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

WRIT PETITION NO.2673 OF 2018

1. Jaikishan Maniklal Daga
   Aged about 76 years, Occ. Business

2. Harikishan Maniklal Daga
   Aged about 62 years, Occ. Business

3. Omprakash Maniklal Daga
   Aged about 57 years, Occ. Business

4. Sanjay Jaikishan Daga
   Aged about 47 years, Occ. Business

5. Laxmikant Harikishan Daga
   Aged about 37 years, Occ. Business
   All are R/o Jaistambh Square, Station area,
   Murtizapur, Dist. Akola

6. Manikji Pulses
   A Registered Partnership Firm
   Through its partner Sahil Omprakash Daga,
   aged about 22 years, R/o Jaistambh Square,
   Station area, Murtizapur, Dist. Akola

7. Sharad Hanumandas Bang,
   Aged about 46 years, Occ. Business,
   R/o Old City Murtizapur, Dist. Akola

8. Kailash Tarachand Saboo,
   Aged about 42 years, Occ. Business,
   R/o Goyanka Nagar, Murtizapur,
   Dist. Akola … Petitioners

-vs-

1. The Divisional Joint Registrar of
   Co-operative Societies, Amravati

2. The Deputy Registrar of
   Co-operative Societies (Taluka Akola),
   Tq. And Dist. Akola

3. The Akola Merchant Co-operative Society (Bank) Ltd.
Akola Through its Chief Executive Officer,
having office at plot No.6, Jawahar Nagar Chowk,
Akola, District Akola … Respondents

WITH

WRIT PETITION NOS.4675 OF 2018

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
Through its Secretary, Department of
Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
Co-operative Societies, Amravati

3. Assistant Registrar
Co-operative Societies for Akola Tahsil,
Tq. And Dist. Akola

4. Harikishan Maniklal Daga,
Age 65 years, Occ. Business

5. Sahil Omprakash Daga,
aged about 25 years, Occ. Business,
Nos.4 and 5 R/o Jaistambh Square,
Station area, Murtizapur, Dist. Akola

6. Vitthal Shamrao Tidke,
Age 50 years, Occ. Business,
At Sangvi, Post Durwada,
Tal. Murtizapur, Dist. Akola … Respondents.

WITH

WRIT PETITION NOS.4676 OF 2018

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
   Through its Secretary, Department of
   Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
   Co-operative Societies, Amravati

3. Assistant Registrar
   Co-operative Societies for Akola Tahsil,
   Tq. And Dist. Akola

4. Maniklal Pulses (Partnership Firm)
   Through its Partners

   a) Omprakash Maniklal Daga
      Age 56 years, Occ. Business

   b) Sahil Omprakash Daga,
      aged about 25 years, Occ. Business,
      Nos.(a) and (b) R/o Jaistambh Square,
      Station area, Murtizapur, Dist. Akola

5. Shivshankar Kashiram Joshi
   Age 50 years, Occ. Business
   R/o Ward No.27, Murtizapur, Dist. Akola

6. Vitthal Shamrao Tidke,
   Age 50 years, Occ. Business,
   At Sangvi, Post Durwada,
   Tal. Murtizapur, Dist. Akola … Respondents.

WITH

WRIT PETITION NOS.4677 OF 2018

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
   Through its Secretary, Department of
   Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
   Co-operative Societies, Amravati

3. Assistant Registrar
   Co-operative Societies for Akola Tahsil,
   Tq. And Dist. Akola

4. Laxmikant Harikisan Daga,
   Age 40 years, Occ. Business

5. Omprakash Maniklal Daga,
   aged about 57 years, Occ. Business,
   Nos.4 and 5 R/o Jaistambh Square,
   Station area, Murtizapur, Dist. Akola

6. Vitthal Shamrao Tidke,
   Age 50 years, Occ. Business,
   At Sangvi, Post Durwala,
   Tal. Murtizapur, Dist. Akola … Respondents.

WITH

WRIT PETITION NOS.4678 OF 2018

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
   Through its Secretary, Department of
   Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
   Co-operative Societies, Amravati

3. Assistant Registrar
   Co-operative Societies for Akola Tahsil,
   Tq. And Dist. Akola

4. Omprakash Maniklal Daga,
   Age 59 years, Occ. Business

5. Sahil Omprakash Daga,
   aged about 25 years, Occ. Business,
   Nos.4 and 5 R/o Jaistambh Square,
   Station area, Murtizapur, Dist. Akola

6. Vitthal Shamrao Tidke,

Age 50 years, Occ. Business,
At Sangvi, Post Durwada,
Tal. Murtizapur, Dist. Akola … Respondents.

