

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

CWP No.6072 of 2017 (O&M)

Date of Decision.13.07.2022

Kesho Gulati and others

...Petitioners

Vs

State of Punjab and others

...Respondents

CORAM:HON'BLE MS. JUSTICE JAISHREE THAKUR

Present: Ms. Harpreet Kaur Ahuja, Advocate and
Mr. M.S. Saini, Advocate
for the petitioners.

Mr. Pawan Sharda, Sr. DAG, Punjab.

Mr. Harjot Singh Bedi, Advocate
for respondent No.4.

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JAISHREE THAKUR J. (ORAL)

Written statement filed on behalf of respondent No.4 in the court today is taken on record.

This is a petition that has been filed by some of the members of the Nector Cooperative House Building Society Ltd. (hereinafter referred to as the Society) seeking a writ in the nature of mandamus to be issued to respondent No.4-Liquidator to proceed in accordance with law and distribute the sale proceeds amongst petitioners.

In brief, the facts are that the Society came into existence for providing flats and plots to its members. However, it appears that the Society was not functioning appropriately and a dispute arose, consequent to which the Society was brought under liquidation vide order dated 20.04.2017. As the Liquidator appointed at that relevant time did not

proceed to manage the affairs of the Society to sell and distribute the sale proceeds amongst its members, it necessitated filing of the instant petition with the limited prayer for the Liquidator to proceed in accordance with law and to effect recoveries by putting assets of the Society to sale and distribute the sale proceeds amongst its members.

Pursuant to notice of motion order, reply has been filed on behalf of respondent No.4-Liquidator.

Mr. Bedi, learned counsel appearing on behalf of respondent No.4 would contend that the entire process of liquidation and effecting recoveries is a time consuming process. An FIR has been registered against the earlier managing committee members for embezzling huge amount of the Society and not giving proper records. It is submitted that for want of proper record, action could not be taken under the provisions of the Punjab Cooperative Societies Act, 1961 and the Rules framed thereunder. Details of the action taken by the Liquidator have been enumerated in the reply filed.

It is further submitted that with great effort, the Liquidator has been able to get account statements of two banks and arbitration case has been initiated under Section 55/56 of the 1961 Act for recovery of an amount of Rs.1,93,65,930/- along with interest. It is submitted that the liquidator is taking all steps necessary to ensure that the amounts are recovered and disbursed amongst members of the Society.

I have heard learned counsel for the parties and have perused the paper book. In view of the fact that detailed reply has been filed enumerating steps taken by the Liquidator and proposals put forth to recover the amounts, this Court does not find any ground to issue any further

directions in this matter.

Needless to say, the Liquidator is expected to act as per the provisions of the Punjab Cooperative Societies Act. Consequently, the instant petition stands disposed of with aforesaid observations.

(JAISHREE THAKUR)
JUDGE

July 13, 2022

Pankaj*

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No