



THE CHAMBER OF
TAX CONSULTANTS
ESTD. 1926



BOMBAY
CHARTERED
ACCOUNTANTS'
SOCIETY

Jointly with



Virtual Mode

Webinar on **MAHARASHTRA CO-OPERATIVE HOUSING SOCIETIES ACT, 1960 AND RULES, 1961 – RECENT UPDATES**

CA Ramesh Prabhu



8TH AUG 2026
Saturday



4.00 PM – 5.30 PM

Free

PRE REGISTRATION REQUIRED.

Register Now



[https://tinyurl.com/
CTC-8-08-26](https://tinyurl.com/CTC-8-08-26)

Commercial & Allied Laws Committee



www.ctconline.org

REGISTRATION & MANAGEMENT OF CO-OPERATIVE HOUSING SOCIETIES

Chapter XIII B- MCS Act 1960- Wef :9th Mar 2019

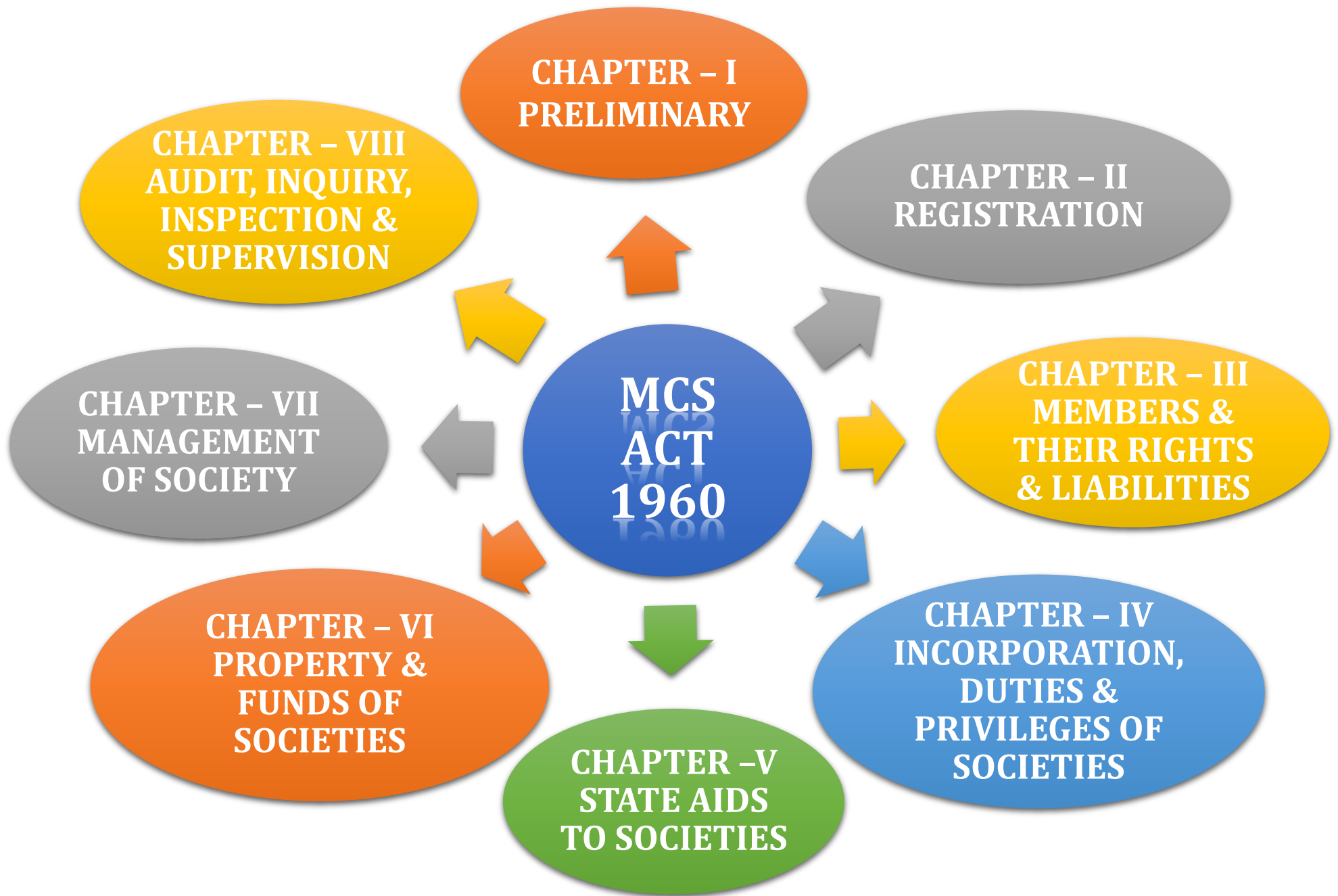
AND

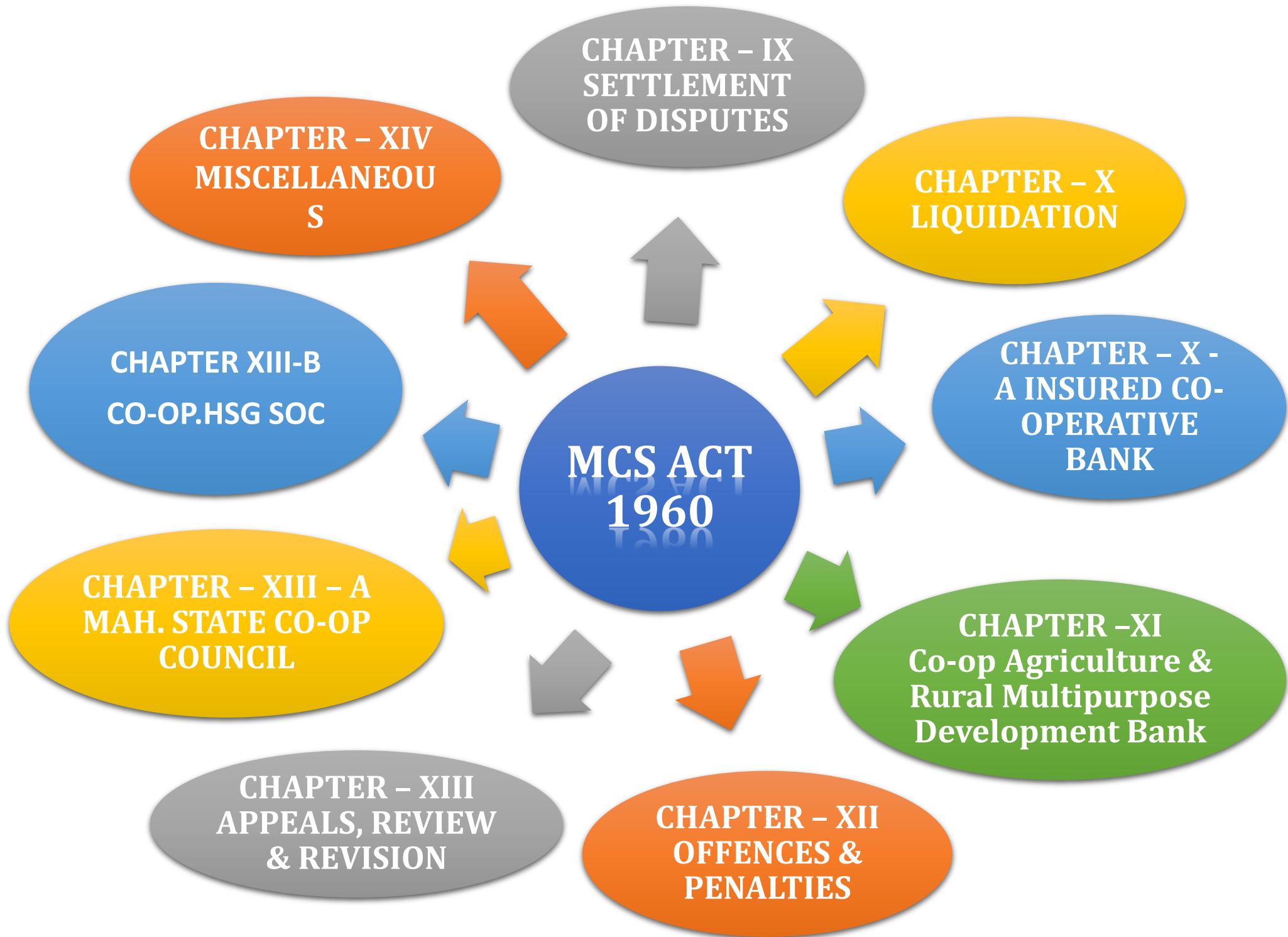
Chapter XI-B of MCS Rules, 1961 –W.E.F 18-06-2026



PRESENTATION BY:

**CA. Ramesh Prabhu , CEO, Viksit Consulting, &
Chairman, Mah. Societies Welfare Association(MahaSewa)
(M) 9820106766 /68 / rameshprabhu@viksitconsulting**





CHAPTER - XIII- B

CO OPERATIVE HOUSING SOCIETIES w.e.f 9th March, 2019

SECTION 154B – MCS Act 1960

(1) apply mutatis mutandis to the housing societies.

(2). Shall not apply to the housing societies



CHAPTER XI-B

CO-OPERATIVE HOUSING SOCIETIES

- **106C-1.** *Non-application of provisions of these Rules to housing societies.—*
- Rules 4, 19, sub-rule (1) of rule 20,
- rules 22, 25, 27, 30A,
- rules 35 to 48,
- rules 49B, 49C, 53, 53C, 63A, 66, 86A,
- rules 93 to 103 of these Rules shall not apply to the housing societies.

SEC 154B-1 DEFINITIONS

(1) **“allotee”** means a Member of a housing society to whom **a plot of land or a site, or a flat in a building or complex held by it**, is allotted by the co-operative society, or a person who has purchased a flat from the developer or competent authority and joined as a Member of the society ;

(13) **“Flat”** means block, chamber, dwelling unit, apartment, office, showroom, shop, godown, premises, suit, tenement, unit or by any other name, means a separate and self-contained part of any immovable property, including one or more rooms or enclosed spaces, located on one or more floors or any part thereof, in building or on a plot of land, used or intended to be used for any residential or commercial use such as residence, office, shop, showroom or godown or for carrying on any business, occupation, profession or trade, or for **any other type of use ancillary to the purpose specified** ;

Bombay High Court: principal direct decisions

Uday Dalal & Ors. v. Divisional Joint Registrar

Citation / date: 5 December 2025; WPL 15089/2025 with connected petition (unreported)

Sections involved: **154B-1(13); 154B-3; 154B-5**

Question of law: Whether an internally divided or subsequently described portion could be treated as a separate “**flat**” and support an additional membership beyond the sanctioned plan and registration proposal.

Ruling: The sanctioned plan and the documents foundational to registration control the recognised number and identity of flats. Section 154B-5 prevents admission of members beyond flats legally available in the society.

Ratio: Private arrangements, internal subdivisions or later descriptions cannot manufacture a statutory flat or membership inconsistent with the sanctioned plan.

