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**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**CWP-12671-2022
Date of decision: 08.07.2022**

SUKHMINDER KAUR AND OTHERS

...Petitioners

VERSUS

STATE OF PUNJAB AND OTHERS

...Respondents

CORAM: HON'BLE MS. JUSTICE JAISHREE THAKUR

Present:- Mr. R. S. Kalra, Advocate
for the petitioners.

JAISHREE THAKUR, J. (Oral)

This is a writ petition that has been filed by 45 members belonging to Dr. Ambedkar Cooperative House Building Society, Sector-76, SAS Nagar, Mohali-respondent No.4. The basic relief as sought in the instant petition is for a direction to be issued to the Registrar, Cooperative Societies, Punjab-respondent No.2 to conduct a detailed audit/inspection under Section 49 of the Punjab Cooperative Societies Act, 1961 and, thereafter, to pass an order under Section 54 of the said Act to ensure that the fraudulent and embezzled accounts of the Society are restored as well as to issue a writ in the nature of mandamus directing the respondents to decide representations dated 08.06.2020 (Annexure P-10), 13.10.2021 (Annexure P-28) and legal notice dated 25.04.2022 (Annexure P-33) in a time bound manner.

Learned counsel for the petitioners herein would contend that the aforesaid Society has been constituted and registered under the Punjab

Cooperative Societies Act, 1961 and in terms of the said Act, audit has to be conducted on a yearly basis, however, there have been financial irregularities in the management of the Society, which would be revealed if an audit is undertaken. Such an audit has not taken place since 2012 and an audit is required to be conducted to establish that fraud had been perpetuated. He would contend that the Society had been converted in Self Supporting Cooperative Society, which action was challenged and the same has been set aside by the Registrar, Cooperative Societies himself. He further submits that as on date, the status of the Society is that it is still governed by the Act of 1961. Learned counsel for the petitioners herein limits his prayer for an early disposal of his representations for conduct of an audit and in case, there is any fraud played, for taking the necessary steps in this regard and consequences to follow thereafter. It is submitted that the members had approached the Cooperative Minister, who himself has endorsed that the matter should be looked into and audit be carried out.

Notice of motion.

Mr. Pawan Sharda, Sr. DAG, Punjab, who is present in Court, accepts notice on behalf of the respondent No.1 to 3. Mr. Balwinder Singh Sehra, Advocate, who is also present in Court, accepts notice on behalf of respondent No.4.

Learned counsel for respondent No.4 would contend that the instant petition is not maintainable. In fact, he would argue that the Society which had been converted in a Self Supporting Cooperative Society was subject to audit during the period 2013 till the order was set aside. In fact, a writ petition had been filed challenging the order of the Registrar, Cooperative Societies setting aside the conversion and, therefore, this writ

petition is not maintainable.

I have heard learned counsel for the parties.

In view of the fact that as on date, the order of the Registrar, Cooperative Societies setting aside the conversion of Dr. Ambedkar Cooperative House Building Society into a Self Supporting Cooperative Society converting the Society back to the Cooperative Society, has not been stayed by this Court, this Court deems it appropriate to direct the Registrar, Cooperative Societies-respondent No.2 to decide the representations/legal notice as preferred by the petitioners herein.

Without commenting on merits of the case, this petition is disposed of with a direction to respondent No.2 to decide the representations/legal notice of the petitioners within a period of four months from the date of receipt of the certified copy of this order, in accordance with law and convey the decision to the petitioners. In case of failure to do so, the Registrar, Cooperative Societies, Punjab-respondent No.2 would be liable to costs of Rs.20,000/- from his personal pocket, to be deposited with the Punjab and Haryana High Court Advocates Welfare Fund.

In case it is found that there has been some irregularities, the necessary consequences thereafter to ensue. Needless to say that before passing any order, respondent No.4-Dr. Ambedkar Cooperative House Building Society would be given adequate opportunity of hearing.

08.07.2022
Chetan Thakur

(JAISHREE THAKUR)
JUDGE

Whether speaking/reasoned

Yes/No

Whether reportable

Yes/No