

**IN THE HIGH COURT AT CALCUTTA
CIVIL APPELLATE JURISDICTION
APPELLATE SIDE**

Present:

The Hon'ble Justice Shampa Sarkar

&

The Hon'ble Justice Ajay Kumar Gupta

F.M.A. 194 of 2026

**Susanta Mandal & Ors.
Vs.
State of West Bengal & Ors.**

For the Appellants : Mr. Sibnath Goswami, Adv.

For the Respondent Nos. 3 to 5 : Mr. Dhiman Kumar Sengupta, Adv.
Ms. Farhin Mustaque, Adv.

For the State : Ms. Susmita Saha Dutta, Adv.
Mr. Tanusree Ghosh, Adv.

Reserved on : **04/08/2026**

Judgment pronounced on : **14/08/2026**

Judgment uploaded on : **14/08/2026**

Shampa Sarkar, J.:-

1. The appeal has been filed by eight erstwhile directors of the Dhalhara Khandagram S.K.U.S.Ltd., which is a Co-operative Society. They are aggrieved by the judgment and order dated December 23, 2025 passed in WPA No. 24733 of 2025. The appellants filed the writ petition being aggrieved by the mode and

manner of their removal from the Board of Directors of the said Co-operative Society. They were removed from the Board by a resolution dated October 19, 2025, which was adopted in a Special General Meeting of the Co-operative Society. On September 9, 2025, 32 members including delegates filed a requisition before the Secretary of the said Co-operative Society, requesting the Secretary to convene a Special General Meeting to discuss the problems which had arisen due to the absence of the appellants in the Board meetings. The result of such absence led to a complete stalemate in the functioning of the Board. The requisition notice specially mentioned the agenda. On September 11, 2025, the Secretary of the said Co-operative Society issued the notice to the members, asking them to be present at the Special General Meeting to be held on October 19, 2025 at 3.30 p.m. and the reason/agenda was stated therein i.e. discussion and decision on the issue of removal of the appellants from the Board.

2. Challenging the said notice, it was alleged by the appellants /writ petitioners before the learned Single Judge that, the notice of the said Special General Meeting indicated action under Section 31(1)(b) of the West Bengal Co-operative Societies Act, 2006 (hereinafter referred to as the 'said Act') would be taken. Whereas, Section 31(1)(b) referred to a no-confidence motion against the entire Board. It was urged that, if a vote of no-confidence was passed in a Special General Meeting, the entire Board stood dissolved. The appellants alone

could not be removed from directorship on the basis of the requisition brought by the majority of the members including delegates. Under Section 31(5) of the said Act, the Board stood dissolved immediately upon a resolution of no-confidence being passed against the entire Board and its adoption by the members. Hence, in this case, the Board was required to be reconstituted. It was next contended by the appellants that the decision to remove the appellants from their directorship was taken on the ground that they had failed to attend three consecutive Board meetings. Whereas, the law provided that cessation of directorship would take place only if the directors failed to attend six consecutive Board meetings. It was urged that, Section 102 of the said Act would not be a bar to the institution of a writ proceeding. The dispute between the parties did not relate to internal affairs and the management of the Co-operative Society. Rather, the legal infraction by the society and its members could always be challenged before the writ court.

3. Thus, the writ petition was filed with the prayer for setting aside and quashing the decision adopted by the said Co-operative Society on October 19, 2025.

4. Records reveal that, by the time the writ petition was heard and disposed of, the vacancies created by the removal of the appellants, had been filled up within November 14, 2025.

5. The learned single Judge was of the view that the provisions of Section 102 of the said Act would not be a bar in entertaining the writ petition, as the writ petitioners/appellants had challenged the procedure adopted in removing them from the Board. Upon holding that the writ petition was maintainable, His Lordship then proceeded to deal with the validity of the decision adopted on the basis of the requisition of the 32 members, in the meeting dated October 19, 2025.

6. His Lordship recorded that the appellants had attended the Special General Meeting upon duly receiving the notice of the Secretary and had cast their votes. Neither at the time of receipt of the notice nor during the meeting, had they raised any objection. Reference was made to the minutes of the meeting which was produced in court. Reference was also made to Section 31(5) of the said Act and Rules 44 and 45 of the West Bengal Co-operative Societies Rules, 2011 (hereinafter referred to as the 'said Rules').

