



CWP-10830-2023

-1-

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

(107)

CWP-10830-2023

Date of decision:- 23.10.2024

Sarbjee Singh Brar and others

...Petitioners

Versus

State of Punjab and others

...Respondents

**CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL**

Present: Mr. Harjot Singh Bedi, Advocate, for the petitioners.

Ms. Amrita Garg, Assistant Advocate General, Punjab.

...

**SUVIR SEHGAL, J. (Oral)**

1. By way of present writ petition filed under Article 226/227 of the Constitution of India, petitioners have approached this Court *inter alia* for issuance of a writ in the nature of certiorari for quashing impugned order dated 08.05.2023, Annexure P-4, passed under Section 27(2) of the Punjab Cooperative Societies Act, 1961, (for short “the 1961 Act”), whereby the petitioners, who are members of the Managing Committee of the Society – respondent No.6, were placed under suspension, and an Administrator was appointed.

2. Counsel for the petitioner submits that all the seven petitioners were duly elected as members of the Managing Committee of The Basti Jhandu Wala Multipurpose Cooperative Agricultural Service Society Limited (for short “the Society”). He submits that Shri Satpal Singh, a former Secretary of the Society, who retired on 30.11.2014, had committed embezzlement and two arbitration cases were initiated against him, which are pending. Counsel



CWP-10830-2023

-2-

submits that the Managing Committee of the Society did not pass any resolution for the release of his retiral dues. He filed a complaint against the Society with the Joint Registrar, Cooperative Societies, Ferozepur, and vide letter dated 10.01.2023, Annexure P-1, the Society was directed to convene the meeting and take a decision on his retiral dues. Simultaneously, the Deputy Registrar Cooperative Societies, Ferozepur, was directed to decide both the arbitration cases within a period of two months. Counsel submits that a meeting of the Managing Committee was convened on 24.04.2023, but due to incomplete quorum, meeting could not be held and vide impugned order, Annexure P-4, the Managing Committee of the Society was suspended. He has placed reliance upon the judgments passed by this Court in *S.R.Goyal Versus Mehtab Singh, 1994 (2) PLR 290*, and in *Gora Singh Versus Registrar, Cooperative Societies, Punjab, Chandigarh, 1994 (2) PLR 42*, to contend that the Managing Committee could not be suspended without issuance of any prior show cause notice to the members.

3. Writ petition has been contested by the respondents by filing separate responses. A preliminary objection was raised that the petitioner has an alternative remedy of filing an appeal under Section 68(1)(e) of the 1961 Act. State counsel has urged that there is no requirement of prior notice before suspension.

4. I have heard counsel for the parties and considered their respective submissions.

5. The question that requires consideration by this Court is whether the notices are required to be served upon the member of the Managing Committee,



CWP-10830-2023 -3-

which has been placed under suspension. This question came up before the Division Bench of this Court in S.R.Goyal case (supra) and it has been held that a plain reading of sub-section (2) of Section 34 of the 1961 Act makes it clear that power under Section 34(2) to suspend the Managing Committee of the Society can be exercised by the Registrar only during the pendency of the proceedings under sub-section (1) of Section 34, and the Registrar can suspend the Committee during the period of proceedings only if he forms an opinion that it is necessary so to do. The Division Bench further observed that notice was required to be given before suspending the society, to each individual member of the Managing Committee.

6. In their responses, the respondents have not placed any material to establish that a notice was served upon the petitioners prior to the impugned action, nor could they satisfy this Court that such a notice is not necessary. Although, the petitioners have an alternative remedy of filing an appeal, but since there is a gross violation of the principles of natural justice and mandatory provisions of the 1961 Act have been breached, this Court can exercise the power vested in it under Article 226 to intervene in the matter. For the reasons given above, the impugned order, Annexure P-4, is set aside.

7. Writ petition is disposed of.

8. Respondents are at liberty to proceed against the petitioners in accordance with law after following the mandate of the statute.

(SUVIR SEHGAL)  
JUDGE

23.10.2024  
Pardeep

|                           |     |
|---------------------------|-----|
| Whether Speaking/Reasoned | Yes |
| Whether Reportable        | Yes |