SEC 154B-1 DEFINITIONS

(17) **“housing society”** means a society,
the object of which is

(i) **To provide** its Members with open plots for
housing,

dwelling houses or flats ;

or if open plots, the dwelling houses or flats are
already acquired,

(ii) To provide its Members common **amenities and
services** and

(iii) to demolish existing buildings and **reconstruct** or

(iv) to **construct additional tenements** or premises
by using potential of the land ;

Sections 154B-1(17) and 154B-31

Case

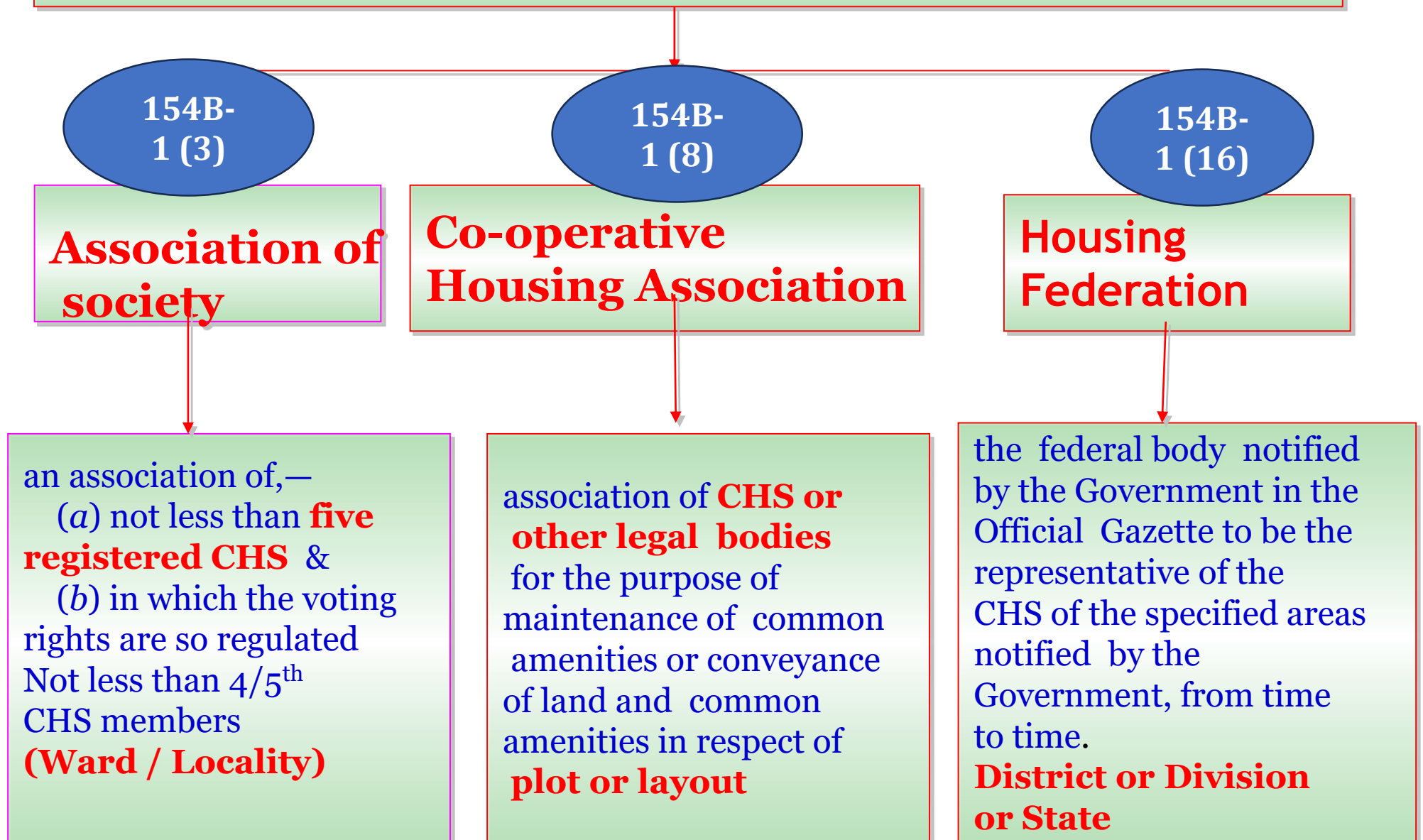
Parimal H. Solanki v. Bhoumik Co-operative Housing Society Ltd. & Ors., Interim Application (L) No. 25993 of 2022 in Suit No. 1190 of 2019, decided 6 October 2022 –Bombay High Court

Principle decided

Although the amended definition of “housing society” includes demolition, reconstruction and redevelopment, existing bye-laws do not automatically change. By virtue of Section 154B-31, the existing bye-laws continue until expressly amended. A redevelopment dispute will not automatically become a dispute concerning the “business of the society” under Section 91.

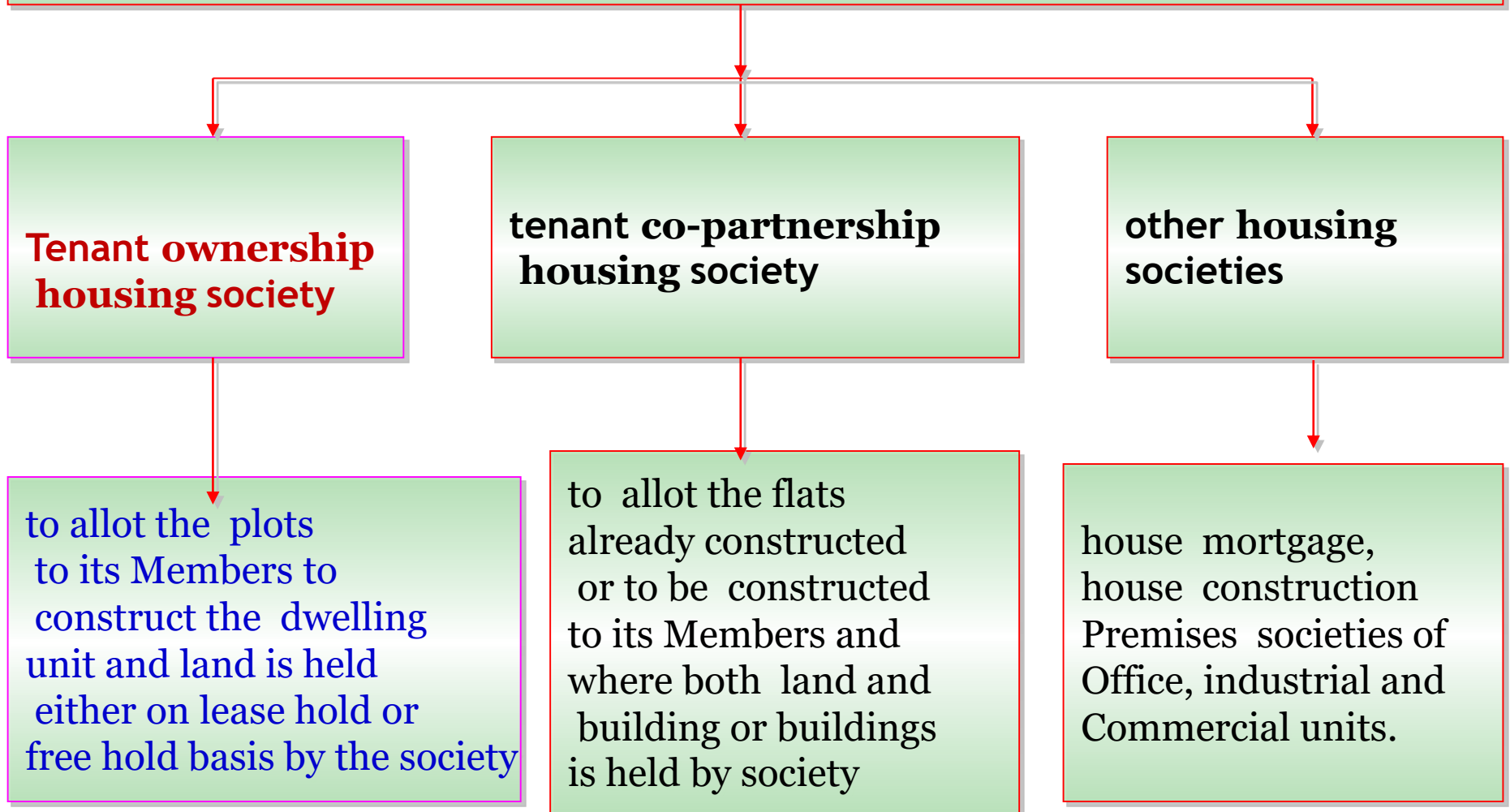
HOUSING SOCIETY-154B-1 DEFINITIONS

TYPES OF APEX SOCIETIES AS PER MCS ACT 1960



**HOUSING SOCIETY-154B-1(17): TO PROVIDE PLOTS,
DWELLING HOUSES OR FLATS OR COMMON AMENITIES &
SERVICES OR REDEVELOP THE BUILDING**

MAHARASHTRA COOPERATIVE SOCIETIES ACT, 1960



DEFINITIONS

“defaulter” :- [Section 154B-1(11)]

means a Member or flat owner or occupier who fails to pay the dues of the society within three months from the date of service of bill or notice or due date of payment, whichever is later

“dues” :- [Section 154B- 1(12)]

means the amount payable by a Member or flat owner to the society and demanded by the society by issuing bill or notice in writing and such demand is based on the provisions of this Act, rules and bye-laws of the society;

Bombay High Court: principal direct decisions

Vallabhnagar Co-op. Housing Society Ltd. v. State of Maharashtra

Citation / date: 3 February 2026; WP 461/2026 (unreported)

Sections involved: **154B-1(12); 154B-7; s.79A**

Question of law: Whether a society could treat an amount exceeding the Government-prescribed ceiling on transfer premium as “dues” and withhold transfer/membership.

Ruling: The expression “dues” means only an amount lawfully demanded under the Act, Rules and bye-laws. Since s.154B-7 is “subject to the provisions of this Act,” binding s.79A directions control the society’s demand.

Ratio: An unlawful or excessive demand does not become “dues” merely because the society bills it; s.154B-7 cannot be used to enforce a demand contrary to statutory directions.

MEMBER U/S 154B-1(18) :

FOUR TYPES OF MEMBERS. NOMINAL MEMBER IS DELETED

Member:
Person joining in an application for the registration of a hsg society which is subsequently registered, or a person duly Admitted to Membership of a society after its Registration.

(a) Associate Mem. means
(a) husband, wife,
(b) father, mother,
(c) brother, sister,
(d) son, daughter,
(e) son-in-law, daughter-in-law,
(f) nephew, niece
Who is recommended by member & Whose name is not In the share certificate.

(b) JOINT MEMBER

who holds share, right, title and interest in the flat jointly but whose name does not stand first in the share certificate.

(c) PROVISIONAL

Duly admitted as a Member of a society temporarily after death of a Member on the basis of nomination till the admission of legal heir or heirs as the Member of the society in place of deceased Member

SEC. 154B — 2 - REGISTRATION OF CO-OPERATIVE SOCIETIES

1) No tenant co-partnership housing society shall be registered under this Act, unless it consists of at least :

- (i) **five persons** (each of such persons being a Member of different family) or
- (ii) at **least fifty-one per cent. (of total number of flats** as per sanctioned plan) flat purchasers or intending Members and
- (iii) who are **qualified to become** Member under this Act, whichever is higher,
- (iv) **joins the registration** proposal of housing society to be registered.