7. His Lordship held that Rule 44 of the said Rules provided for cessation of membership from the Board on the grounds set forth thereunder. Rule 45 dealt with the procedural aspect to be adopted in order to effect removal of a member from the Board. Cessation of directorship would take effect immediately upon the said director being removed in a General Meeting. Thus, according to His Lordship, Rule 44(c) clearly specified that a director would cease to be a director if he was removed from his directorship in a General Meeting.

Secondly, if the director was removed at the General Meeting, his cessation from office would be immediate. The same provision was reiterated under Rule 45(1)(a) of the said Rules.

8. His Lordship further held that, only if the procedure adopted in the General Meeting for removal of the director had not been followed, could the same be challenged before a writ court. In the present case, the appellants did not raise any dispute with regard to the procedural aspect either at the time of receipt of the notice of the meeting or during the course of the meeting. They participated in the meeting and cast their votes. Secondly, according to His Lordship, the appellants were removed at a Special General Meeting, duly requisitioned by the members including delegates of the Board having a substantial majority. The Special General Meeting was rightly requisitioned under Section 31(1)(b) of the said Act. On the other question raised by the appellants that the decision for removing the appellants from directorship for not attending three consecutive meetings was contrary to law, His Lordship, inter alia, held that, a requisition for the Special General Meeting could be brought for a discussion on a 'specific object' apart from a call for adoption of a resolution of no confidence against the Board. According to His Lordship, the requisition was not vague, and did not fall short of the statutory requirement for removal of directors. The requisitionists had specified the object of the meeting i.e. to discuss and adopt a resolution to remove the eight directors for

not being present at three consecutive meetings, which had led to a complete stalemate in the functioning of the Board. The disruption in the affairs of the Society and the consequent suffering of the depositors were the grounds for removing the directors. According to His Lordship, this was a case of removal of the Directors by majority and not automatic cessation of directorship. Hence, the requirement of being absent in six consecutive meetings, for cessation of directorship did not apply in this case.

9. Even of Rule 44(f) of the said Rules had a special provision for cessation of office of a director in the event the director failed to attend six consecutive meetings, such provision did not override the decision of majority of the members of the society to remove a director at a General Meeting of the society.

10. Upon perusing the bye-laws of the Society, His Lordship also held that the Board had 17 members and the appellants did not comprise the majority of such members. The Special General Meeting, which was requisitioned, was upheld by His Lordship upon concluding that the procedure was in consonance with the said Act and the said Rules. The writ petition was accordingly dismissed.

11. Consequent upon dismissal of the writ petition, this appeal has been filed. The appellants have urged before us that a director could be removed only at a General Meeting. The bank's nominee and other members including delegates were required to be present. It was urged that, the decision impugned in the

writ petition could not have been taken at a Special General Meeting. Further, as the law provided that the directorship would cease upon the director failing to attend six consecutive meetings, removal of the directors for not attending three consecutive meetings was illegal.

12. The legislative intent was misinterpreted by the learned Single Judge according to the learned Advocate. If the members were allowed to remove the directors for not having attended three consecutive meetings, in that event, Rule 44(f) would become otiose. It was contended that a Special General Meeting could be convened for the reasons stated under Section 31(1)(a) to (c). The alternative argument was that, if the October 19, 2025 resolution was found to be valid, in that event, the entire Board stood dissolved as per the decision adopted by the majority of the members in the Special General Meeting and the Board was required to be reconstituted. The sum and substance of the arguments of the learned Advocate for the appellants were similar to those raised in the writ petition.

