IN THE HIGH COURT OF JUDICATURE AT BOMBAY, NAGPUR BENCH, NAGPUR

WRIT PETITION NO.646 OF 2014
State Bank of India, through its Deputy General Manager (Business & Operation), Zone I, Administrative Office, Near Railway Station, Kingsway, Nagpur
..vs..
The Hon'ble Central Registrar of Cooperative Societies, Government of India, Ministry of Agriculture, Department of Agriculture & Cooperation, Krushi Bhawan, New Delhi and anr

....

Office Notes, Office Memoranda of Coram, appearances, Court orders or directions and Registrar's orders | Court's or Judge's Order

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Shri A.S. Kilor, Counsel for the Petitioner.
Shri Rohit Deo, Counsel for R-1.
Shri A.A. Naik, Counsel for Respondent No.2.

CORAM : B.P. DHARMADHIKARI & KUM. INDIRA K. JAIN, JJ.
DATED : AUGUST 3, 2016.

Question is, whether respondent No.2 can continue as a "Multi-State Co-operative Society" in its old style and name i.e. with words "State Bank of India Employees".

Earlier, respondent No.2 was a Co-operative Society registered under the Maharashtra State Co-operative Societies Act, 1960 and in the year 2008, it has been converted as a "Multi-State Co-operative Society". The grievance of the petitioner Bank is, by using words "State Bank of India", the general public is misled and prestige on good name of "State Bank of India" is misused by respondent No.2.

Learned counsel Shri A.S. Kilor for the

petitioner invites our attention to an incidence reported in newspaper which took place in guest house of respondent No.2 and an impression was given that it was guest house of the petitioner Bank. He further states that though not on record very recently, the petitioner Bank has received a summon in a recovery matter from the Co-operative Court in which the petitioner Bank has been impleaded as respondent. According to him, respondent No.2 is unauthorizedly functioning as a Bank in violation of the Banking Regulation Act, 1949 and as said State Bank of India is statutorily created, its name cannot be allowed to be used by it. He further adds that earlier only the employees of State Bank of India used to be the Members of the Co-operative Society but now outsiders have also become the members and respondent No.2 is functioning as a parallel Bank encashing on credit of the petitioner Bank.

Learned counsel Shri A.A. Naik for respondent No.2 disputes this. He submits that the Co-operative Society was formed by the employees of State Bank of India and, therefore, it was rightly known as “State Bank of India Employees' Co-operative Credit Society”. He further submits that respondent No.2 never functioned as a Bank but it is registered as a

"Co-operative Credit Society". The said Society, in due course, has converted itself into Multi-State Co-operative Society and has been so registered in the year 2008. No objection was raised by the petitioner at any point of time. He further contends that erroneous reporting by newspaper or wrong impleading of the petitioner by somebody cannot be used as an instance of an attempt to encash on credit of the petitioner Bank.

He further adds that several disputed questions arise. He invites our attention to the provisions of Section 122 of The Multi-State Co-operative Societies Act, 2002 (for short, "*the said Act*") to urge that the petitioner can approach the Central Government and the Central Government there can look into a disputed aspect and pass suitable orders.

Learned counsel Shri Rohit Deo for respondent No.1 submits that respondent No.2 has already passed appropriate orders in accordance with law on 3.4.2015.

During arguments it has become clear that though there are other grievances in the petition, the same do not survive. Only the correctness and use of name of State Bank of India by its "Employees' Co-operative Society" falls for consideration. Objection is on account of legal bar and also on account of alleged misuse by the employees of the Credit Co-operative Societies.

In this situation, we find that some disputed questions arise. It will be appropriate to permit the petitioner Bank to approach the Central Government under Section 122 of the said Act. If the petitioner Bank prefers any such application, within a period of eight weeks from today, the authorities functioning under Section 122 of the said Act shall, after giving necessary opportunity to respondent No.2, take suitable decision upon it at the earliest and, in any case, within a period of three months.

With these directions and keeping all rival contentions open, we dispose of the writ petition. No costs.

JUDGE **JUDGE**

!! BRW !!

C E R T I F I C A T E

I certify that this Order/Judgment uploaded is a true and correct copy of original signed Order.

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