Explanation.— For the purpose of this section, the expression “Member of a family” means a wife, husband, father, mother, dependent son or unmarried dependent daughter.

Bombay High Court: principal direct decisions

Can Enterprises Pvt. Ltd. v. State of Maharashtra

Citation / date: 27 February 2024; 2024:BHC-OS:3201; WPL 190/2023

Sections involved: **154B-2; MCS Act s.9; MOFA s.10; IBC s.14**

Question of law: Whether an IBC moratorium against the developer barred flat purchasers from obtaining registration of a co-operative society; whether alleged purchaser dues or the developer's claim to future construction justified refusal.

Ruling: Registration upheld. Formation/registration under MOFA is the fulfilment of the promoter's statutory obligation and is not a proceeding "against" the corporate debtor for IBC s.14. Purchaser dues require separate recovery proceedings; additional-construction claims fall outside the limited registration inquiry.

Ratio: A developer's insolvency, alleged contractual dues and unresolved development potential do not defeat the flat purchasers' statutory right to form a society once the registration requirements are met.

SEC. 154B – 3 - APPLICATION FOR RESERVATION OF NAME AND PERMISSION FOR OPENING BANK ACCOUNT

The application shall be signed by the **minimum number of plot or flat purchasers or owners** or intending Members as provided under foregoing section:

Provided further that, for the registration of a Association of society or co- operative housing association, such application shall be signed by **minimum number of authorized office bearers of different societies or legal bodies**, as the case may be, as provided under foregoing section.

Rule:106C-2. *Application for reservation of name and permission to open bank account.*

(1) **Every application** for the reservation of a name and permission to open a bank account for the proposed housing society shall be submitted **in Form Y-1**. The application shall be accompanied with,—

(i) **a resolution of promoters who attended the meeting** for electing and authorizing the Chief Promoter, along with the minutes of the said meeting ;

(ii) **a commencement certificate** or building completion certificate, certified by an architect, for a proposed tenant co-partnership housing society or premises society, or a copy of the tentative layout plan, certified by an architect, or **the sanctioned layout plan** for a proposed tenant ownership housing society.

Rule:106C-2. *Application for reservation of name and permission to open bank account.*

(2) **Every application for the reservation** of a name and permission to open a bank account for the proposed Association of Societies or Co-operative Housing Association shall be submitted **in Form “Y-2”**. The application must be signed by at least two authorized office bearers of each society or legal entity. The application must be accompanied with,—

(i) **a list of office bearers who attended** the general body meeting of the proposed association of societies or co-operative housing association for electing and authorizing the Chief Promoter, alongwith the minutes of said general body meeting.

(ii) a resolution from the general body meeting of **at least five societies** for the proposed Association of Societies, or a resolution from the general body meeting of at **least two societies or legal bodies** for the proposed Co-operative Housing Association, giving consent and authorizing any two office bearers to attend the general body meeting and sign the necessary documents.

(iii) a copy of the registration certificate of each individual society or legal body.

(iv) **a certificate from an architect certifying that the individual societies or legal bodies are part of the same layout or plot.**

106C-2. Application for reservation of name and permission to open bank account.

(3) The application shall be sent to the Registrar by registered post, hand delivery or electronic mode.

(4) The Registrar shall upon receiving an application under the sub-rule (1) or (2) enter the particulars into the register **maintained in Form “Y-3”**, give a serial number, and issue a receipt in acknowledgment thereof.

(5) The Registrar may allow the promoters to amend the application before reserving the name and granting permission to open a bank account.

(6) **The Registrar shall dispose off such application within thirty days of receipt.** The Registrar may grant permission for the reservation of the name and the opening of a bank account for the proposed society or the Registrar may reject the application after recording reasons therefor in writing and communicate the decision to the applicant. The permission may be subject to such conditions, if any, as specified in letter communicating such decision.

106C-3. Application for registration and registration fees

(1) **Every application for the registration of a society** under section **154B-3** shall be made **in Form 'Y-1'** in Marathi, Hindi or English within two months from the date of granting permission for the reservation of the name of proposed society and opening of a bank account.

(2) The application, subject to the provisions of section 154B-2, be signed by the Chief Promoter and shall, in addition to two copies of the proposed bye-laws of the society, be accompanied by,—

(a) a list of persons who have contributed to the share capital, together with the amount contributed by each of them, and the entrance fee paid by them ;

(b) a certificate from the bank or banks stating the credit balance in favour of the proposed society ;

(c) **a scheme showing the details explaining how the working of the society will be economically sound and**, where the scheme envisages the holding of immovable property by the society, a description of such property proposed to be purchased, acquired, or transferred to the society.

106C-3. *Application for registration and registration fees*

(2)(d) the registration fees at the following rates, namely :—

		Rs.
(i)	Tenant Ownership Housing Societies	5000
(ii)	Tenant Co-partnership Housing Societies having,	
(A)	Units or Flats Upto 25	2500
(B)	Units or Flats Upto 26-50	5000
(C)	Units or Flats Upto 51-250	7500
(D)	Units or Flats Above 250	10000
(iii)	Other Housing Societies	5000
(iv)	Housing Societies of Backward Class Persons	50
		Rs.
(v)	Housing Societies under Lok Awas Yojana	50
(vi)	Co-operative Housing Association	5000
(vii)	Association of Societies	5000

(3) The application shall be submitted to the Registrar by registered post, hand delivery or electronic mode.

SEC. 154B – 4 - ASSOCIATE, JOINT OR PROVISIONAL MEMBER

- 1) Notwithstanding anything contained in section 22, the society may admit any person as an associate, joint or provisional Member
- 2) **Right to vote and contest** the election shall be subject to the provisions of sub-sections (2), (3) and (4) of section 154B-11.

SEC. 154B – 5 - LIMIT ON MEMBERSHIP

A housing society shall not admit to its Membership persons **exceeding the number of flats or plots**, as the case may be, available for allotment in that co-operative housing society:

Provided that, **a plot owners** co-operative housing society **may admit to its Membership an organization (co-operative housing society, company, association, etc.) of flat purchasers**, in case the plot owner had constructed and sold flats as per prevailing rules, in place of original plot owner Member.

Rule :106C-4. Conditions to be complied with for admission to membership, etc.-

No person shall be admitted as a member, except associate or provisional member of a society, unless,—

- (a) he has applied in writing in the form specified in the Bye laws of the society for membership alongwith value of at least five shares and entrance fee of rupees five hundred ;
- (b) applicant has submitted, alongwith the application for membership of the Society, a certified copy of the agreement, duly stamped and registered entered into by him with the Promoter Builder or Transferor; or Registered Gift deed or any other similar legal instruments mentioned in various Acts ;
- (c) his application is approved by the committee of the society :

Provided that, if the application is made by any person as defined in section 154B-1(20) (*ii to xii*), then the application for membership shall also be accompanied by a resolution authorising it to apply for such membership.

Rule :106C-5 Application for becoming Associate Member

- (i) Any person defined in section 154B-1 (18) (a) may apply for being an Associate Member of any member **in Form Y-5A** alongwith a recommendation of a member.

- (ii) **An Associate Member ceases to be an associate member :**
 - (a) on the death of the original member or
 - (b) on the request of the original member for cancellation of Associate Membership who has made recommendation for his membership or
 - (c) on resignation or death of such Associate Member

106C-6 (1) Procedure for admission of provisional members.

- (a) After the death of any member or joint member, the nominee of such member may apply for **provisional membership in Form “Y-4”**, along with an indemnity bond indemnifying the society against any future claims regarding the shares or interest of the deceased member in the property of society. If there are more than one nominee, all nominees shall make single application.
- (b) Where a member of society dies without making a nomination, or no nominee comes forward for transfer, the society shall, invite applications from legal heirs of the deceased member for admitting as a provisional member, by publishing a notice in at least two local daily newspapers having wide circulation. Such notice shall also be exhibited on the notice board of the society.
- (c) After taking into consideration the application received and after making such inquiry as the committee deems fit in the circumstances prevailing the committee shall if it is of the opinion that a person is a legal heir or representative of the deceased member, admit any of the legal heirs as a provisional member as per the provisions of this rule. The Applicant shall make an application in Form “Y-4” for admitting as a provisional member alongwith Indemnity Bond.

106C-6 (1) Procedure for admission of provisional members.

- (d) If there are more claimants than one, they shall be asked to make an affidavit as to who should become the provisional member. The person named in the affidavit shall furnish an Indemnity Bond alongwith his application, as mentioned in sub-rule (a).
- (e) If the claimants do not come to an agreement, as to who should become the provisional member, the committee shall call upon them to produce a legal heirship certificate or succession certificate or a letter of administration from the competent court.
- (f) A provisional member shall cease to be a provisional member once the names of the legal heirs are entry on record.
- (g) A provisional member shall not have any right, title or ownership of the property and his name shall not be included on the share certificate.

106C-6(2) Procedure for Transfer on basis of family arrangement.

(a) After the death of any member or any of the joint members, the legal heirs of such member or any of the joint members may enter into a duly registered deed of family arrangement recording the terms and conditions with respect to the share, right, title, and interest in the flat held by the deceased member or joint member in the property of the society.

Explanation I.— Family Arrangement means an arrangement or settlement reached between the legal heirs or representative of the deceased member of the society.

(b) The legal heirs shall thereafter make an application in Form Y-5 to the society, along with the duly registered deed of family arrangement and an indemnity bond indemnifying the society against any claims made to the shares, right, title, or interest in the flat of the deceased member or joint member in the property of the society at any time in the future, by any person.

106C-6(2) Procedure for Transfer on basis of family arrangement.

(c) The committee shall, after receipt of the application, immediately publish a public notice in two daily local newspapers having wide circulation, inviting any claims or objections regarding the proposed transfer of shares, right, title, and interest in the flat held by the deceased member or joint member. Such notice shall also be exhibited on the notice board of the society.

(d) If no claim or objections are received within a prescribed time period, the committee may transfer the share, right, title and interest in the flat of the deceased member or joint member to the legal heirs as provided in the duly registered family arrangement.

(e) If any claims or objections are received from any person claiming to be the legal heir of the deceased member or joint member or having any dispute pertaining to the duly executed family arrangement, then the committee shall not transfer the right, title or interest of the deceased member and inform such legal heirs to obtain a legal heirship certificate or a letter of administration from the court of competent jurisdiction.

SEC. 154B – 6 - CO-OPERATIVE EDUCATION AND TRAINING TO MEMBERS, ETC.

Every society may organize cooperative education and training, for its Members, officers and employees through such State federal societies or the State Apex Training Institutes, as the State Government may, by notification in the Official Gazette, specify. Such education and training shall,—

- (i) ensure the effective and active participation of the Members in the management of the society;
- (ii) Groom talented employees for effective management

SEC. 154B – 6 - CO-OPERATIVE EDUCATION AND TRAINING TO MEMBERS, ETC.

- (iii) Develop professional skills through Co-operative education and training
- (2) Every Member of the Committee, whether elected or co-opted, may undergo such co-operative education and training.
- (3) (a) Co-operative societies specified by Government shall contribute annually towards the Co-operative Education and Training Fund, within such period and at such rates as may be prescribed and different rates may be prescribed for different societies or classes of societies and such contribution shall be paid in the manner as may be prescribed.

