

**IN THE HIGH COURT OF MANIPUR
AT IMPHAL**

WP(C)No.422 of 2023

Smt. N. Ibeni Devi aged about 63 years, W/O (L) Kh. Kamdeva of
Kongba Makha Nandeibam Leikai, PO & PS Porompat, Imphal East
District, Manipur, Pin-795005.

...Petitioner

- Versus -

1. The State of Manipur represented by Additional Chief
Secretary(cooperation), Government of Manipur, Old Secretariat,
South Block, PO & PS Imphal West Manipur, Pin 795001 & **4 Ors.**

...Respondents

BEFORE
HON'BLE THE ACTING CHIEF JUSTICE MR. M.V.MURALIDARAN
ORDER

17.05.2023

[1] Mrs.Ch. Sundari, learned Government Advocate, accepts
notice on behalf of the first respondent.

[2] By consent, the writ petition is taken up for final hearing at the
admission stage itself.

[3] Heard Mr.Jallaludin, learned senior counsel for the petitioner and Mrs. Ch. Sundari, learned Government Advocate for the first respondent. In view of the order proposed to be passed, notice to the other respondents is dispensed with.

[4] The writ petition has been filed by the petitioner to quash the impugned order dated 28.4.2023 passed by the first respondent.

[5] The case of the petitioner is that she is the President of All Manipur Weaving Cooperative Society Association, Manipur and is an active worker of the said Association. There was an elected body of Manipur Apex Handloom Weavers and Hadicrafts Artisans C.S. Limited (AWAS) led by one Angom Ronika Devi along with six other Board of Directors who were elected by the General Body of the Apex Society for a term of five years ending on 2.1.2023. In order to activate the works of the Apex Society, vide letter dated 31.1.2023, the Registrar of Cooperative Society directed the Managing Director of AWAS to hold fresh election for the new Board of Directors and, accordingly, the Managing Director of AWAS initiated the process for holding fresh election of the new Board of Directors by issuing a notice on 18.3.2023 for submission of Delegate Form-A on or before 25.3.3023 upto 5 P.M., but without fixing a date for election.

[6] Further case of the petitioner is that even when the process for election was initiated, vide impugned order dated 28.4.2023, the first respondent in collusion with the private respondents formed an interim body as Board of Administrators of AWAS for a period of three months or till the completion of the election for the Board of Directors whichever is earlier. Challenging the same, the petitioner has filed the present writ petition.

[7] Assailing the impugned order, the learned senior counsel for the petitioner submitted that forming of the interim Board of Administrators of the Apex Body for management of the routine day-to-day activities of the Society for a period of three months or till the completion of the election for the Board of Directors whichever is earlier without specifying the date of election leads to possibility of hampering or tampering the official records and misuse the public funds of the AWAS by the said newly appointed Board of Administrators and the same is an illegal appointment that will not bring about any benefit to the public. He would submit that there is no provision in the Amended Act empowering the State respondent to appoint the new Board of Administrators till the completion of the election for the Board of Directors. In fact, the State respondent has power to fix a date for holding election of the Apex Body within a time frame.

[8] The learned senior counsel for the petitioner urged that the State respondent is likely to extend the term of three months without holding the election of the Apex Body after the expiry of the term of the interim Board of Administrators violating the principles of justice. If this is allowed, the public will be put too much hardship and, therefore, the impugned order is liable to be quashed.

[9] Per contra, Mrs. CH. Sundari, the learned Government Advocate appearing for the first respondent submitted that there is no infirmity in issuing the impugned order, as Section 78A of the Manipur Cooperative Societies (Fourth Amendment) Act, 2010 empowers the Governor of Manipur to appoint the members as Board of Administrators of the Manipur Apex Handloom Weavers and Handicrafts Artisan's Cooperative Societies Limited. Thus, a prayer has been made to dismiss the writ petition.

[10] This Court considered the rival submissions and also perused the materials available on record.

[11] The petitioner challenged the impugned order on the ground that forming of the interim Board of Administrators of the Apex Body for management of routine day-to-day affairs of the Society for a period of three months or till the completion of the election for the

Board of Directors without specifying the date of election is illegal. He urged that there is every possibility of hampering or tampering with the official records and misuse of the public fund of the AWAS by the newly appointed Board of Administrators.