WITH

WRIT PETITION NOS.4679 OF 2018

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
Through its Secretary, Department of
Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
Co-operative Societies, Amravati

3. Assistant Registrar
Co-operative Societies for Akola Tahsil,
Tq. And Dist. Akola

4. Kailash Tarachand Saboo,
Aged 39 years, Occ. Business
R/o Goyanka Nagar, Murtizapur,
Dist. Akola

5. Sahil Omprakash Daga,
aged about 25 years, Occ. Business,

6. Harikishan Maniklal Daga,
Age 65 years, Occ. Business

Nos.5 and 6 R/o Jaistambh Square,
Station area, Murtizapur, Dist. Akola … Respondents.

WITH

WRIT PETITION NOS.4680 OF 2018

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
   Through its Secretary, Department of
   Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
   Co-operative Societies, Amravati

3. Assistant Registrar
   Co-operative Societies for Akola Tahsil,
   Tq. And Dist. Akola

4. Sanjay Jaikisan Daga,
   Aged 77 years, Occ. Business

5. Omprakash Maniklal Daga,
   aged about 57 years, Occ. Business,

6. Harikisan Maniklal Daga,
   Age 63 years, Occ. Business

Nos.4 to 6 R/o Jaistambh Square,
Station area, Murtizapur, Dist. Akola … Respondents.

WITH

<u>WRIT PETITION NOS.4681 OF 2018</u>

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
   Through its Secretary, Department of
   Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
   Co-operative Societies, Amravati

3. Assistant Registrar
   Co-operative Societies for Akola Tahsil,
   Tq. And Dist. Akola

4. Jaykishan Maniklal Daga
   Aged 76 years, Occ. Business
5. Sahil Omprakash Daga,
   aged about 25 years, Occ. Business,

6. Harikishan Maniklal Daga,
   Age 62 years, Occ. Business

   Nos.4 and 6 R/o Jaistambh Square,
   Station area, Murtizapur, Dist. Akola … Respondents.

WITH

WRIT PETITION NOS.4682 OF 2018

Akola Merchant Co-operative Bank Ltd.
Akola, Plot No.6, Jawahar Nagar Chowk,
Through its Chief Executive Officer ...Petitioner

vs

1. State of Maharashtra,
   Through its Secretary, Department of
   Co-operation, Mantralaya, Mumbai 32.

2. Divisional Joint Registrar of
   Co-operative Societies, Amravati

3. Assistant Registrar
   Co-operative Societies for Akola Tahsil,
   Tq. And Dist. Akola

4. Sharad Hanumandas Bang
   Aged 48 years, Occ. Business
   R/o Tanga Chowk, Juni Vasti,
   Murtizapur, Dist. Akola

5. Omprakash Maniklal Daga,
   Aged 57 years, Occ. Business,
   R/o Jaistambh Square,
   Station area, Murtizapur, Dist. Akola

6. Vitthal Shamrao Tidke
   Age 50 years, Occ. Business
   R/o At Post Sangvi, Post Dhurwala
   Tq. Murtizapur, Dist. Akola … Respondents.

Shri R. M. Bhangde, Advocate for petitioners in WP No.2673/18 and for respondent Nos.4 to 6 in WP Nos.4675/2018 to 4682/2018.

Shri S. Bissa, Assistant Government Pleader for respondent Nos.1 and 2 in WP No.2673/18 and for respondent Nos.1 to 3 in WP Nos.4675/2018 to 4682/2018.

Shri R. L. Khapre, Advocate for respondent No.3 in WP No.2673/18 and for petitioners in WP Nos.4675/2018 to 4682/2018.

CORAM : A. S. CHANDURKAR, J.
DATE : August 20, 2019.

Common Judgment :

All these writ petitions can be decided together by this common judgment.

Rule. Heard finally with consent of counsel for the parties.

2. In Writ Petition No.2673/2018 challenge has been raised to the order dated 27/04/2018 that has been passed by the Deputy Registrar, Co-operative Societies directing issuance of Recovery Certificate under Section 101 of the Maharashtra Co-operative Societies Act, 1960 (for short, the said Act).

