



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 18TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE E.S.INDIRESH

WRIT PETITION NO.2818 OF 2026 (CS-RES)

BETWEEN:

1. SRI. GOVINDEGOWDA
S/O DODDAGIRIGODA
AGED ABOUT 56 YEARS
R/AT JAYAPURA HOBLI
GOPALPURA POST
MYSURU TALUK
MYSURU - 570008.
2. SRI. ESHWARA
S/O CHIKKANNEGOWDA
AGED ABOUT 46 YEARS
R/AT JAYAPURA HOBLI
GOPALPURA POST
MYSURU TALUK
MYSURU - 570008.
3. SRI. BHAIREGOWDA
S/O NINGEGOWDA
AGED ABOUT 52 YEARS
NO.24, JAYAPURA HOBLI
GOPALPURA POST
MYSURU TALUK
MYSURU-570008.
4. SRI. MADEGOWDA
S/O LATE KALEGOWDA

Digitally signed by
CHAYA S A
Location: HIGH
COURT OF
KARNATAKA



AGED ABOUT 63 YEARS
JAYAPURA HOBLI
GOPALPURA POST
MYSURU TALUK
MYSURU-570008.

5. SRI. RAVIRAJU
S/O SIDDEGOWDA
AGED ABOUT 40 YEARS
NO.425, JAYAPURA HOBLI
GOPALPURA POST
MYSURU TALUK
MYSURU-570008.
6. SRI. VISHWANATHA G.M.
S/O CHIKKANNEGOWDA
AGED ABOUT 48 YEARS
NO. 432, JAYAPURA HOBLI
GOPALPURA POST
MYSURU TALUK
MYSURU-570008.
7. SMT. CHANDRAMMA
W/O SHIVANNAGOWDA
AGED ABOUT 49 YEARS
R/AT JAYAPURA HOBLI
GOPALPURA POST
MYSURU TALUK
MYSURU-570008.
8. SMT. SUMATHI
W/O SWAMIGOWDA,
AGED ABOUT 46 YEARS
R/AT NO. 581, JAYAPURA HOBLI
GOPALPURA POST



MYSURU TALUK
MYSURU-570008.

9. SRI. SANNASWAMY
S/O BORAIHAH
AGED ABOUT 39 YEARS
JAYAPURA HOBLI, GOPALPURA POST
MYSURU TALUK
MYSURU-570008.

...PETITIONERS

(BY SRI. PATIL SUMANTH KUMAR S., ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
DEPARTMENT OF CO-OPERATION
AMBEDKAR VEEDHI
BENGALURU-560001
REPRESENTED BY ITS
PRINCIPLE SECRETARY.
2. ASSISTANT REGISTRAR OF CO-OPERATIVE
SOCIETIES
MYSURU SUB-DIVISION
MYSURU TALUK,
MYSURU DISTRICT-570001.
3. GOPALPURA MILK PRODUCERS
CO-OPERATIVE SOCIETIES LTD,
GOPALPURA VILLAGE
JAYAPURA HOBLI
MYSURU TALUK
MYSURU-570001
REPRESENTED BY ITS CEO



REGISTERED UNDER
KARNATAKA CO-OPERATIVE SOCIETIES ACT, 1959.
...RESPONDENTS

(BY SRI. YOGESH D. NAIK, AGA FOR R2;
R3 SERVED;
SRI. B.N. MAHESH CHANDRA, ADVOCATE FOR
SRI. MANIKANTA H.B., ADVOCATE FOR R4)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASHING THE ENQUIRY NOTICE DATED 20/01/2026 IN DISPUTE NO.SANI41/DISPUTE/29C/14/2025-26,DISPUTE NO. SANI41/DISPUTE/29C/13/2025-26, DISPUTE NO.SANI41/DISPUTE/29C/11/2025-26, DISPUTE NO.SANI41/DISPUTE/29C/16/2025-26,DISPUTE NO.SANI41/DISPUTE/29C/18/2025-26, DISPUTE NO.SANI41/DISPUTE/29C/21/2025-26, DISPUTE NO.SANI41/DISPUTE/29C/12/2025-26, DISPUTE NO.SANI41/DISPUTE/29C/20/2025-26, DISPUTE NO.SANI41/DISPUTE /29C/19/2025-26 PASSED BY THE RESPONDENT NO.2 IS PRODUCED AS VIDE ANNEXURE-H TO H8, AND ALL FURTHER PROCEEDINGS IN PURSUANT THEREOF.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE E.S.INDIRESH



ORAL ORDER

In this writ petition, the petitioners are assailing the Enquiry Notices dated 20.01.2026 produced at Annexures-H to H8 issued by respondent No. 2, on the ground that respondent No. 2 has no jurisdiction under the Karnataka Co-operative Societies Act, 1959 (for short, hereinafter referred to as 'Act') to issue the impugned notices, and therefore, seeks interference of this Court.

2. Heard Sri. Jayakumar S. Patil, learned Senior Counsel appearing on behalf of learned counsel Sri. Sumanth Kumar S., for the petitioners; Sri. Yogesh D. Naik, learned Additional Government Advocate appearing for the respondent Nos. 1 and 2 and Sri. B.N. Mahesh Chandra, learned counsel appearing on behalf of learned counsel Sri. Manikantha H.B., for the respondent No.4.



3. Sri. Jayakumar S. Patil, learned Senior Counsel for the petitioners invited the attention of the Court to the reasons assigned by the respondent No. 2 in the impugned notices and submitted that respondent No. 2 has issued notices with regard to the action taken by the members of the Committee of Management in respect of the service conditions of one Basavaraju. In this regard, it is submitted that the said Basavaraju has filed W.P. No. 27774 of 2025 before this Court challenging his removal from the service, and accordingly the impugned notices have been issued in connection therewith, which is contrary to Section 29C(8) of the Act.