(b) The Co-operative Education and Training Fund shall be used for the purpose of promotion of co-operative movement in the State by way of education of the Members and training of officers of the co-operative societies on co-operative principles and management practices, and for the training and incidental expenses borne by the institutions notified under sub-section (1).

(c) The Co-operative Education and Training Fund shall be administered, utilised, maintained and audited, in the manner as may be prescribed, by such Authority or the Institution as may be notified by the State Government, in this behalf.

Rule :106C-7. Co-operative education and training for members, officers, and employees of housing societies.

(1) Every Co-operative Housing Society, Association of Societies, or Co-operative Housing Association shall organize annual education and training programs for its members, officers, and employees through the State Federal Society or the State Apex Training Institutes notified by the State Government.

(2) Every co-operative housing society shall contribute rupees ten per member per month to the Co-operative Education and Training Fund, and every Co-operative Housing Association or Associations of societies shall contribute rupees one thousand annually to this fund. Such contributions shall be collected annually and used within the financial year, or the following year, for training programmes.

(3) As far as possible period of education and training shall be,—

- (a) for member at least one session of three hours, annually,
- (b) for members of committee, office bearer and employees at least two sessions of three hours, annually.

Rule :106C-7. Co-operative education and training for members, officers, and employees of housing societies.

(4) The State Federal Society or the State Apex Training Institute notified by the State Government shall arrange to cater the co-operative education and training to the members, officers and employees of the Co-operative Housing Society, Association of Societies, or Co-operative Housing Association.

(5) The State Federal Society or State Apex Training Institutes to be notified by the State Government shall have,-

- (a) registration under the provisions of the Act or any other Act ;
- (b) a State wide operational area;
- (c) provisions in their bye-laws for providing co-operative education and training to the members, officers and employees of the society;
- (d) adequate infrastructure to provide co-operative education and training to the societies;
- (e) qualified teaching and non-teaching staff; and
- (f) adequate experience in the field of imparting co-operative education and training.

(6) The societies shall, every year make provision and contribute to Co-operative education and training fund of the notified State Federal Societies or State Apex Training Institutes.

SEC. 154B – 7 - RESTRICTION ON TRANSFER OF SHARE OR INTEREST OF A MEMBER

Subject to the provisions of this Act, in case of a housing society, no transfer of share or interest of a Member or the occupancy right, except the transfer of his heir or a nominee, shall be effective unless,-

- (a) the dues of housing society are paid;
- (b) the transferee applies and acquires Membership of the co-operative housing society in due course of time:

Provided that, the transfer of share or interest in respect of lease hold properties shall be governed by the terms of the lease, which are not inconsistent with lease of land to the co-operative housing society or with lease by housing society to its Members.

Explanation.— For the purpose of this section, occupancy right shall not include right of a tenant or a licensee on leave and license basis.

Bombay High Court: principal direct decisions

Tanvis Diamoda CHS Ltd. v. State of Maharashtra

Citation / date: 20 November 2025; WP 8631/2025 (unreported)

Sections involved: 154B-7; 154B-12; s.22(2); s.91; 154B-29

Question of law: Whether an auction purchaser could obtain society membership without clearing admitted arrears attached to the flat.

Ruling: Where dues are admitted and definite, s.154B-7 is mandatory: transfer is not effective in society records until dues are paid and membership is acquired. Section 154B-12 recognises transfer by registered document but operates with s.154B-7.

Ratio: Ownership under the sale/auction instrument and society membership are distinct. A society may insist on admitted statutory dues; disputed/uncrystallised claims must first be adjudicated under s.91 or s.154B-29.

SEC. 154B – 8 - RIGHTS OF MEMBERS TO INSPECT THE DOCUMENTS

- 1) Every Member of a society shall be entitled to inspect free of cost, at the society's office during office hours or any time fixed for the purpose by the society,
 - (1) copy of the Act,
 - (2) the rule and the bye-laws,
 - (3) the last audited annual balance sheet,
 - (4) the profit and loss account,
 - (5) a list of members of the committee,
 - (6) a register of members,
 - (7) the minutes of general meetings,
 - (8) minutes of committee meetings and
 - (9) those portions of the books and records in which his transactions with the society has been recorded.

SEC. 154B – 8 - RIGHTS OF MEMBERS TO INSPECT THE DOCUMENTS

- 2) A society shall furnish to a Member, on request in writing and on payment of such fees at such rate as may be decided by the Registrar, from time to time, the copies of any documents mentioned in the foregoing sub-section **within forty-five days** from the date of payment of such fees and when the Society is assisted by the Government in the form of share capital, loan and land, the said Society shall furnish such information within **thirty days** from the date so requested by a member.

SEC. 154B – 8 - RIGHTS OF MEMBERS TO INSPECT THE DOCUMENTS

146. Offences : It shall be an offence under this Act, if

(p-2) any officer or past officer or Member or past Member of the Committee of the housing society fails to supply the copies of the documents as provided under sub-section (2) of section 154B-8 or

147. Punishments for offences under section 146 –

Every society, officer or past officer, member or past member, employee or past employee of a society or any other person who commits an offence under section 146 shall ,on conviction, be punished,-

(p-2) if it is an offence under clause (p-2) of that section , with a fine of Rs.100/- per day of delay which may extend to five thousand rupees;

Rule :106C-8. Nomination of persons.

(1) A member or joint member of a co-operative housing society may nominate any person or persons for provisional membership by submitting the prescribed nomination form, as outlined in the society's bye-laws. The nomination form must be signed by the member submitted to the society during their lifetime. In case of Joint members, separate nomination form shall be submitted for each member for their respective share.

(2) Any nomination made may be revoked or varied by submitting a new nomination form, by following procedure specified in the society's bye-laws.

Bombay High Court: principal direct decisions

Shahid Tamboli v. Divisional Joint Registrar

Citation / date: 20 July 2023; 2023 SCC OnLine Bom 1479; WP 5096/2022

Sections involved: **154B-8(2); 154B-23(1)(iii)**

Question of law: Whether delayed/non-supply of enumerated documents could disqualify committee members; whether substantial compliance excused default.

Ruling: The petition against five-year disqualification was dismissed on facts showing no substantial compliance. The 45-day obligation is imperative, though disqualification is not automatic on day 46: the Registrar must inquire, fix responsibility and consider bona fides/justification.

Ratio: Transparency is a core governance obligation. Serious and unexplained default after opportunity can attract s.154B-23; minor delay or genuine substantial compliance must be assessed before imposing the severe consequence.

Bombay High Court: principal direct decisions

Shri Vaibhav Wasudev Bhalavi v. State of Maharashtra

Citation / date: 20 October 2021; WP 6969/2021

Sections involved: **154B-8; 154B-23; natural justice**

Question of law: Whether committee members could be disqualified through a procedurally defective proceeding, including an impossible hearing notice and shortened statutory time.

Ruling: The High Court interfered with the order. A five-year disqualification carrying serious civil consequences requires a lawful notice, realistic hearing and faithful observance of the statutory period and natural justice.

Ratio: Even where transparency duties are strict, the Registrar cannot impose disqualification through a fundamentally unfair or mechanically conducted process.

Bombay High Court: principal direct decisions

Shashikant M. Raman v. Joint Registrar

Citation / date: 1 July 2026; WP 7757/2026

Sections involved: **154B-8; 154B-23; 154B-27**

Question of law: Whether tender of copying charges by cheque triggered the 45-day period, and whether belated delivery to the Registrar amounted to compliance.

Ruling: Where the society chose not to encash a valid tendered cheque, it could not rely on non-payment. Repeated refusal to give committee minutes, followed by belated supply to the Registrar rather than the member, was not substantial compliance; disqualification was sustained.

Ratio: The statutory duty is to furnish the member, not merely deposit papers with the authority. Deliberate obstruction defeats the transparency object of s.154B-8.

SEC. 154B – 9 - REMOVAL OF A MEMBER

When any question arises in respect of a Membership of a person as to whether he has been duly

(a) admitted to the Membership of society or

(b) has been admitted in violation of the provisions of this Act, rules and bye-laws,

(i) the Registrar *suo motu* or

(ii) on an application

(iii) shall decide such question within three months from the date of application and if he is satisfied that the person has been admitted as Member in violation of provisions of this Act, rules and bye-laws, pass an order to remove such person from Membership, but no such order adverse to any such Member shall be given without giving him an opportunity of being heard.

SEC. 154B – 10 - RIGHTS AND DUTIES OF MEMBER

- 1) A Member shall be entitle to exercise such rights as provided under this Act, rules and bye-laws.
- 2) Every Member of a housing society, whether registered before or after the commencement of the Maharashtra Co-operative Societies (Amendment) Act, 2019, to whom plot of land or dwelling units have been allotted, shall be issued certificate of allotment by the co-operative housing society under its seal and signature in such form as may be prescribed subject to the provisions of the Transfer of Property Act, 1882 or the Registration Act, 1908, any allotment (including re-allotment), of a plot of land or dwelling unit in a building of a co- operative housing society to its Member as per terms of allotment shall entitle such Member to hold such plot of land or dwelling unit with such title, right and interest, as the case may be.

SEC. 154B – 10 - RIGHTS AND DUTIES OF MEMBER

- 3) Except when there is a contract to the contrary, a Member of co- operative housing society shall not be entitle to any title or interest in any plot of land or dwelling unit in a building of a co- operative housing society until he has made such payment as may be specified by the co-operative housing society towards the cost of such plot of land or, construction of such dwelling unit, as the case may be, to the co-operative housing society.
- 4) No Member shall be eligible for being appointed, nominated, elected, co-opted or for being a Member of a Committee, if he is a defaulter of the society.

SEC. 154B – 10 - RIGHTS AND DUTIES OF MEMBER

- 5) (i) It shall be the duty of the Member of the society to pay the dues of the society within time as decided by society in its general meeting.
- (ii) Member shall vacate the flat when required for redevelopment of the building or buildings of the society as decided in its general meeting.
- (iii) Member shall perform his duties as provided in this Act, rules and bye-laws.

- (6) The Associate Member shall have right to contest the election to the Committee with prior written consent of a Member.
- (7) Any action contemplated against the original Member in the Act shall be applicable to such an Associate Member.

SEC. 154B – 11 - VOTING RIGHTS OF MEMBER

- (1) No Member of society shall have more than one vote in its affairs : Provided that, every right to vote shall be exercised personally : Provided further that, in the case of an equality of votes, the Chairman shall have a casting vote in the meeting of a society.
- (2) The Associate Member shall have right to vote with prior written consent of a Member.
- (3) The provisional Member shall have right to vote.

SEC. 154B – 11 - VOTING RIGHTS OF MEMBER

- (4) In case of joint Member the person whose name stands first in the share certificate, shall have right to vote. In his absence, the person whose name stands second, and in the absence of both, the person whose name stands next and likewise, who is present and who is not a minor, shall have right to vote.
- (5) In case of Association of society, authorised Member of member society shall have right to vote.
- (6) In case of company or firm or any other body corporate or local authority or any legal body constituted under any law for the time being in force, the authorised director or person or any one of the partners as appointed by the firm, shall have right to vote

SEC. 154B – 12 - TRANSFER OF SHARE, RIGHT, TITLE AND INTEREST

- A Member may transfer his share, right, title and interest of his property in the society by way of registered document by following the due procedure as provided in the rules or bye-laws.