The facts briefly stated are that it is the case of the petitioners that they had availed credit facility from the respondent No.3-Bank by pledging goods with it. Agreements in that regard granting short term loan for a period of three months were entered into between 14/03/2016 to 02/05/2016. It is the case of the petitioners that in the eventuality of the amounts borrowed not being repaid within period of three months, the Bank was entitled to sell the goods that were pledged with it. The goods pledged were tur and tur dal. The loan amounts granted were to the extent of 70% of the value of the goods pledged. The petitioners did not repay the amounts due within the period of three months and hence according to the petitioners the Bank ought to have sold off the pledged goods. The Bank did not do so and instead in May 2017 filed proceedings under Section 101 of the said Act. According to the petitioners the value of the goods pledged were considerably reduced with passage of time as a result of which the petitioners were put to monetary loss. In the proceedings that were filed under Section 101 of the said Act the Deputy Registrar on 09/04/2018 rejected the preliminary objection that was raised by the petitioners to the maintainability of the proceedings under Section 101 of the said Act. In the meanwhile each petitioner filed a dispute under Section 91 of the said Act seeking a declaration that by not selling off the pledged goods and by not exercising right under Section 176 of the Indian Contract Act, 1872 (for short, the Act of 1872) the petitioners were required to suffer loss at the instance of the Bank. The petitioners thus sought recovery of damages from the Bank. On 27/04/2018 the Deputy Registrar decided the proceedings under Section 101 of the said Act and directed issuance of Recovery Certificates against the petitioners. Being aggrieved by the issuance of the said Recovery Certificates the same have been challenged in the present writ petition.

3. In Writ Petition Nos.4675/2018 to 4682/2018 the Bank has challenged the order dated 21/05/2018 passed by the Divisional Joint Registrar, Co-operative Societies, Amravati whereby the order dated 09/04/2018 that was passed by the Deputy Registrar, Co-operative Societies rejecting the preliminary objection filed by the petitioners was set aside and preliminary objection as raised to the maintainability of the proceedings under Section 101 of the said Act has been upheld. According to the Bank the stand taken by the petitioners that the Bank ought to have sold off the pledged goods was based on an incorrect premise that the Bank was duty bound to have acted under Section 176 of the Act of 1872. It was the case of the Bank that the amounts were borrowed after each of them executed a Promissory Note and therefore there was a contract to the contrary between the parties due to which and the Bank could not be compelled to sell the pledged goods. According to the Bank the provisions of Section 101 of the said Act had been rightly invoked and the dispute as filed by the petitioners under Section 91 of the said Act was merely by way of an afterthought so as to give a go-by to the proceedings filed under Section 101 of the said Act. In the adjudication by the revisional Authority, the fact that Recovery Certificates had been issued on 27/04/2018 by the Deputy Registrar had been ignored and the revision application had been entertained with regard to a challenge raised to an interlocutory order dated 09/04/2018. When the final order was passed by the revisional Authority, the interlocutory order

dated 09/04/2018 had merged into the final order dated 27/04/2018. It is on that basis that the revisional order dated 21/05/2018 is sought to be challenged by the Bank.

4. Shri R. M. Bhangde, learned counsel for the petitioners in Writ Petition No.2673/2018 submitted that the amounts in question had been borrowed by the petitioners by pledging perishable commodities with the Bank. On repayment of the amounts borrowed not being made within three months, the Bank ought to have been disposed off the pledged goods in terms of the agreement between the parties. Instead of disposing off the said perishable goods that were pledged, the Bank proceeded to initiate proceedings under Section 101 of the said Act. According to him the value of the goods pledged were not stable and the same fluctuated from time to time. The loans advanced to the petitioners were only to the extent of 70% of the value of the pledged goods. After waiting for more than eight months the Bank filed proceedings under Section 101 of the said Act by which time the value of the pledged goods had been reduced to the extent of 50% of the value of the goods when they were so pledged. On account of negligence and inaction on the part of the Bank the petitioners were required to suffer losses and it is in that backdrop that disputes under Section 91 of the said Act came to be filed by the borrowers. He submitted that to put forth the stand as regards loss being caused to the petitioners on account of negligence and