4. Learned Senior Counsel further places reliance on the judgment in the case of ***Appa Saheb, R Kerakalamatti v. Additional Registrar of Co-Operative Societies in Karnataka and Others*** reported in ***1985 SCC OnLine Kar 105*** and accordingly



seeks interference of this Court by contending that respondent No. 2 has no jurisdiction to issue the impugned notices.

5. Per contra, Sri. Yogesh D. Naik, learned Additional Government Advocate appearing for the respondent-State sought to justify the impugned notices and, by referring to Section 29C(8) of the Act, it submitted that the said provision enables action to be taken against members of the Board of the Co-operative Society in the event of fraud, gross negligence, or contravention of the provisions of the Act, and therefore, sought to sustain the notices issued by respondent No. 2.

6. In this regard, having taken note of the submissions made by the learned counsel appearing for the parties, and upon careful consideration of the impugned notices at Annexures-H series, it would indicate that one Basavaraju has filed W.P.No. 27774 of



2025 before this Court challenging his removal from service by the respondent-Society. The Resolution passed by the Board of the Society is under challenge in the said writ petition. In this context, respondent No. 2 has issued the impugned notices to the members of the Governing Body of the respondent-Society alleging that the Resolution passed by the Society, wherein the petitioners, being Directors, have acted in contravention of the provisions of the Act.

7. On careful consideration of the said aspect, what is challenged in W.P. No. 27774 of 2025 is the Resolution passed by the respondent-Society and not the individual action taken by the petitioners herein. In this regard, it is relevant to refer to the declaration of law made by this Court in the case of ***Appa Saheb R. Kerakalamatti vs. Additional Registrar of Co-operative Societies in Karnataka*** reported in **1985**



SCC OnLine Kar 105, case, wherein paragraphs 12 to 16 read as follows:

"12. The wording of Section 126-A indicates that action to remove a member from the managing committee and to disqualify him for being a member of the Managing Committee could be taken if he commits any of the misconducts specified in clauses (b), (c) or (d) of the sub-section. On consideration of the language of Sections 30, 30-A and 126-A, I am of the view that whereas the object, intention and purpose of Sections 30 and 30-A is to empower the Registrar and the Government to take action against acts of omission and commission by committee of management of societies, Section 126-A contemplates action against acts of commission or omission of a member as an individual and not in respect of the decision of a committee to which he was a party. Earlier to introduction of Section 126-A a provision similar to that Section had been made under Rule 16 of the Rules. Subsequently it was considered expedient by the legislature to incorporate a provision similar to Rule 16 in the Act itself. The relevant part of the Statement of Objects and Reasons annexed to the Bill through which Section 126-A was introduced into the Act reads—

"Provision for removal of members of the committee existed in the rules. It was necessary to make provision in the Act."

13. *If the intention of the Legislature was that when all or majority of the members of a committee joined together and had acted in a manner prejudicial to the interest of the society, action could be taken against individual members concerned and to remove and disqualify them for being members of the*



committee in addition to the action for replacing the managing committee either by appointing an Administrator under Section 30 or by appointing a Special Officer, under Section 30-A it would have done so by use of express words in Section 126-A. What is pointed out in Modern Company Law by Gower referred to earlier is that many modern statutes create individual liability for acts of a company, to which the individual was a party. To illustrate one such provision is Section 25 of the Contract Labour (Regulation and Abolition) Act, 1970. It reads—

"25. Offences by companies. — (1) If the person committing an offence under this Act, is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence."

14. *Section 110 of the Act is also similarly worded. If the intention of the Legislature was to create individual liability for the actions of the committee of society, it would have done so by the use of express words to that effect in Section 126-A. No such provision is incorporated in Section 126-A of the Act.*

15. *Therefore, it is clear that purposes with which Section 126-A has been introduced into the Act are—*

- (i) To remove a person from the membership of the managing committee of a society if he had become subject to any of the disqualifications mentioned under Section 29C of the Act, and*



HC-KAR

**NC: 2026:KHC:16006
WP No.2818 of 2026**

(ii) if it is found that he had acted fraudulently or with gross negligence or in contravention of the provisions of the Act, rules or bye-laws or had acted persistently against the direction or orders issued under the Act individually or it is found that the member was not discharging his duties properly.

16. *For these reasons, I hold that action under Section 126-A of the Act is permissible for misconduct committed by a member individually and not in respect of decisions or acts of the committee of management or its sub-committee to which he was a party as its member."*

8. It is also to be noted that Section 126A of the Act was deleted. In an identical situation, while dealing with Section 126A prior to its repeal, this Court held that the collective omission or commission by the Board of Management would not incur disqualification on individual members. The aforesaid aspect was also considered by this Court in W.P. No.21894 of 2024 dated 12.09.2024 and in W.P. No. 17898 of 2023 dated 05.08.2024, wherein the notices issued by the competent authority were quashed.



10. In that view of the matter, following the declaration of law made in the decisions referred to above, I am of the view that, the impugned notices issued by respondent No.2 are without jurisdiction and contrary to the provisions of the Act. Therefore, I find force in the submission made by the learned Senior Counsel appearing for the petitioners. In the result I pass the following:

ORDER

- i. The writ petition is ***allowed***.
- ii. The impugned notices dated 20.01.2026 (Annexures-H series) issued under Section 29C(8) of the Act by respondent No. 2 are hereby quashed.

**Sd/-
(E.S.INDIRESH)
JUDGE**