SEC. 154B – 13 - TRANSFER OF INTEREST ON DEATH OF A MEMBER

On the death of a Member of a society, the society shall transfer share, right, title and interest in the property of the deceased Member in the society to a person or persons on the basis of testamentary documents or succession certificate or legal heirship certificate or document of family arrangement executed by the persons, who are entitled to inherit the property of the deceased Member or to a person duly nominated in accordance with the rules:

Provided that, society shall admit nominee as a provisional Member after the death of a Member till

SEC. 154B – 13 - TRANSFER OF INTEREST ON DEATH OF A MEMBER

legal heir or heirs or a person who is entitled to the flat and shares in accordance with succession Law or under will or testamentary document are admitted as Member in place of such deceased Member :

Provided further that, if no person has been so nominated, society shall admit such person as provisional Member as may appear to the Committee to be the heir or legal representative of the deceased Member in the manner as may be prescribed.

106C-8. Nomination of persons.

(1) A member or joint member of a co-operative housing society may nominate any person or persons for provisional membership by submitting the prescribed nomination form, as outlined in the society's bye-laws. The nomination form must be signed by the member submitted to the society during their lifetime. In case of Joint members, separate nomination form shall be submitted for each member for their respective share.

(2) Any nomination made may be revoked or varied by submitting a new nomination form, by following procedure specified in the society's bye-laws.

Section 154B-13

Case

Vipul Fatechand Shah v. Deputy Registrar, Co-operative Societies, Mumbai & Ors., W.P. No. 9027 of 2022, decided 6 April 2023

Principle decided

On the death of a member, the society must deal with transfer of the deceased member's share, title and interest on the basis of testamentary documents, succession certificate, legal-heirship certificate, family arrangement or valid nomination. A nominee is ordinarily admitted only as a provisional member until the person legally entitled to the flat is established.

Section 154B-13

Case

Bima Nagar Co-operative Housing Society Ltd. v. Divisional Joint Registrar, Co-operative Societies & Ors., W.P. No. 10768 of 2024, decided 23 September 2024

Principle decided

A relinquishment or release deed executed by members of the deceased member's family can constitute a “family arrangement” for purposes of transfer of membership. The expression is not confined only to Hindu Undivided Families

Bombay High Court: principal direct decisions

Karan Vishnu Khandelwal v. Chairman, Vaikunth CHS

Citation / date: 8 December 2022; WP 12468/2022

Sections involved: **154B-1(18)(c); 154B-13**

Question of law: What status and rights a registered nominee obtains after the member's death.

Ruling: A duly recorded nominee may be admitted only as a provisional member pending admission of the person entitled under succession law, will or testamentary document.

Ratio: Nomination facilitates society administration and representation; it does not finally determine beneficial title or displace succession law.

Bombay High Court: principal direct decisions

Hon. Secretary/Chairman, Mahim Makarand CHS Ltd. v. State of Maharashtra

Citation / date: 13 February 2024; 2024:BHC-AS:8321; WP 10029/2019

Sections involved: **154B-13; relevant bye-law on nomination**

Question of law: Whether nominees had also to produce a succession certificate before being admitted when a valid nomination was already recorded.

Ruling: The alternatives in s.154B-13 are disjunctive. Once a nomination is validly registered, the society must admit the nominee provisionally; that entry binds society administration but does not determine title among heirs.

Ratio: A society cannot convert provisional admission of a nominee into an adjudication of succession, nor demand every alternative document listed in s.154B-13 cumulatively.

Bombay High Court: principal direct decisions

Satyajeet Devidas Bade v. Deputy Registrar

Citation / date: 14 January 2026; WP 16377/2025 (unreported)

Sections involved: **s.22(2); 154B-13**

Question of law: Could the Registrar grant deemed membership by relying for the first time on an alleged will that was never part of the application before the society?

Ruling: No. The original claim before the society defines the scope of the proceeding. The orders were set aside, with liberty to make a fresh will-based application and with a full hearing to competing heirs.

Ratio: The Registrar cannot enlarge a membership claim by introducing a new testamentary foundation at the appellate/deemed-membership stage; procedural fairness under s.154B-13 is mandatory.

SEC. 154B – 14 - CHARGE OF SOCIETY IN RESPECT OF SHARE AND INTEREST OF MEMBER

A society shall have a charge upon share and interest of a Member or past Member or deceased Member to the extent of dues payable by such Member to the society.

SEC. 154B – 15 - CREATION OF FUNDS

Every society shall create such funds as may be prescribed and also such other funds as it may, from time to time, decide.

106C-11. Creation of funds:

The society may establish and maintain the following funds, as approved by the general body, namely :—

(1) Reserve fund.— The society shall establish reserve fund which shall consist of,—

- (a) all entrance fees received by the society from its members ;
- (b) all transfer fees or charges or premium received by the society from its members on transfers of membership ;
- (c) the amounts allocated to this fund from the net profit or surplus of that year, in accordance with the provisions of sub-sections (1) and (2) of section 66 ;
- (d) all donations received by the society, except those designated for specific purposes.

(2) Sinking fund.—The Society shall establish Sinking Fund which shall consist of contributions collected from its members at a rate determined in the general body meeting, subject to a minimum of 0.25 per cent. per annum of the construction cost of each flat, incurred during the building's construction and certified by the Architect. This fund shall be used for heavy repairs, as approved by the general body.

106C-11. Creation of funds:

(3) Repair and maintenance fund.—The Society shall establish Repair and Maintenance Fund which shall consist of contributions collected from its members at a rate fixed in the general body meeting, subject to a minimum of 0.75 per cent. per annum of the construction cost of each flat, incurred during the construction of building and certified by the Architect. This fund shall cover expenses for routine recurring repairs of the buildings or properties of the Society.

(4) Major repair fund.— The Society shall establish Major Repair Fund which shall consist of contributions collected from its members at a rate fixed *pro-rata* on an area basis, as and when required, and decided by the general body. The Major Repair Fund shall be used for significant repair and maintenance work on the society's building and property.

(5) Education and training fund.— The Society may establish Education and Training Fund which shall consist of contributions collected from its members.

106C-11. Creation of funds:

(6) Election Fund.— The Society shall establish election fund which shall consist of contributions collected from its members. The society shall collect contributions equally from all members for conducting elections of the managing committee, as decided by the general body.

(7) Welfare Fund.— The Society may establish Welfare Fund which may consist of voluntary contributions collected from its members. The welfare fund may be used for social, cultural and recreational activities organized by the society.

(8) Corpus fund.— The Society may maintain Corpus Fund.

(9) Any other funds with permission of the general body.— The Society may establish any other additional funds for specific purposes with contributions collected equally from all members, subject to approval of general body.

SEC. 154B – 16 - LEVY OF CHARGES BY THE SOCIETY

Every society shall levy the charges as prescribed towards its such funds created under section 154B - 15.

SEC. 154B – 17 - INVESTMENT OF FUNDS

A society shall invest or deposit its funds in one or more of the following:—

a) in a District Central Co-operative Bank, the State Co-operative Bank, having awarded at least “A” Audit Class in last three consecutive years, if no such Central Co-operative Bank is available in district, then any Nationalised Bank

106C-12. Levy of charges.

(1) The contributions to be collected from the members or unit holders of the society, for the funds and the rates specified therein are as follows, namely :-

- (a) service charges ;
- (b) property tax ;
- (c) water charges ;
- (d) expenses on repairs and maintenance of the lifts of the society, including charges for running the lift or installation of new lifts ;
- (e) car parking charges ;
- (f) interest on defaulted charges ;
- (g) repayment of the installment of the loan and interest ;
- (h) non-occupancy charges ;
- (i) insurance charges ;
- (j) lease rent ;
- (k) non-agricultural tax ;
- (l) contribution towards various funds created by the society ;
- (m) any other charges approved by the general body at its meeting, however such charges should not contradict the provisions of the Act and rules.

106C-12. Levy of charges.

(2) The service charges of the society referred to in sub-rule (1) above shall include the following, namely :—

- (a) salaries of the office staff, lift men, watchmen, mali's, and any other employees of the society ;
- (b) where the society has an independent office, the property taxes, electricity charges, water charges, etc., for the same ;
- (c) printing, stationery and postage ;
- (d) travelling allowance and conveyance charges to the staff and the members of the committee of the society ;
- (e) sitting fees paid to the members of the committee of the society ;
- (f) annual subscription of the housing federation and any other cooperative institution to which the society is affiliated ;
- (g) entrance fees for affiliation to the housing federation and any other cooperative institution;
- (h) audit fees for internal, statutory, re-audit, and test audit, if any ;
- (i) expenses incurred at meetings of the general body, the committee, and the sub-committees, if any ;
- (j) retainer fees, legal charges and territory enquiry fees ;
- (k) common electricity charges.

106C-12. Levy of charges.

- *(4) Share of charges.*— The committee shall apportion the share of each member or unit or flat holder towards the charges on the society on the following basis.—

Sr. No.	Charges	Nature of apportion
(1)	(2)	(3)
1.	Service charges	equally divided by number of units or flats.
2.	Property tax	As fixed by the local authority and for common area on the basis of carpet area of each unit or flat.
3.	Water charges	on the basis of total number and size of inlets or taps provided in each flat as per the sanctioned building plan by the competent authority.
4.	Expenses on repairs and maintenance of the lift of the society including charges for running the lift or installation of new lift	on the basis of unit or flat, equally divided by the number of units or flats of the building in which lift is provided.
5.	Car parking charges	at the rate fixed by the general body
6.	Interest on defaulted charges	at the rate fixed by the general body not exceeding simple interest 12% per annum.
7.	Repayment of the installment of the loan and interest	the amount of each installment with interest as fixed by the financial agency.
8.	Non-occupancy charges	10% of service charges.

Sr. No.	Charges	Nature of apportion
9.	Insurance charges	as per the carpet area of each flat: Provided that if there is increase in the insurance premium due to storing any specific goods in any flat or unit used for commercial purposes than the extra burden of insurance premium shall be shared by those who are responsible for such increased premium in the proportion of the carpet areas to their flats.
10.	Lease rent	the carpet area of each unit or flat
11.	Contribution towards	
	(i) Sinking fund	At the rate fixed by the general body subject to minimum 0.25% per annum of the construction cost of each flat or unit
	(ii) Repair and maintenance fund	At the rate fixed by the general body subject to minimum 0.75% per annum of the construction cost of each flat or unit
	(iii) Major repair fund	The carpet area of each flat/ unit.
	(iv) Education and training fund	Ten rupees per member or as per the rates fixed by the Government for each member, from time to time whichever is higher.
	(v) Election fund	Equally by members
	(vi) Welfare fund	Voluntarily by members
	(vii) Any other fund	Equally by members
	(viii) Amenities charges	Equally by members.
	(ix) Playground, garden, jogging track	Equally by members.

SEC. 154B – 17 - INVESTMENT OF FUNDS

(b)in any of the securities specified in section 20 of the Indian Trusts Act, 1882 ;

(c)in the shares, or security bonds, or debentures, issued by any other society with limited liability;

(d)in any other mode permitted by the rules, or by general or special order issued in that behalf by the State Government

SEC. 154B – 18 - UTILIZATION OF FUNDS

Funds mentioned in foregoing sections shall be utilized for the purpose as may be specified in by-laws of the society :

Provided that, the corpus fund may be utilized for the purpose as may be decided in the general meeting of the society.