13. Mr. Sengupta, learned Advocate for the respondent Co-operative Society submitted that 32 members who were also delegates, of the Co-operative Society brought a requisition for a Special General Meeting to be convened and the object of the said meeting was to discuss the non co-operation of the appellants by their absence from three consecutive Board meetings. The setbacks in the functioning of the Board and a decision for their removal were

the specific object of the meeting. Thus, according to Mr. Sengupta, the Special General Meeting was called to discuss an urgent matter on a specific object. The provisions of the said Act were followed and the requisition could not be faulted. It was next submitted that, in the meeting dated October 19, 2025, 44 members including delegates were present out of 46. The meeting was held on the single agenda i.e. removal of the directors, for their non-cooperation with the Board. At the meeting, the Chairperson requested the members including delegates, to cast their votes in favour or against the motion. Out of 44 members present in the Special General Meeting, 41 members participated and 29 members cast their votes in favour of removal of the appellants. 12 members including the appellants, cast their votes against the motion. The motion for removal of the appellants was confirmed in the meeting held on October 19, 2025, by majority i.e. in the ratio of 29:12. Accordingly, the eight directors stood removed. They were communicated about their removal by a letter dated October 24, 2025. When the resolution was being drawn up after the voting, the appellants also signed the minutes which recorded that they were removed by majority vote. According to Mr. Sengupta, the removal of the appellants from their directorship was under the provisions of Section 31(1)(b) of the said Act read with Rule 44(c) of the said Rules. The vacancy was filled up as per Rule 37 of the said Rules. Reliance was placed on the affidavit-in-opposition and the annexures thereto in support of such contentions and also

in support of the allegations against the appellants with regard to their non-cooperation which had caused hardship to the depositors.

14. Having considered the rival contentions of the parties, we propose to discuss some of the provisions of the said Act. Section 4(35) defines a General Meeting to be a meeting of the general body of the Co-operative Society.

15. Section 27(1) provides for the composition of the general body and states that the general body of a Co-operative Society shall consist of all the members of such society.

16. Section 29 deals with the Annual General Meeting. Sub-Section (1) provides that every Co-operative Society shall hold such number of general meetings of its members including delegates or representatives in a co-operative year as may be prescribed, to transact such business as may be considered necessary by the Board and the Annual General Meeting of its members including delegates or representatives within a period of six months of close of the co-operative year to transact such business as provided under the said Act. Sub-Section (2) provides how the meeting is to be convened. Sub-Section (5) provides the agenda of the Annual General Meeting. Section 29 is quoted below:-

“29. Annual general meeting.”-(1) Every Co-operative Society shall hold such number of general meetings of its members or delegates or representatives in a Co-operative year as may be prescribed to transact such business as may be considered necessary by the board and the annual general meeting of its members or delegates or representatives within a period of six months of close of the Co-operative year to transact such business as provided in this Act.

(2) An annual general meeting shall be convened by the secretary or any other officer authorised by the board in accordance with direction of the board.

(3) Unless otherwise provided in the by-laws, all notices of the meeting stating the place, date and hour of the meeting together with the statement of business to be transacted at it, shall be sent to every member or delegate or representative not less than twenty-one days before the date of the meeting.

(4) Any accidental omission to give notice to any member or delegate or representative or non-receipt of the notice by any or a few of them shall not invalidate the proceeding of the meeting.

(5) The agenda of the annual general meeting shall be as follows : -

(a) election of directors of the board, if any :

Provided that such election shall be held-

(a) in case the election of directors of the board held before the date of commencement of this Act, within three years from the date of such election;

(b) in any other case, within five years from the date of last election.

Provided further that after constitution of the Co-operative Election Commission, such election shall be held in an annual general meeting or a special general meeting under the provision of sections 29 and 31;

(b) confirmation of the proceedings of the last half-yearly and annual general meetings and special general meeting, if any;

(c) consideration of the annual report prepared and presented by the board;

(d) consideration of the latest audit report and compliance thereof and audited statement of accounts referred to in section 98;

(e) approval of the annual budget;

(f) consideration of any report of inspection or inquiry made in accordance with the provision of this Act and by-laws, if any;

(g) Consideration of matters relating to loans and advances given to the directors and their relatives and action to be taken for recovery thereof in case of default;

(h) approval of appointments, if any, of the relatives of directors of the board other than those selected by the Co-operative Service Commission;

(i) creation of specific reserves and other funds and review of the actual deployment of reserves and other funds;

(j) distribution of net profit, if any;

(k) review of operational deficit or loss and consideration of the plan to make good the losses, if any;

(l) approval of the long-term perspective plan and annual operational plan;

(m) fixation of borrowing limit as may be necessary;

- (n) approval of code of conduct of members of the board formulated by it;
- (o) amendment of by-laws, if any;
- (p) expulsion of members, if any;
- (q) consideration of such other matters as specified in by-laws;
- (r) consideration of any other matter which may be brought at the meeting as miscellaneous items in accordance with the provisions of this Act and by-laws of the Cooperative society.

