

## **Subject: Introduction of Joint Membership**

Under the Maharashtra Co-operative Societies (MCS) Act, 1960, a Joint Member is a co-owner of a property whose name appears in the Share Certificate but is not the first name listed thereon. Unlike a Primary Member, a Joint Member typically lacks voting rights unless the first-named member is absent. His/her/their primary role is to co-own the property and share liabilities.

This classification of Joint Membership was introduced in the 2019 amendment to the MCS Act, providing a distinction between Primary, Joint, and Associate Members.

The concept of Joint Membership assumes importance where the Sale Agreement is executed jointly by two or more persons as purchasers. In such cases, if a bank loan is availed, the loan is sanctioned in the joint names of the purchasers and the society is required to reflect the names of all the joint purchasers in the Share Certificate. However since our Society currently does not permit the inclusion of joint names in the Share Certificate, and we have hitherto been including only one name, i.e. the name which stands first in the Sale Agreement, on the Share Certificate.

Similarly in case of a Gift Deed where the member intends to transfer the right, title and interest jointly in the name of two or more individuals, we have been recording only the first name incorporated in the Gift Deed on the Share Certificate.

Furthermore, in case a Primary Member during his/ her lifetime wishes to execute a Gift Deed in favour of more than one person or wishes to gift a share of the property to one or more persons, such Primary Member would have to specify the percentage share in the flat that is being gifted to each such person(s) in the Gift Deed which is required to be duly stamped and registered with the Office of the Sub-Registrar. The Primary Member may gift part of his/her share in the property while retaining a portion of the property in his/her own name. In such cases, the right, title and interest in the said flat shall be created accordingly and the name of the person(s) will be added as a Joint Member(s) in the Share Certificate.

Under the MCS Act, the nominee of a Joint Member in a co-operative society does not become the absolute owner of the share of the Joint Member after the joint member's death; the nominee's role is conditional and temporary, serving merely as a Trustee or a Provisional Member until legal heirs are established and the ownership of the share of the Joint Member is formally transferred to them.

### **Notable judgement related to refusal for admission of joint membership - New Sion Co-operative Housing Society Ltd. v. State Of Maharashtra (2006)**

- The Assistant Registrar held that a resolution refusing admission of a person as a member (joint or otherwise) was against the basic principle of cooperation and section 23(1) of the MCS Act.

To comply with amendments brought about in 2019 to the Maharashtra Co-operative Societies Act of 2019, we propose to add the category of Joint Membership and to add the name of the Joint Member(s) in the Share Certificate.

As per the 2019 amendment to the MCS Act, a Joint Member is defined as under:

“Joint Member” means a person joining in an application for the registration of a housing society jointly, which is subsequently registered or a person who is duly admitted to

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

Hence a joint member is someone who either:

- Joins in the application for the registration of a housing society,
- Or is duly admitted to membership after its registration,
- **And who holds share, right, title, and interest in the flat jointly with others,**
- But whose name does not stand first in the share certificate.

Voting rights are exercised by the person whose name stands first in the share certificate; in his absence, the next name in order can vote if eligible (not if he/she is a minor).

A Joint Member will have to fill in the Membership Application Form and apply for Joint Membership if he/she/they hold a share, right, title and interest in the property jointly. The name of the Joint Member(s) will be entered in a separate Joint Membership Register maintained by the Society.

The Joint Member can nominate a person for their share in the property by submitting a Nomination Form in duplicate to the Society for record.

Joint Members will enjoy certain rights of participation as per the by-laws, but the right to vote and contest elections will remain with the primary member, in line with co-operative housing regulations.

#### **Difference between a Joint Member and an Associate Member:**

<b>Feature</b>	<b>Joint Member</b>	<b>Associate Member</b>
Recognition by Act	Yes.	Yes.
Name in Share Certificate	Appears after the name of the Primary Member.	Does not appear.
Eligibility	Joint holder of property/ society shares.	Admitted family member by recommendation.
Voting Rights	Only first name; others in absence, if present (and if not a minor).	Only with prior written consent of the Primary Member.
Election Rights	With written consent from the Primary Member.	With written consent from the Primary Member.
Membership Fee	Rs. 100 (at admission).	Rs. 100 (at admission).
Typical Relationship	Could be anyone with share, right, title or interest.	Immediate family only, as defined by the MCS Act.

#### **Associate Member - Definition and Rights:**

- An Associate Member means a close relative (such as a spouse, parent, sibling, child, son-in-law, daughter-in-law, nephew and niece) who is admitted into the society on the written recommendation and prior consent of the Primary Member. The Associate Member's name does not appear in the Share Certificate.

- They are admitted after paying an entrance fee; they can exercise rights and perform duties with written approval from the first-named (Primary) Member.
- With written consent and prior approval of the Primary Member, an Associate Member may vote and contest the society elections.
- Typically, Associate Members are immediate family members of the Primary Member as stated above.

**Note: If the Proposed Resolution No. 7 for adoption of Joint Membership is approved by the General Body Members in the Annual General Meeting (AGM) on 28 September 2025, we request those members whose Sale Agreements/Gift Deeds have more than one name, to approach the Society along with the Original Share Certificate and a copy of the Sale Agreement or Gift Deed to have the name of the Joint Member recorded in the Share Certificate.**