

HOUSING SOCIETY RECOVERY TOOLKIT

Comprehensive Guide for Procedure u/s 154B (29) of MCS Act 1960

1. Identifying a Defaulter

Under the Maharashtra Co-operative Societies Act, a member is formally a **defaulter** if dues (maintenance charges, service charges, or interest) remain unpaid for **more than 3 months**.

2. Recommended "Three-Notice" Timeline

Notice Type	Timing	Objective
Notice 1: Reminder	After 3 months of default	Initial request for payment within 15 days.
Notice 2: Follow-up	15 days after Notice 1	Formal request reiterating mounting interest charges.
Notice 3: Final Statutory	15 days after Notice 2	Legal warning specifying action u/s 154B (29).

3. Document Checklist for Application

Ensure **two copies** of the following are ready for the Registrar:

- Formal Application for Recovery Certificate.
- General Body/MC Resolution fixing society charges/rates.
- MC Resolution authorizing the Secretary to take action u/s 154B (29).
- Certified extract of the member's Ledger Account.
- Proof of service (Registered Post AD receipts) for all notices.
- Audit records confirming the outstanding dues.

4. Recovery Process Flow

1. **Application:** Submit to the Registrar with supporting documents.
2. **Hearing:** Registrar summons the defaulter to verify correctness.
3. **Certificate:** Recovery Certificate issued upon verification.
4. **Execution:** Recovery Officer initiates demand notice and inventory.
5. **Auction:** Sale of movable property (or flat) to recover dues.

Note: Always maintain a paper trail. The Registrar's verification relies heavily on the accuracy of the society's ledger and audit reports.

Disclaimer: This document is for educational purposes. Management Committees should consult legal experts or the District Housing Federation for specific cases.