(6) On the failure of the board to call the annual general meeting within the period as mentioned in sub-section (1), the Registrar shall call or authorize any of his officers to call a annual general meeting to transact any business specified in sub-section (5) of this section.

(7) If the election as referred to in the [third proviso to sub-section (1A) of section 35 or in subsection (2) of section 36] cannot be held owing to an order of any court or for any other reasons or if the directors of the board elected in a general meeting cannot function owing to an order of any court or for any other reason, or if the elected directors of the board resign simultaneously, the Registrar may constitute a board of directors from amongst the members or delegates or representatives of the Co-operative Society in conformity with section 32 and the constituted board shall elect its office-bearers from amongst themselves:

Provided that the board, so constituted, shall function till the directors of the board elected under this section assume charge.

(8) If the board of directors, constituted under sub-section (7), cannot function owing to an order of any court or for any other reason, the chief executive officer of the Co-operative society or where there is no chief executive officer appointed by the State Government or the Registrar the highest designated employee of the Co-operative society, by whatever name called, shall manage the affairs of the Co-operative society till a board is in a position to function.

(9) If the audit report of the immediate preceding Co-operative year is not received by the Cooperative society before the date fixed for the annual general meeting, the Co-operative society shall place the said audit report in the next half-yearly general meeting or in a special general meeting.”

17. Section 31 provides for Special General Meeting. Section 31 is quoted

below:-

“31. Special general meeting.- (1) A special general meeting of a Co-operative society may be called at any time for the following reasons :

- (a) where the board decides to call a special general meeting on urgent matter or under sub-section (1) of section 29;
- (b) where at least one-third of the members or delegates or representatives of the Cooperative society place before the board a requisition in writing for discussion and decision on a specific object

including a call for adoption of resolution in a special general meeting for no confidence against the board or its reconstitution before the expiry of the full term of five years.

(c) if Registrar decides to call a special general meeting to transact any specified business.

(2) The secretary or the chief executive or any director authorised by the board shall call the special general meeting under sub-section (1) within two months from the date of requisition under clause (b) of sub-section (1) : Provided that on the failure of the Board to call special general meeting under sub-section (1), the Registrar shall call such meetings.

(3) When a resolution in a special general meeting is passed for dissolution of the board and its constitution, the Registrar shall recommend to the State Government for appointment of an administrator in the manner laid down in section 35 and simultaneously refer the matter to the Co-operative Election Commission for reconstitution of management and the Election Commission shall hold election of directors of the new board within two months from the date of receipt of the reference.

(4) The board constituted under sub-section (3) shall function till the expiry of the remaining period of the total term of five years :

Provided that if the remaining period is less than six months, such election shall be held within the period scheduled to be held as mentioned in sub-section (1) of section 29 and in such election, all members of the dissolved board shall not be eligible to be elected to the new board.

(5) The board against which no confidence has been passed shall stand dissolved immediately after adoption of such resolution and the administrator appointed under section 35, shall manage the affairs of the Co-operative society until a new board elected under subsection (3) assumes charge.

Provided that the chief executive shall not function for more than one year.”

18. The relevant clause in this regard is Section 31(1)(b). In this case, 1/3rd of the members including delegates of the Co-operative Society placed a requisition in writing before the Secretary for discussion and decision on a specific object i.e. to discuss and remove the appellants from directorship as they had failed to attend three consecutive meetings and refused to co-operate with the Board, thereby, creating a disruption and disturbance in the

functioning of the Board, which ultimately affected the depositors and the public at large. The first contention of the appellants that such meeting could not be convened under Section 31(1)(b), is not accepted. His Lordship was right in holding that the requisition could be brought for a discussion and a decision on a specific object. The specific object in this case was mentioned in the requisition itself. The expression specific object was inclusive and not limited to a call for adoption of a resolution of no-confidence against the Board or for its re-constitution before the expiry of the full time of 5 years. For a discussion, deliberation and decision on any specific object, a special General Meeting could be convened. In this case, the specific object was mentioned in the notice.