delay on the part of the Officers of the Bank of not selling the pledged goods, it would be necessary for the petitioners to lead evidence and also cross-examine the Officers of the Bank. This was not possible under the limited jurisdiction that was available under Section 101 of the said Act. In view of provisions of Rule 86-E of the Maharashtra Co-operative Societies Rules 1961 such evidence could not be led in the proceedings under Section 101 of the said Act. It was on this count that the petitioners had raised a preliminary objection to the tenability of the said summary proceedings. However without considering the aforesaid aspects, those objections were turned down. To substantiate his contentions that the Bank ought to have sold off the pledged goods and failure to do so amounted to negligence on the part of the Bank, the learned counsel placed reliance on the decisions in ***Central Bank of India, Raigarh vs. M/s Grains and Gunny Agencies and ors. 1988 M.P.L.J. 453, Central Bank of India, Tirodi Branch, Dist. Balaghat vs. Abdul Mujeeb Khan and ors. 1996 M.P.L.J. 1110, The State Bank of Saurashtra vs. Chitranjan Rangnath and anr. AIR 1980 SC 1528 and Lallan Prasad vs. Rahmat Ali and anr. AIR 1967 SC 1322*** and the judgment of the Court of Appeal in *Standard Chartered Bank Ltd. vs. Walker and anr. The Weekly Law Reports, 19 Nov. 1982 at page 1410.*

It was then submitted that the Deputy Registrar adjudicated the proceedings under Section 101 of the said Act without granting due opportunity to the petitioners. It was submitted that against the order dated

09/04/2018 passed by the Deputy Registrar rejecting the preliminary objection as raised, the petitioners had filed revisions application under Section 154 of the said Act. On 16/04/2018 the revisional Authority had passed an order directing the parties to maintain status quo. The proceedings were then adjourned to 24/04/2018. Though an application for adjournment was moved on behalf of the petitioners, the respondent No.1 vacated the order of status quo on 27/04/2018 and immediately thereafter the Deputy Registrar passed an order directing issuance of Recovery Certificates. He therefore submitted that since the order of status quo was vacated by the respondent No.1 on 27/04/2018, there was no reason for the Deputy Registrar to have adjudicated the proceedings under Section 101 of the said Act on the same day that too without giving proper opportunity to the petitioners. It was thus submitted that the impugned order was liable to be set aside.

5. Shri R. L. Khapre, learned counsel for the Bank on the other hand opposed aforesaid submissions. He submitted that while advancing loans to the borrowers they had executed Promissory Notes in favour of the Bank. The goods pledged were only by way of collateral security and it was open for the Bank to seek recovery of the amounts due by seeking to enforce the Promissory Notes. The entire premise on which the borrowers intended to proceed was misconceived in view of the fact that the Bank was entitled to

rely upon Promissory Notes which were executed by way of security. According to him the Deputy Registrar found that the preliminary objection raised by the borrowers under Section 101 of the said Act was without any substance and hence rightly rejected the same. If at all it was the case of the borrowers that they had suffered any loss as alleged by them on account of the pledged goods not being disposed off, that aspect could be adjudicated in the dispute filed by the borrowers under Section 91 of the said Act. He on the contrary submitted that the Bank was not bound to sell off the pledged goods. Thus, the question of the borrowers seeking to lead any evidence in that regard and hence the bar under Rule 86-E of the said Rules being attracted did not arise. It was submitted that the judgments relied upon by the learned counsel for the borrowers were clearly distinguishable in view of the fact that there was a special contract between the parties in those cases while in the present matters, the Promissory Notes had been executed by the borrowers. As the goods pledged were merely by way of collateral security the Bank was not duty bound to sell those goods. It was thus submitted that the proceedings filed under Section 101 of the said Act were not affected by the fact that perishable commodities were pledged with the Bank. He referred to the documents of pledge executed by each borrower and submitted that as per the terms stated therein the Bank was not responsible in any manner as regards to the quality and quantity of the pledged goods.

It was further submitted that the borrowers themselves were responsible for the delay caused in disposal of the proceedings. The preliminary objection as raised was without any substance but the borrowers persisted in pursuing those objections. As the preliminary objection had been rejected and the order of status quo as granted by the revisional Authority had been vacated there was no reason to further postpone the adjudication of the proceedings under Section 101 of the said Act. The Recovery Certificates were rightly issued by the Deputy Registrar and if the borrowers were aggrieved by the same they ought to have availed the remedy under Section 154(2) of the said Act. In support of his submissions the learned counsel placed reliance on the decisions in ***The Bank of Bihar vs. The State of Bihar vs. The State of Bihar and ors. AIR 1971 SC 1210, Bank of Maharashtra vs. M/s Raemann Auto (P) Ltd. AIR 1991 Delhi 278, Infrastructure Leasing and Financial Services Ltd. vs. B.P.L. Ltd. 2015 AIR SCW 666*** and ***Greater Bombay Co-operative Bank Ltd. Mumbai and anr. vs. Dhillon P. Shah and ors. 2004(1) Mh.L.J. 996.***

It was thus submitted that the writ petition fled by the borrower was liable to be dismissed. The order passed by the revisional Authority on 21/05/2018 was liable to be set aside which would result in restoring the order passed by the Deputy Registrar under Section 101 of the said Act.