SEC. 154B – 19 - CONSTITUTION OF COMMITTEE

(1) Committee shall consist of such number of Members as may be decided by the State Government by notification or special order,

(2) The committee of the society shall stand constituted on the date of declaration of result of election to the Committee by returning officer where more than two third of the Committee Members of the strength as may be decided by the Registrar, from time to time, have been elected :Provided that, in case two thirds is a fraction, it shall be rounded off to next higher number.

SEC. 154B – 19 - CONSTITUTION OF COMMITTEE

(3)The term of the office of the elected Members of the Committee and its office bearers shall be five years from the date of first meeting of newly constituted Committee and the term of the office bearers shall be co-terminus with the term of the Committee.

(4)Any casual vacancy in the Committee may be filled by co-option and term of the co-opted Member shall be co-terminus with the term of the Committee.

Bombay High Court: principal direct decisions

Suresh Agarwal v. Sudhir Agarwal

Citation / date: 5 December 2025; WP 16085/2025 with connected petitions

Sections involved: **154B-19; 154B-22; Rule 74; ss.77A and 78**

Question of law: How “more than two-thirds” elected strength, co-option and unfilled reserved seats affect constitution and continued validity of the committee.

Ruling: The sanctioned strength is fixed by Government/Registrar. More than two-thirds elected membership is the controlling threshold; co-option cannot replace the electoral mandate and is limited. Section 154B-22 excludes unavailable reserved seats for meeting quorum, not generally for committee constitution.

Ratio: The committee must retain the minimum democratically elected strength during its tenure; falling below it creates a statutory stalemate calling for intervention under ss.77A/78.

SEC. 154B – 20 - RESERVATION OF CERTAIN SEAT ON COMMITTEE OF SOCIETIES AND ELECTION THERE TO

- 1) Notwithstanding anything contained in this Act or in the rules made there under or in any bye-laws of any society, on the Committee of such society or class of societies as the State Government may, by general or special order, direct, three seats shall be reserved for,—
 - (a) one Member belonging to the
Scheduled Castes or Scheduled Tribes
;
 - (b) one Member belonging to the Other
Backward Classes ; and

SEC. 154B – 20 - RESERVATION OF CERTAIN SEAT ON COMMITTEE OF SOCIETIES AND ELECTION THERE TO

- (c) one for the Member belonging to the De-notified Tribes (Vimukta Jatis), Nomadic Tribes or Special Backward Classes.
- (2) Any individual Member of the society, or any elected Member of the Committee or a Member society or any Member of the Committee of the Member society, whether elected, co-opted or appointed under this section, belonging to the Scheduled Castes or Scheduled Tribes, or Other

SEC. 154B – 20 - RESERVATION OF CERTAIN SEAT ON COMMITTEE OF SOCIETIES AND ELECTION THERETO

Backward Classes or De-notified Tribes (Vimukta Jatis) or Nomadic Tribes or Special Backward Classes, shall be eligible to contest the election to a reserved seat and every person who is entitled to vote at the election to the Committee shall be entitled to vote at the election to any such reserved seat.

Explanation.—For the purposes of this section,—

SEC. 154B – 20 - RESERVATION OF CERTAIN SEAT ON COMMITTEE OF SOCIETIES AND ELECTION THERETO

- (a) a general or special order, if any, issued by the State Government under section 73-B as existed before the date of commencement operative Societies (Amendment) Act, 1983, shall be deemed to have been issued under sub-section (1) of this section and shall continue to be in force until duly repealed or amended;

SEC. 154B – 20 - RESERVATION OF CERTAIN SEAT ON COMMITTEE OF SOCIETIES AND ELECTION THERETO

- (b) the expression “Scheduled Castes” includes “Nav-Boudhas”; De-notified Nomadic Tribes (Vimukta Jatis) and Tribes and Special Backward
- (c) the expression “Other Backward Classes, Classes” means such classes or parts of or groups within such classes as are declared, from time to time, by the State government to be Other Backward Classes, De-notified Tribes (Vimukta Jatis) and Nomadic Tribes and Special Backward Classes.

SEC. 154B – 21 - RESERVATION FOR WOMEN

- (1) Notwithstanding anything contained in this Act or in the rules made there under or in any bye-laws of any society, there shall be two seats reserved for women on the Committee of each society consisting of individuals as Members and having Members from such class or category of persons, to represent the women Members.
- (2) Any individual woman Member of the society, or any woman Member of the Committee of Member-society, whether elected, co-opted or nominated, shall be eligible to contest the election to the seat reserved under section sub-section (1).
- (3) Nothing in this section shall apply to a Committee of a society exclusively of women Members.

SEC. 154B – 21 - RESERVATION FOR WOMEN

nominated, shall be eligible to contest the election to the seat reserved under sub-section (1).

3) Nothing in this section shall apply to a Committee of a society exclusively of women Members.'

SEC. 154B – 22 - GENERAL PROVISIONS FOR STRENGTH OF THE COMMITTEE FOR QUORUM

Till the time the Members of reserved categories are not available or elected to fill the reserved seats as provided in sections 154B-20 and 154B-21, such reserved seats shall not be counted for strength of managing Committee for composition of quorum for conducting its meetings

SEC. 154B – 23 - DISQUALIFICATION OF COMMITTEE AND ITS MEMBERS

- (1) Without prejudice to the other provisions of this Act or the rules made there under, in relation to the disqualification of being a Member of the Committee, no person shall be eligible to be appointed, nominated, elected, co-opted for being a Member of Committee,—
- (i) if he is a defaulter of any society, or
 - (ii) if he carries on business of letting, subletting and selling of flats in the housing society of which he is a Member, or

SEC. 154B – 23 - DISQUALIFICATION OF COMMITTEE AND ITS MEMBERS

(ii) If he has been held responsible under Section 79, 88, 154 B-8(2) or 154 B-27, or

(iii) for payment of cost of enquiry under section 85, or

(iv) if he has incurred any disqualification under this Act or the rules made there under, or

(v) If he has incurred any disqualification similar to that mentioned in the provisions of clause (vii), (viii) or (ix) of clause (f) of subsection (1) of section 73CA.

SEC. 154B – 23 - DISQUALIFICATION OF COMMITTEE AND ITS MEMBERS

- (2) A Member, who has incurred any disqualification under sub-section (1), shall cease to be a Member of Committee and his seat shall thereupon be deemed to be vacant.
- (3) A Member of a Committee who has ceased to be a Member thereof, on account of having incurred disqualification under clause (ii), (iii), (iv) or (v) of sub-section (1), shall not be eligible to be re-elected, re-co-opted or re-nominated as a Member of Committee for five years from the

SEC. 154B – 23 - DISQUALIFICATION OF COMMITTEE AND ITS MEMBERS

date on which he or she has so ceased to be a Member of the Committee.

(4) A Member of a Committee who has ceased to be a Member thereof, on account of having incurred disqualification other than disqualifications, referred to in sub-section (3), shall, unless otherwise specifically provided in this Act, be eligible to be re-elected, re-co-opted or re-nominated as a Member of Committee as soon as such disqualification ceases to exist

Sections 154B-8(2) and 154B-23

Case

Shahid Tamboli & Ors. v. Divisional Joint Registrar, Co-operative Societies & Ors., Bombay High Court, 2023

Principle decided

The Court considered the obligation of a housing society to supply documents and information to members, and the consequences of failure to comply within the prescribed period. The Court recognised that substantial compliance may be relevant, but deliberate refusal or failure to provide the required documents may result in disqualification of committee members.

SEC. 154B – 24 - MOTION OF NO CONFIDENCE AGAINST OFFICERS OF SOCIETY

- (1) An officer who holds office by virtue of his election to that office shall cease to be such officer if a motion of no confidence is passed at a meeting of a Committee by not less than two third majority of the Committee Members who are present and entitled to vote at such meeting and his office shall thereupon be deemed to be vacant.

The provisions of sub-sections (2) to (7) of section 73ID shall apply mutatis mutandis to such motion.

SEC. 154B – 25 - MANAGEMENT OF HOUSING SOCIETY, HOUSING COMPLEX, HOUSING ASSOCIATION OR HOUSING FEDERATION

Management of housing society, housing complex housing association or housing federation ,shall be carried out in the manner as may be prescribed.

106C-13. Management of housing societies.

(1) Adoption and governance by Model Bye-laws.—

(a) The management of every housing society, association of society, or co-operative housing association shall be governed by the bye-laws of the society approved by the Registrar. Bye-laws of the society shall form the core governance framework for the society.

(b) The Registrar of Co-operative Societies shall issue the model bye-laws for the housing society, Association of Societies and Co-operative Housing Association.

(c) Every housing society, Association of Society, or Co-operative Housing Association may adopt the model bye-laws within three months from the date of their publication through the Registrar.

(2) Duties and functions of Managing Committee.—

(a) The Managing Committee shall execute decisions taken by the general body, prepare the annual budget, maintain financial records and ensure timely audits, repairs and maintenance of the property of the society.

(b) The committee may with the approval of the general body, appoint professionals such as architects, contractors, etc., for projects of the society and for the purposes of the society.

(c) The committee shall also ensure that the society adheres to the model bye-laws adopted by it and perform duties as per the model bye-laws.

106C-13. Management of housing societies.

(3) General Body,—

(a) The general body shall be the supreme decision-making authority in the society and its decisions are binding on the managing committee, which is responsible for implementing them.

(b) The general body shall have the power to resolve matters that fall within its jurisdiction as per the Act, rules, bye-laws and Government directives issued under section 79A of the Act and directions issued by the Registrar under section 154B-21 of the Act :

Provided that, the participation of members in a general body meeting may be either in person or through video conferencing or other audio visual means, to be provided by the society, which are capable of recording and recognising the participation of the members and storing the proceedings of such meeting along with date and time.

106C-13. Management of housing societies.

(3) General Body,—

(c) The annual general body meeting (AGM) shall be held every year as per the provisions of section 75 of the Act.

(d) The notice and the agenda of the annual general body meeting (AGM) shall be in accordance with the provisions of the Act and the bye-laws.

(e) The quorum for the general body meeting (AGM or SGM) shall be two-third of the total members or twenty members, whichever is less.

(f) If there is no quorum, within half an hour after the time appointed for general body meeting of the society, the meeting, if convened upon the requisition of the members, shall be dissolved. In any other case, it shall be adjourned to a later hour on the same day and at the same place, as may have been specified in the notice, calling the general body meeting of the society or to a subsequent date, not earlier than seven days and not later than thirty days and at such adjourned general body meeting, the business on the agenda of the original general body meeting shall be transacted, whether there is requisite quorum or not.

(g) Decisions at the general body meeting (AGM) shall be passed by a majority vote of fifty-one per cent of the total members of the society present, including those attending through video conferencing.

106C-13. Management of housing societies.

(3) General Body,—

(h) A special general body meeting under section 76 of the Act may be called by giving five clear days notice.

(i) For redevelopment matters, a fourteen clear days notice period is mandatory and the quorum for redevelopment-related special general body meeting shall be two-third of the total members of the society. Such meeting shall be conducted in the presence of the representative of the Registrar. Video recording of the meeting for re-development shall be made and kept in custody of the Chairman and one copy of the said shall be kept in the office of the Assistant or Deputy Registrar for Co-operative Societies within whose jurisdiction the society is located.