19. Secondly, under Rule 44(c) of the said Rules, a director ceases to be a director, if he is removed in a General Meeting as defined under Section 4(35). A General Meeting under the said Act includes an Annual General Meeting, a Special General Meeting and a Half-Yearly General Meeting. As such, the Special General Meeting in which the impugned resolution was passed against the appellants also fell within the ambit and definition of a General Meeting. Here, the cessation of directorship of the appellants was a result of their removal in the General Meeting. Rule 44(c), is distinct and separate from Rule 44(f), Rule 44 (f) provides for cessation of directorship if the director fails to attend six consecutive meetings, whereas, Rule 44(c) provides that a director

shall cease to be a director if he is removed from his office in a General Meeting. The argument of the appellants that, the appellants would cease to be directors, only if they failed to attend six consecutive meetings of the Board is unacceptable, in view of Rule 44(c). The Rule also provides that if directors are removed in a General Meeting, in that event, the directors will cease to be members of the Board. The relevant Rules are quoted below :-

“44. Cessation of membership of a Board

(1)

- (a) dies, or
- (b) resigns his office, or
- (c) is removed by the general meeting from Directorship, or
- (d) loses membership of the society which he represents in the Board or the Society whose representative he is, loses membership of the other society, or
- (e) becomes subject to any disqualification which debars him from seeking election as a Director, or
- (f) if he fails to attend six consecutive meetings of the Board:

Provided that these provisions shall also be applicable in case of a nominated and co-opted director.

- (2) The cessation of Directorship shall be deemed to occur at, and be effective from the time when the disability concerned, refer to in sub-rule (1), occurs.

45. Removal and recall of a member of a Board and an office-bearer

- (1) (a) A member of a Board elected or nominated or coopted under sub section (1) of section 32 of the Act may be removed from the office by a general meeting with due agendum, if the Board recommends by a majority of the directors to do so.
- (b) A nominated member in the Board may be recalled by the authority nominating him and another person may be nominated in his place at the same time.

Explanation : The word „nominated` shall include Directors coming within the ambit of clauses (b) (e) and (f) of sub-section (1) of section 32.

Provided that a co-opted director may also be recalled by the authority co-opted him as provided under sub-rule (2) of rule 43.

(2) An office-bearer may be removed from office by a resolution of the Board at a meeting specially convened for the purpose.

Provided that any Director against whom petition for removal under this rule has been moved shall not preside over such meeting when such agenda will be carried.”

20. Under such circumstances, we agree with the learned Single Judge in holding that the requisition could be brought by 1/3rd of the members including delegates of the Co-operative Society on any specific object. In this case, the object was discussed and decided. The appellants failed to attend three consecutive meetings of the Board and did not co-operate with the Board. The Special General Meeting was in the nature of a General Meeting as defined under the law. The requisition under the provision of Section 31(1)(b) of the said Act was only for the purpose of bringing a vote of no confidence against the Board. The requisitionists could also request that a Special General Meeting be convened for a discussion and decision on a specific object. In this case, the specific object was clearly stated in the requisition notice. The notice was issued by the Secretary to the members/delegates including the appellants and they were clearly informed about the specific object for which the meeting had been called. The appellants did not object to the notice. The procedure that was being followed in the meeting, was accepted by them. They attended the meeting and cast their votes against the motion and thereafter, signed the resolution as well.

21. In view of the above, we hold that, the order impugned does not suffer from any perversity and as such, the resolution adopted at the Special General Meeting is legal and binding in terms of Section 31(1)(b) of the said Act read with Rule 44(c) of the said Rules. The meeting did not fall short of the quorum and the motion was passed against the appellants and in favour of their removal from office as director by a majority of 29:12.

22. The appeal is dismissed. The order impugned is upheld.

23. Urgent photostat certified copies of this judgment, if applied for, be supplied to the parties, upon fulfilment of requisite formalities.

(Shampa Sarkar, J.)

I agree.

(Ajay Kumar Gupta, J.)