6. I have heard the learned counsel for the parties at length and with their assistance I have perused the documents placed on record. I have also

given due consideration to their respective submissions. It is not in dispute each borrower has availed short term loan from the Bank and while doing so has executed a Promissory Note besides pledging perishable commodities with the Bank. The amounts lent are up to the limit of 70% of the value of the pledged goods. As per the Promissory Notes, the amounts mentioned therein are payable on demand. In so far as the document of pledge is concerned it has been agreed by each borrower that the Bank would not be responsible for the weight and quality of the goods pledged with it. It was also stipulated therein that though the period of repayment of loan was stipulated the amount borrowed was payable on demand. It can thus be seen that besides executing Promissory Notes in favour of the Bank, the borrowers had pledged perishable goods by way of collateral security with the Bank. The Bank had issued notice to the borrowers in February and March 2017 specifically stating therein that if the amounts due were not repaid, proceedings under Section 101 of the said Act would be initiated. Accordingly in May 2017 the Bank initiated proceedings under Section 101 of the said Act to recover the amounts due. The list of documents filed by the Bank along with the application that was filed under Section 101 of the said Act included the Promissory Notes on the basis of which the Bank sought to recover the amounts due. The borrowers on being served in the aforesaid proceedings raised an objection to the said proceedings on the ground that the Bank had not acted as per the agreement of pledge. By not selling the pledged goods and by retaining their custody, the value of the pledged goods had been reduced causing loss to the borrowers. Since the borrowers intended to prove this loss by leading evidence which aspect was not possible in summary proceedings, the Deputy Registrar had no jurisdiction to proceed with the adjudication of the proceedings. This objection was replied to by the Bank specifically stating therein that the Bank was entitled to recover all the amounts that were lent by initiating proceedings under Section 101 of the said Act. Shortly before the said preliminary objection was decided by the Deputy Registrar on 09/04/2018, the borrowers filed separate disputes under Section 91 of the said Act. According to the borrowers it was they who were entitled to recover amounts from the Bank in view of the fact that the terms and conditions mentioned in the document of pledge had been violated by the Bank which resulted in causing loss to the borrowers. The preliminary objection came to be rejected by the Deputy Registrar on 09/04/2018 on the ground that the Bank had filed various documents indicating the amounts being lent to the borrowers and hence the proceedings as initiated under Section 101 of the said Act were tenable. In that order there is a specific reference to the Promissory Notes on the basis of which said proceedings had been initiated.

7. Considering the nature of documents executed by the borrowers which include a Promissory Note being executed in favour of the Bank

coupled with the fact that a notice was initially issued to each borrower making a demand of the outstanding amount with a statement that failure to repay those amounts would result in initiating proceedings under Section 101 of the said Act, it becomes clear the Bank had initiated said proceedings on the strength of the Promissory Note. The document of pledge as executed by each borrower was in the form of collateral security. Whether the Bank was duty bound to sell off the pledged goods within a period of three months and whether failure to do so resulted in borrowers suffering loss are the aspects which are required to be considered in the disputes as filed by the borrowers. That adjudication is independent of the recovery proceedings initiated by the Bank under Section 101 of the said Act. Rule 86-E of the said Rules bars a party from seeking to lead evidence in summary proceedings under Section 101 of the said Act. Since each borrower has invoked the remedy available under Section 91 of the said Act and as it is found that the Bank sought to rely upon the Promissory Notes executed by the borrowers while seeking recovery of the amounts lent in proceedings under Section 101 of the said Act, no fault can be found with the order passed by the Deputy Registrar rejecting the preliminary objection raised by the borrowers. In the light of the fact that the borrowers have already filed disputes under Section 91 of the said Act on a distinct cause of action that failure to sell the pledged goods has resulted in causing loss to the borrowers, that aspect is required to be adjudicated in the disputes as filed which are pending. The same cannot be a reason to prevent the Bank from proceeding to recover the amounts due to it by invoking provisions of Section 101 of the said Act especially when the Bank seeks to rely upon the Promissory Notes executed by each borrower by way security. In that view of the matter it found that the Deputy Registrar was legally justified in not accepting the preliminary objection raised by each borrower.