(j) A resolution for the selection of a developer or contractor for redevelopment shall be passed by a majority of fifty- one per cent. of the total members of the society including those attending through video conferencing :

Provided that, the representative of the Registrar shall submit a factual report to the Registrar regarding the conduct of the meeting and the Registrar shall communicate the same to the society.

106C-13. Management of housing societies.

(4) Casual Vacancies in the Committee.—

(a) A casual vacancy in the committee, arising due to the death, resignation, disqualification, removal or incapacity of a member or any other reason before the expiry of their term, may be filled by the Managing Committee.

(b) The Secretary or a person authorized in that behalf shall invite nominations from members by giving a seven day notice on the society's notice board.

(c) After scrutinizing the nominations, the valid nominations shall be placed before the committee.

(d) If the number of valid nominations exceeds the vacancies, the committee shall fill the vacancies by majority vote.

(e) The term of the co-opted member shall be coterminous with the term of the committee members.

106C-13. Management of housing societies.

(5) Maintenance and repairs.—

(a) The managing committee is responsible for maintaining and repairing of the society property.

(b) The managing committee shall be competent to incur expenditure on the repair and maintenance of the property of the society once in a financial year provided the one-time expenditure does not exceed,—

- (i) for societies having upto 25 members, Rs. 1,00,000
- (ii) for societies having 26 to 50 members, Rs. 2,00,000
- (iii) for societies having 51 to 100 members, Rs. 3,00,000
- (iv) for societies having 101 to 1000 members, Rs. 4,00,000
- (v) for societies having 1001 and above members,
Rs.5,00,000

SEC. 154B – 26 - ALLOTMENT OF PLOTS, FLATS OR HOUSES THROUGH DRAW OF LOTS

- 1) Except when there is a contract to the contrary, allotment of plots of land, flats, house or other dwelling units shall be made by the Committee of a housing society to the Members strictly on the basis of draw of lots in respect of such Members whose enrollment as a Member of a housing society is found proper in accordance with provisions of this Act and rules framed there under and the bye-laws of a housing society duly registered.

SEC. 154B – 26 - ALLOTMENT OF PLOTS, FLATS OR HOUSES THROUGH DRAW OF LOTS

- 2) Every Member of a housing society, whether registered before or after the commencement of the Maharashtra Co-operative Societies (Amendment) Act, 2019, to whom plots, flats, houses or other dwelling units have been allotted, shall be issued certificate of allotment by the co-operative housing society under its seal and signature in such form, on such terms and on such conditions as may be prescribed. Such certificate shall be issued forthwith when all the dues as may be determined and notified by the housing society are duly paid by the Member.

SEC. 154B – 27 - OBLIGATION OF SOCIETY TO TAKE ACTION AND REGISTRAR'S POWERS TO ENFORCE

- (1) If any society is required to take action for performance of its obligations, responsibilities and duties as provided in this Act, rules and bye-laws or to execute the orders issued by the State Government or by the Registrar, from time to time, and such actions are not taken or such orders are not executed, the Registrar suo motu or on an application may issue directions to take such action or actions or execute such orders.

SEC. 154B – 27 - OBLIGATION OF SOCIETY TO TAKE ACTION AND REGISTRAR'S POWERS TO ENFORCE

- (2) Where any society is required to take any action or to execute the orders as provided in the foregoing sub-section and such action is not taken or orders are not executed,—
- (i) within the time provided in this Act, rules or the bye-laws or in the order, the case may be;
 - (ii) where no time is provided, within such time having regard to the nature and extent

SEC. 154B – 27 - OBLIGATION OF SOCIETY TO TAKE ACTION AND REGISTRAR'S POWERS TO ENFORCE

of the action to be taken as the Registrar may specify by notice in writing the Registrar may himself or through a person authorized by him take such action or execute such order at the expense of the society and such expenses shall be recoverable from the responsible officer of the society as if it were arrears of land revenue :

Provided that, before issuing an order or direction and fixing the responsibility of payment of expenses an

SEC. 154B – 27 - OBLIGATION OF SOCIETY TO TAKE ACTION AND REGISTRAR'S POWERS TO ENFORCE

opportunity of being heard shall be given to the officer of society to whom the Registrar considers to be responsible for not taking such action or not executing such orders.

3) The Application submitted by a Member to the society for the certificate or certificates for sale of his flat or mortgaging it for obtaining loan or for any other purpose shall be decided by the society within a period of thirty days from the date of

SEC. 154B – 27 - OBLIGATION OF SOCIETY TO TAKE ACTION AND REGISTRAR'S POWERS TO ENFORCE

receipt of such application and decision thereon shall be intimated to him within a period of fifteen days. If society fails to decide and intimate such application within such time or if such application is rejected, the Member may file appeal to the Registrar for appropriate relief within a period of three months from date of submission of application to the society or within a period of two months from the date of decision of rejection by society, whichever is earlier:

Provided that, every such appeal shall be disposed of by the Registrar within a period of sixty days from the date of its receipt after giving opportunity of being heard to all the parties.

Bombay High Court: principal direct decisions

Oberoi Springs CHS Ltd. v. Deputy Registrar

Citation / date: 10 November 2025; WP 6591/2025

Sections involved: 154B-27(3)

Question of law: Whether “or for any other purpose” empowered the Registrar to compel an NOC for amalgamation of four flats and structural alteration.

Ruling: No. Applying ejusdem generis, “other purpose” means purposes akin to sale or mortgage, involving ownership/financial dealings. Structural amalgamation belongs to the planning authority’s domain.

Ratio: Section 154B-27(3) is a limited certificate remedy; it is not a general power to command the society to support structural changes.

Bombay High Court: principal direct decisions

Vaibhav Industrial Premises CHS Ltd. v. Divisional Joint Registrar

Citation / date: 16 December 2025; WP 14878/2023

Sections involved: **154B-27; Model Bye-law 174**

Question of law: Whether the Registrar could adjudicate contested issues such as unit identity, non-occupancy charges, compound interest and refund liability under s.154B-27.

Ruling: No. The provision is administrative/enforcement machinery. It can compel performance of a clear pre-existing statutory duty, but cannot decide disputed rights or impose civil liabilities. Bye-laws cannot create adjudicatory jurisdiction absent statutory authority.

Ratio: Enforcement presupposes an established duty. A lis requiring evidence and findings must go to the forum vested with adjudicatory power, ordinarily the Co-operative Court or another express statutory forum.

Bombay High Court: principal direct decisions

Ekta Bhoomi Classic CHS Ltd. v. Divisional Joint Registrar

Citation / date: 5 January 2026; WP 13263/2025

Sections involved: **154B-27(1); ss.79(1), 79(2)**

Question of law: Could authorities decide the legality and quantum of retrospective water charges and direct debit/supplementary bills through s.154B-27?

Ruling: The Registrar exceeded jurisdiction by adjudicating the disputed levy. Section 154B-27 enforces clear obligations; it does not decide contested liability or interpret disputed rights as a substitute for statutory dispute adjudication.

Ratio: The character of the exercise, not its label, controls jurisdiction. Findings on liability and directions to reverse charges are adjudicatory and outside s.154B-27.

SEC. 154B – 28 - HOUSING FEDERATIONS, THEIR POWERS AND DUTIES

- 4) Every housing society in the areas for which Housing Federation is notified under sub-section (1) shall contribute to the Education and Training Fund maintained by the notified Housing Federation at the rate as may be decided by the State Government by special or general order, from time to time.
- 5) Every notified Housing Federation shall utilise Education and Training Fund for,—
 - (i) arranging seminars on issues related to housing societies;

SEC. 154B – 28 - HOUSING FEDERATIONS, THEIR POWERS AND DUTIES

- (ii) imparting training to the persons to be appointed as managers or special recovery officers and to the Members and officers of housing societies;
 - (iii) any other purpose as may be notified by the Government from time to time.
- (6)
 - (i) Every notified Housing Federation shall prepare, declare and maintain the panel of managers and special recovery officers as per the guidelines issued by the Registrar, from time to time

SEC. 154B – 28 - HOUSING FEDERATIONS, THEIR POWERS AND DUTIES

- (ii) The Registrar suo moto or on an application may remove such person from the panel maintained by Federation who,—
 - (a) has doubtful integrity, or
 - (b) has been convicted, or
 - (c) has been declared mentally incapable, or
 - (d) has misused his position while rendering his services, or
 - (e) failed to discharge his duties:

SEC. 154B – 28 - HOUSING FEDERATIONS, THEIR POWERS AND DUTIES

Provided that such person shall not be removed without giving him a reasonable opportunity of being heard.

- (iii) Required qualifications for the Auditors, Managers and Special Recovery Officers shall be decided by the Registrar, from time to time.
- (iv) Every notified Housing Federation shall apply to the Registrar for delegation of necessary powers to the persons so trained as special recovery officer for recovery of

SEC. 154B – 28 - HOUSING FEDERATIONS, THEIR POWERS AND DUTIES

the dues of the affiliated societies.

8) Every society may,—

(i) appoint Special Recovery Officer from such panel for execution of Recovery Certificates or Recovery Orders or decrees ; and

(ii) Appoint manager from such panel for maintaining records and books of accounts of the society

9) Remuneration of Special Recovery Officers shall be decided by the Registrar, from time to time.

SEC. 154B – 29 - RECOVERY OF CERTAIN SUMS AND ARREARS DUE TO HOUSING SOCIETIES AS ARREARS OF LAND REVENUE

- (1) Notwithstanding anything contained in sections 91, 93 and 98, on an application made by a housing society for the recovery of its dues or for the recovery of its repairs and maintenance, construction cost and service charges, and on the housing society concerned furnishing a statement of accounts and any other documents as may be prescribed, in respect of the arrears, the Registrar may, after making such inquiries as he deems fit, grant a certificate for the recovery of the amount stated therein, to be due as arrears.

SEC. 154B – 29 - RECOVERY OF CERTAIN SUMS AND ARREARS DUE TO HOUSING SOCIETIES AS ARREARS OF LAND REVENUE

Explanation.— For the purposes of this sub-section, the expression “repairs and maintenance and service charges” means such charges as are so specified in the by-laws of the concerned housing society.

(2) Where the Registrar is satisfied that the concerned society has failed to take action under the foregoing sub-section in respect of any amount due as arrears, the Registrar may, on his motion, after making such inquiries as he deems fit, **grant a certificate for the recovery of the amount stated therein, to be due as arrears and such a**

SEC. 154B – 29 - RECOVERY OF CERTAIN SUMS AND ARREARS DUE TO HOUSING SOCIETIES AS ARREARS OF LAND REVENUE

certificate shall be deemed to have been issued as if on an application made by the society concerned.

(3) A certificate granted by the Registrar under subsection (1) or (2) shall be final and a conclusive proof of the arrears stated to be due therein, and the same shall be recoverable according to the law for the time being in force, as arrears of land revenue. A revision shall lie against such order or grant of certificate, in the manner laid down under section 154 and such certificate shall not be liable to be questioned in any court.

