

## **Consequences of not laying before Annual General Meeting “Annual Working Report of preceding year”.**

I would like to deal with the very important aspect of consequences of breach of legal provisions by the members of the society in general and the office bearers in Managing Committee in particular.

Coming to the topic under caption, please note that the Managing Committee needs to prepare a report of its working during the preceding Financial Year and present the same before the General Body. It is advisable that along with the notice for Annual General Body Meeting, the report of the working of the society in the preceding financial year is also attached.

Failure to present the Annual Report of its activities is an offence u/s 146 of Maharashtra Cooperative Societies Act, 1960 (Act). This offence attracts a fine which may extend to Rs. 5,000/- as specified under section 147 of the act.

The members of the society and the Managing Committee in general and office bearers in particular should note that the Maharashtra Co-operative Societies Act, 1960 requires them to do or avoid doing some act or the other as specified in the act. Most of the time these provisions are not taken seriously.

The offences at times attract fine, penalty, disqualification as well as prosecution and imprisonment also.

In fact the compliance of legal provision is very much necessary; it is therefore advisable that instead of acting on the perception of the office bearers or the committee members on a particular issue under consideration, in case of any doubt legal advisable should be taken. At times it may also be advisable to take the legal opinion in writing.