The Divisional Joint Registrar in the order dated 21/05/2018 has merely referred to the fact that the borrowers had filed disputes under Section 91 of the said Act and as those disputes were pending, it would not be legally proper to determine the amounts due and recoverable by the Bank. It has been further observed that there was a dispute with regard to the actual amounts due and hence on that basis he thought it fit to interfere with the order dated 09/04/2018 passed by the Deputy Registrar. The said order dated 21/05/2018 is not sustainable in view of the fact that the summary proceedings initiated under Section 101 of the said Act were distinct from the issues that were raised by the borrowers in the disputes filed under Section 91 of the said Act. In the recovery proceedings reference had been specifically made to the claim for the amounts lent by referring to the Promissory Notes executed by the borrowers. On the other hand in the disputes as filed it was for the borrowers to prove the alleged losses suffered by them on account of failure on the part of the Bank to sell the pledged goods. There was no justifiable reason to stall the adjudication of the summary proceedings under Section 101 of the said Act merely on the ground that the disputes filed by the borrowers were pending. The order dated 21/05/2018 is therefore liable to be set aside.

8. In so far as the proceedings under Section 101 of the said Act are concerned, the roznama maintained by the Deputy Registrar in respect of those proceedings indicates that after rejection of the preliminary objection on 09/04/2018 the proceedings were then adjourned to 16/04/2018 on which date the Divisional Joint Registrar in the revision application passed an order of status quo. The next date given was 19/04/2018 on which the proceedings were adjourned to 26/04/2018. On that date the proceedings were kept on 27/04/2018 at 5 pm. The order of status quo was vacated by the Divisional Joint Registrar on 27/04/2018 and this fact was thus brought to the notice of the Deputy Registrar by filing a pursis to that effect. As stated above the proceedings were kept at 5 pm on 27/04/2018. The Deputy Registrar has noted in the roznama that on 11/04/2018 and 16/04/2018 an opportunity was given to the borrowers to put forth their contentions. After noticing the absence of the borrowers at 5 pm on 27/04/2018 and in view of the orders passed by this Court in Writ Petition No.7315 of 2017 wherein the Deputy Registrar was directed to decide the proceedings by 27/04/2018, he passed the final order on that date and directed issuance of the Recovery Certificates.

Thus in the light of the directions issued by this Court in the aforesaid writ petition and after noticing that due opportunity was given to the borrowers to oppose the proceedings under Section 101 of the said Act, the Recovery Certificates came to be issued within the period permitted by this Court. It prima facie therefore cannot be said that the said Authority proceeded with undue haste in deciding the proceedings. Since the said Authority while issuing the Recovery Certificates has referred to the documents on record therein for arriving at his conclusion coupled with the fact that a statutory remedy under Section 154(2A) of the said Act is available to the borrowers to avail that remedy, the challenge to the issuance of Recovery Certificates in the writ petition does not deserve to be entertained.

9. In the light of the view as taken I do not find it necessary to record any finding on the contentions raised by the borrowers that the Bank was duty bound to have disposed of the pledged goods for recovering its dues. That aspect could be urged in the disputes filed by the borrowers under Section 91 of the said Act. Hence it is not necessary to refer to the decisions cited in that regard. In the light of the aforesaid discussion the following order is thus passed :

(i) The common order dated 21/05/2018 passed by the Divisional Joint Registrar, Co-operative Society, Amravati in Revision

Application Nos.18 of 2018 to 25 of 2018 is set aside. Writ Petition Nos.4675 to 4682 of 2018 are allowed in aforesaid terms. Parties to bear their own costs.

(ii) The borrowers are at liberty to challenge the order dated 27/04/2018 passed by the Deputy Registrar, Co-operative Societies, Akola by availing the remedy available under Section 154(2) of the said Act. If such remedy is availed within a period of eight weeks from today, the revisions applications shall be entertained on merits without going into the question of delay. All points raised by the borrowers for challenging the issuance of the Recovery Certificates on merits are kept open.

Writ Petition No.2673 of 2018 is disposed of in the light of aforesaid directions. No costs.

JUDGE