SEC. 154B – 29 - RECOVERY OF CERTAIN SUMS AND ARREARS DUE TO HOUSING SOCIETIES AS ARREARS OF LAND REVENUE

(4) It shall be lawful for the collector and the registrar to take precautionary measures in accordance with the provisions of the Maharashtra Land Revenue Code, 1966 or any law or provisions corresponding thereto for the time being in force, until the arrears due to the concerned society, together with interest and any incidental charges incurred in the recovery of such arrears, are paid, or security for payment of such arrears is furnished to the satisfaction of the Registrar

106C-14. *Grant of certificate for recovery under section 154B-29.*

(1) *Application for grant of certificate for recovery.—*

- (a) Every application for the grant of a certificate for recovery under section 154B-29 shall be submitted in form “Y-6” alongwith a court fee of rupees one hundred.
- (b) The application must specify the dues the society claims from the person against whom the amount is due.
- (c) The application shall clearly state whether the person from whom the amount is claimed is a member of the society or not.

(2) *Application shall be accompanied with,-*

- (a) a letter of authority, authorizing an officer or a representative to submit the application and represent the society before the Registrar.
- (b) a certified true copy of the up-to-date account of dues or personal ledger of the defaulting member or occupier.
- (c) a certified true copy of the resolution approving the levy of charges or major repair funds or construction costs.
- (d) a certified true copy of the resolution approving the levy of simple interest on the dues.
- (e) the original treasury challan or any other proof of the deposit of fees.
- (f) a copy of the notice issued by the society.

106C-14. *Grant of certificate for recovery under section 154B-29.*

(3) Scrutiny and registration of application.—

- (a) Upon receiving the application, the Registrar shall ensure that the application is complete before proceeding to register it.
- (b) If the application is incomplete, the Registrar may direct the society to rectify the deficiencies within seven days.
- (c) After compliances of the requirements, the application shall be registered. If the requirements are not complied with, within the period specified, the Registrar shall dismiss the application.
- (d) After registration, the Registrar shall, within fifteen days, issue a notice to the opponent, requiring them to file a written statement on the specified day, date and place as specified in the notice.
- (e) The notice shall be served through hand delivery, registered post acknowledgment due, or if the opponent could not be easily found by publication of public notice thereof in at least one local daily newspaper.
- (f) The provisions of the Code of Civil Procedure, 1908 (5 of 1908) shall *mutatis mutandis* apply to such public notice.
- (g) The expenses for the publication of the notice shall be borne by the applicant.

106C-14. *Grant of certificate for recovery under section 154B-29.*

(4) Appearance of parties and consequences of non-appearances.—

(a) On the date fixed as aforesaid, the opponent shall appear either personally or through his advocate or his representative before the Registrar and shall file a written statement in his defense. The Registrar may grant adjournment for a period not exceeding fifteen days in the first instance to file a written statement.

(b) On the date of hearing, if the applicant appears and the opponent or any of the opponents, if more than one, does not or do not appear, as the case may be, the Registrar shall after satisfying himself that all the opponent are duly served the notices, order the applicant to prove the claim on the next date and decide the application *ex-parte* :

Provided that, before deciding the application, if the opponent appears and shows a sufficient cause for his non-appearance on the earlier occasions, he shall be heard in the matter as if he had appeared before the Registrar on the first day.

(c) If, on the date fixed for the hearing, the opponent appears and applicant does not appear,—

(i) the Registrar may issue a recovery certificate in Form “Y-7” as admittance by the opponent ;

(ii) non-appearance of the applicant would not be reason for dismissal of the claim and the Registrar shall decide the application on merit.

Rule :106C-14. *Grant of certificate for recovery under section 154B-29.*

(5) Production and Inspection of documents.—

(a) The parties shall file the documents referred to in the pleadings of statement of defence, as the case may be, at the time of filing an application if the Registrar is satisfied that any document is relevant and the same is in the custody of the opposite party, then he may, by an order in writing, direct such party to produce such document on the next date of hearing:

provided that such application shall not be entertained from the defendant before filing his written statement in defence.

(b) If the party so ordered, fails to produce such documents on the next date of hearing, the Registrar may draw adverse inference against such party and hearing of the original application shall not be postponed till filing of documents or for the reasons of such non compliance of the order.

(c) If the Registrar is satisfied that the documents required to be produced, cannot be brought before the Registrar for sufficient reasons, the Registrar may allow the defendant to carry out inspection of the documents within seven days from the date of order of such inspection.

(d) If the Registrar is satisfied that the defendant had no access to the documents and earlier and the filing of additional statement is necessary, he may allow the filing of such additional statement.

Rule :106C-14. *Grant of certificate for recovery under section 154B-29.*

(6) Procedure for hearing of application.—

(a) On receipt of the replies, the Registrar shall proceed to hear oral arguments of parties and shall close the proceeding for the order.

(b) Every endeavour shall be made by the Registrar to decide the application within three months from the first date of hearing :

Provided that the Registrar may decide the application but not beyond the period of three months for the reasons to be recorded in writing.

(7) Judgment, Order and Certificate.- After hearing arguments of the parties, the Registrar shall issue a reasoned judgment and pass an order for grant or rejection of the application. The Registrar, thereafter, shall issue a Certificate in form “Y-7”. The judgment and the certificate shall bear signature of the Registrar and date on which it is passed.

Section 154B-29

Case

Legacy Co-op Housing Society Ltd. v. Deputy Registrar, Co-operative Societies & Ors., W.P. No. 2221 of 2024, decided 19 March 2024

Principle decided

Section 154B-29 provides a special mechanism for recovery of society dues, including repairs, maintenance, construction cost and service charges, by issuing a recovery certificate. The provision applies to recovery of dues from persons liable in respect of the flat, subject to the statutory inquiry.

Section 154B-29

Case

Smita P. Dalvi v. Deputy Registrar, Co-operative Societies

Principle decided

The recovery mechanism under Section 154B-29 operates notwithstanding Sections 91, 93 and 98. A recovery certificate issued under the section is enforceable as arrears of land revenue, subject to the statutory remedies available against the order.

Section 154B-29

Case

Sudhakar Hanumant Pawar v. Divisional Joint Registrar, Co-operative Societies & Ors., decided 19 December 2025

Principle decided

Proceedings under Section 154B-29 are a separate recovery mechanism before the Registrar and are not ordinary disputes under Section 91. The limitation period applicable to disputes under Section 92 does not automatically govern recovery proceedings under Section 154B-29.

Section 154B-29

Case

Prestige Properties v. Deputy Registrar of Co-operative Societies & Ors., decided 5 December 2025

Principle decided

The section is available to a qualifying housing society for recovery of its dues. The Court examined the jurisdiction of the Registrar to issue recovery certificates under this special provision

Section 154B-29

Case

Aspandiar Rashid Irani & Anr. v. Pasayadan Co-operative Housing Society Ltd. & Ors., 2026:BHC-AS:1749, decided 16 January 2026

Principle decided

Society dues are treated as a continuing obligation. Recovery under Section 154B-29 is not restricted only to registered members where the person is in occupation or enjoyment of the flat and is liable for the society's dues.

Bombay High Court: principal direct decisions

Legacy Co-operative Housing Society Ltd. v. Deputy Registrar

Citation / date: 19 March 2024; WP 2221/2024

Sections involved: 154B-29; ss.91, 101, 154, 156; Rule 77F

Question of law: Could the Registrar refuse a recovery certificate against legal representatives because issues were allegedly complicated and direct the society to the Co-operative Court?

Ruling: The refusal was quashed and remanded. Section 154B-29 is a special housing-society recovery mechanism overriding ss.91, 93 and 98. Rule 77F governing s.101 proceedings does not control s.154B-29.

Ratio: The Registrar must exercise the jurisdiction conferred by the special provision and cannot defeat it merely by labelling the matter complicated; the statute expressly provides inquiry, certificate, revision and recovery.

Bombay High Court: principal direct decisions

Aspandiar Rashid Irani v. Pasayadan CHS Ltd.

Citation / date: 16 January 2026; WP 8044/2025 with connected petitions

Sections involved: **154B-29; ss.91 and 92**

Question of law: Whether the limitation regime in s.92 for disputes under s.91 controlled summary recovery under s.154B-29, and whether old monthly dues were barred.

Ruling: Section 92 does not govern s.154B-29. The latter is a separate special recovery code. Monthly maintenance is a recurring/continuing obligation, each default furnishing a fresh omission, subject to scrutiny under s.154B-29 itself.

Ratio: Procedure and limitation concepts designed for s.91 disputes cannot be imported to obstruct the distinct summary remedy unless the special provision so provides.

Bombay High Court: principal direct decisions

Prestige Properties v. Deputy Registrar

Citation / date: 5 December 2025 (connected writ petitions; unreported)

Sections involved: 154B-29; 154B-1(17)

Question of law: Whether a recovery application instituted when the applicant was not registered as a housing society could be validated by its later registration during pendency.

Ruling: Section 154B-29 is available only to a qualifying housing society. Jurisdictional status at institution is foundational; later registration cannot retrospectively cure lack of statutory capacity at commencement.

Ratio: A special statutory remedy can be invoked only by the class expressly authorised on the filing date; a later event cannot create jurisdiction retrospectively.

Bombay High Court: principal direct decisions

Sudhir Mangelal Agarwal v. Deputy Registrar

Citation / date: 4 February 2026 (unreported)

Sections involved: **154B-29; procedural fairness; MCS Rules**

Question of law: Whether a recovery certificate could stand when the member's request for the complete ledger relied upon was not decided and the material basis of demand was not supplied.

Ruling: The Court emphasised a meaningful opportunity to meet the statement of account before a conclusive recovery certificate is issued. Summary procedure does not dispense with disclosure of relied-upon material and natural justice.

Ratio: Because the certificate is final and conclusive subject to revision, the Registrar's inquiry must remain fair, document-based and responsive to a genuine dispute about the ledger.

SEC. 154B – 30 - HOUSE BUILDING CO-OPERATIVE SOCIETIES WHICH HAVE ACHIEVED THEIR OBJECTIVES.

In case of a house building society where all plots have been allotted to its Members and basic civic service have been transferred to the local civic body, the Registrar shall, after giving sixty days notice to the Committee, initiate winding up proceedings and such co-operative house building society shall be wound up:

Provided that, in the case of a co-operative house building society where land has been allotted on perpetual lease, before passing winding up orders the prior consent of the lessor shall be obtained:

SEC. 154B – 30 - HOUSE BUILDING CO-OPERATIVE SOCIETIES WHICH HAVE ACHIEVED THEIR OBJECTIVES.

Provided further that, where a house building co-operative society has been provided land to run a club, school, community center, dispensary or community facility, etc., by the lessor, the above provision shall not apply to such co-operative house building society, if the general body decides to run these activities for the benefit of the Members and the residence.

SEC. 154B – 31 - SAVING AS TO EXISTING RULES, ORDERS, BY-LAWS, ETC

- 1) The rules, orders, by-laws, circulars or instruments having the force of law and existing on the date of commencement of the Maharashtra Co- operative Societies (Amendment) Ordinance, 2019, which are applicable to the societies governed by this Chapter on the date of such commencement, untill expressly repealed, modified or continue to amended , apply to the said societies.
- 2) Every proceedings by or against society and pending before any Court, tribunal or authority on the said date of commencement shall be continued and decided as if the provisions of this Chapter are not made applicable in respect of such societies.”.

Presented By :

CA.Ramesh Prabhu

9820106766 /68

rameshprabhu@viksitconsulting.com

