consist amounts received by the society from the developer in lieu of surrendering its development rights and needs to be credited to Corpus Fund as per Rule 106C-11(8) and thus whether it can not be distributed to existing members only and will have right of all members including new members ?</li> </ul>
14	106C-12	Levy of the charges	<ul style="list-style-type: none"> <li>a) Sub-section (2) mentions list of expenses which are comprises in Service Charges.</li> <li>b) However, depreciation on assets other than land and building is not included in the service charges. How those charges will be recovered from the members by Society.</li> <li>c) Sub-rule (3) prescribed sharing of service charges equally divided by number of units which also includes legal charges. Clarification will be required regarding sharing of legal charges in respect disputes between member and Society or personal disputes etc.</li> <li>d) Item 6 in the Table in sub-section (3) prescribes condition for Interest on defaulted charges to be levied at rate decided by general body not exceeding simple interest @12% per annum.</li> <li>e) The interest is levied for default and thus should be penal in nature. Accordingly, the maximum limit prescribed is too less and should be increased to 24% per annum for regular collection of charges by Society from its members.</li> </ul>
15	106C-14	Grant of certificate for recovery under section 154B-29	<ul style="list-style-type: none"> <li>a) Form Number in which Application to be made is not mentioned in clause (a) of sub-section (1) as mentioned in rule 86A(1) which is made inapplicable to Housing Societies.</li> <li>b) Procedure for submission of Application also to be provided as per rule 86A(5) which is made inapplicable to Housing Societies.</li> <li>c) Sub-section (3)(g) provides that the expenses for the publication of the notice shall be borne by applicant, it should be opponent.</li> <li>d) Provisions contained in sub-sections (2), (3) and (4) are similar to provisions of Section 86B and 86C, however the said sections are not made inapplicable to Housing Societies similar to Section 86A.</li> </ul>

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16	106C-13	Management of housing societies	The right to modify or alter certain model bye-laws published is to be given to societies.
17	Forms	Form Y-4	a) Form heading is "The Form of application for Provisional Membership by the nominee" b) Reference to Rule 106C-3(1) does not seem correct as said Rule relates to every application for the registration of a society under section 154B-3. c) Reference to Rule 106C-5(i) does not seem correct as said Rule relates to application for Associate Members.
		Form Y-5	a) Form heading is "The Form of application for Membership by the Legal Heirs executing duly registered Family Arrangement" b) Reference to Rule 106C-6(1)( c ) does not seem correct as said Rule relates to application for provisional members other than on the basis of family arrangement.
18	Other	New Rule required	a) Rule 27 is made inapplicable regarding charges for the document, however no rule is provided for the same as per Section 154B-8(2). b) As mentioned earlier, rule for admission of joint member is required to be provided.
		Incorporation of new Audit Forms	If new Audit Forms as mentioned in the new Audit Manual is to be implemented, the same should be incorporated in the Rules and made applicable.

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