[12] *Prima facie*, there is no material to substantiate the ground urged by the petitioner. As could be seen, for holding an election for the new Board of Directors, the Managing Director of the AWAS had initiated steps and had issued a notice dated 18.3.2023 to all concerned for submission of Delegate Form-A on or before 25.3.2023. During the process for election of the new Board of Directors, the first respondent had issued the impugned order, which reads thus:

**“GOVERNMENT OF MANIPUR
SECRETARIAT, COOPERATION DEPARTMENT
ORDERS**

Imphal, the 28th April, 2023

No.S/S/P-209/2/2021-COOP-COOP/1573 : In supersession of all previous orders in this regard and in exercise of powers conferred under Section 78A of the Manipur Cooperative Societies (Fourth Amendment) Act, 2010, the Governor of Manipur is pleased to appoint the following members as Board of Administrators of the Manipur Apex Handloom Weavers and Handicrafts Artisan's Cooperative Societies Ltd. without financial power and for management of routine day-to-day activities of the Society for a period of 3 (three) month

or till the completion of election for the Board of Directors whichever is earlier.

- | | |
|---------------------------|-------------|
| 1. Shri Ksh. Indira Devi | Chairperson |
| 2. Smt Salam Chanu Bamola | Member |
| 3. Smt Chongnedam Kipgen | Member |
| 4. Smt Ph. Indira Devi | Member |
| 5. Smt Angom Ronka Devi | Member |

By orders & in the name of Governor of Manipur

Sd/-
Addl. Chef Secretary
(Cooperation)
Government of Manipur”

13. Proviso to amended Section 78A of the Act reads thus:

*“Provided that **when the Board is suspended or dissolved, or where term of such a Board becomes expired, the State Government may appoint a Board of Administrators, who need not be member of the Society** but who should have background knowledge and expertise related to the Society and having such qualifications as are not debarred from becoming a member of the Board or any Committee under the provisions of the Act and the Rules. In case of State Co-operative Bank or Urban Co-operative Banks there shall be at least 2 (two) professionals in the Board or Committee. The composition of the Board shall not be less than three but not more than five to exercise and perform the powers and function of the Board, subject to the control of the State Government as may be required in the interest of the Society during the period of suspension or **till a new Board is constituted, as the case may be, but the***

total period of suspension or dissolution should not exceed three years;

Provided further that suspension or dissolution of the Committee of the State Cooperative Bank or a Central Co-operative Bank or the State Land Development Co-operative Bank or the Urban Co-operative Banks under this section shall be done in consultation with the National Bank or the Reserve Bank of India, as the case may be.

Provided also that at anytime the Registrar may in consultation with the State Government shall constitute a regular Board before the expiry of the term of the Board of Administrator under this section and thereby the State Government shall terminate the term of the Board to enable the Society to carry its functions as enjoined by law.”

[14] Thus, it is clear from the aforesaid provision that in exercise of powers conferred under Section 78A of the Act, the Government of Manipur formed the interim body as Board of Administrators of AWAS for a period of three months or till the completion of the election for the Board of Directors, whichever is earlier. In the light of the statutory prescription, the argument of the learned senior counsel for the petitioner that there is no provision in the Amendment Act empowering the State to appoint the new Board of Directors till the completion of the election for the Board of Directors cannot be countenanced. On the other hand, as per the provision of Section 78A of the Act, the impugned order came to be issued by the first respondent and the

same cannot be questioned by the petitioner. The purpose of forming interim body as Board of Administrators is to manage the day-to-day affairs of the Society for a period of three months or till completion of the election for the Board of Directors whichever is earlier. According to the first respondent, process for conducting the election of a new Board of Directors has already been initiated. It is bearing in mind the said fact that the first respondent issued the order fixing outer limit of three months or till appointment of the Board of Directors, whichever is earlier.

[15] According to the learned senior counsel for the petitioner, the State is likely to extend the term of three months without holding the election of the said Apex Body. The said submission of the learned senior counsel is not substantiated by any material and is a figment of his imagination. Anyhow, the impugned order is dated 28.4.2023 and the three months' period expires on 27.7.2023. Since the first respondent has issued the impugned order exercising the power conferred under Section 78A of the Act, this Court finds no infirmity in it. Anyhow, it is for the first respondent to initiate the process of conducting the election of new Board of Directors at the earliest in accordance with law.

[16] The writ petition is dismissed. The first respondent is directed to expedite and complete the election of new Board of Directors of the Apex Body in accordance with law. There will be no order as to costs.

ACTING CHIEF JUSTICE

John Kom