

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.4983 of 2023

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Bandelal Yadav S/o- Late Danalal Yadav Chairman Dwalakh Panchayat
PACCS, Block Madhepur, P.S.- Bheja, District -Madhubani

... .. Petitioner/s

Versus

1. The State of Bihar Through The Chief Secretary, Government Of Bihar, Patna
2. The District Cooperative Officer, Madhubani.
3. The Cooperative Extension Officer, Lakhsaur, Madhepur Block, Lakhsaur, District- Madhubani
4. Certificate Officer-cum-District Cooperative Officer, Madhubani.
5. Rahui Central Co-Operative Bank, Madhubani.

... .. Respondent/s

with

Civil Writ Jurisdiction Case No. 4989 of 2023

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Dhanik Lal Mahato S/o Yogendra Mahato Ex. Chairman, Prasad Panchayat
PACCS, P.S.- Madhepur, District- Madhubani.

... .. Petitioner/s

Versus

1. The State of Bihar through the Chief Secretary, Government of Bihar, Patna.
2. The District Cooperative Officer, Madhubani.
3. The Cooperative Extension Officer, Lakhsaur, Madhepur Block, Lakhsaur, District- Madhubani.
4. Certificate Officer-Cum-District Cooperative Officer, Madhubani.

... .. Respondent/s

with

Civil Writ Jurisdiction Case No. 5178 of 2023

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Bhekh Nath Veyas S/o-Late Uchit Vyas @ Uchitalal Vyas.Ex. Chairman
Tardiha Panchayat PACCS, P.S.-Madhepur District-Madhubani.

... .. Petitioner/s

Versus

1. The State of Bihar through the Chief Secretary, Government of Bihar, Patna.
2. The District Cooperative Officer, Madhubani.
3. The Cooperative Extension Officer, Lakhsaur, Madhepura Block, Lakhsaur, District-Madhubani.
4. Certificate Officer-Cum-District Cooperative Officer, Madhubani.



... .. Respondent/s

Appearance :

(In Civil Writ Jurisdiction Case No. 4983 of 2023)

For the Petitioner/s : Mr. Shivendra Kumar Sinha, Advocate.
Mr. Ranjeet Patel, Advocate.
Mr. Divit Vinod, Advocate.
Mr. Mukesh Kant, Advocate.
For the Respondent/s : Mr. Sushil Kumar (GP 22) with
Mr. Rakesh Ranjan, Advocate.

(In Civil Writ Jurisdiction Case No. 4989 of 2023)

For the Petitioner/s : Mr. Shivendra Kumar Sinha, Advocate.
For the Respondent/s : Mr. Uday Shankar Sharan Singh (GP 19)

(In Civil Writ Jurisdiction Case No. 5178 of 2023)

For the Petitioner/s : Mr. Shivendra Kumar Sinha, Advocate.
For the Respondent/s : Mr. Amit Prakash (GA 13)

CORAM: HONOURABLE MR. JUSTICE A. ABHISHEK REDDY
ORAL ORDER

13 19-08-2025

Re. I.A. No. 02 of 2025 (in CWJC No. 4983 of 2023)

Re. I.A. No. 02 of 2025 (in CWJC No. 4989 of 2023)

Re. I.A. No. 02 of 2025 (in CWJC No. 5178 of 2023)

The additional prayer sought for by the petitioners in
the I.A. No. 02 of 2025 (in CWJC No. 4983 of 2023), in the I.A. No.
02 of 2025 (in CWJC No. 4989 of 2023) and in the I.A. No. 02 of
2025 (in CWJC No. 5178 of 2023) are allowed.

CWJC No. 4983 of 2023 along with its analogous cases

2. All the three writ petitions being similar in nature are
being heard together and disposed of by this present common
order.

3. The petitioner in CWJC No. 4983 of 2023 has prayed



for the following relief(s):-

“(i) For quashing the notice dated 09.12.2022 issued under the signature of the Respondent No. 4, District Co-operative Officer-cum-Certificate Officer, Madhubani in Certificate Case No. 170/2022-23, under Section 7 of the Bihar and Orissa Public Demand Recovery Act, 1914, whereby a fresh case being certificate Case No. 170/2022-23 has been initiated against the petitioner for recovery of so called dues amounting to Rs. 25,30,122/- only.

(ii) For further to hold that the petitioner cannot be subjected to double jeopardy for one and only cause of action relating to non-payment of money, for simple reason that arising out of same cause of action already certificate case is going on against the petitioner at the instance of respondents.

(iii) For further direction upon the respondent authority's particularly respondent No. 4 not to proceeded with the certificate case during pendency of this writ application.”

4. The additional prayer sought for by the petitioner in CWJC No. 4983 of 2023 by the I.A. No. 2 of 2025 is as follows:-

“.....for quashing the Certificate Case No. 11/47 of 2016-17 (Annexure-3) of the writ petition issued under the signature of Respondent No. 6 against the petitioner for recovery of so called amount to the Rs. 41,68,932.48/- only.”



5. The petitioner in CWJC No. 4989 of 2023 has prayed for the following relief(s):-

“(i) For quashing the notice dated 09.12.2022 issued under the signature of the respondent No. 4, District Cooperative Officer-cum-Certificate Officer, Madhubani in Certificate Case NO. 169/2022-23, under Section 7 of the Bihar and Orissa Public Demand Recovery Act, 1914, whereby a fresh case being certificate case No. 169/2022-23 has been initiated against the petitioner for recovery of so called dues amounting to Rs. 19,79,343/- only.

(ii) For further to hold that the petitioner cannot be subjected to double jeopardy for one and only cause of action relating to non-payment of money, for simple reason that arising out of same cause of action already certificate case is going on against the petitioner at the instance of respondents.

(iii) For further direction upon the respondent authority's particularly respondent No. 4 not to proceeded with the certificate case during pendency of this writ application.”

6. The additional prayer sought for by the petitioner in CWJC No. 4989 of 2023 by the I.A. No. 2 of 2025 is as follows:-

“.....for quashing the Certificate Case No. 15/44 of 2016-17 (Annexure-3) of the writ petition issued under the signature of Respondent No. 6 against the petitioner for recovery of so called amount to the Rs. 29,53,512/-



only.”

7.The petitioner in CWJC No. 5178 of 2023 has prayed
for the following relief(s):-

“(i) For quashing the notice dated 09.12.2022 issued under the signature of the respondent No. 4, District Cooperative Officer-cum-Certificate Officer, Madhubani in Certificate Case No. 173/2022-23, under Section 7 of the Bihar and Orissa Public Demand Recovery Act, 1914, whereby a fresh case being certificate case No. 173/2022-23 has been initiated against the petitioner for recovery of so called dues amounting to Rs. 13,20,606/- only.

(ii) For further to hold that the petitioner cannot be subjected to double jeopardy for one and only cause of action relating to non-payment of money, for simple reason that arising out of same cause of action already certificate case is going on against the petitioner at the instance of respondents.

(iii) For further direction upon the respondent authority's particularly respondent No. 4 not to proceeded with the certificate case during pendency of this writ application.”

8. The additional prayer sought for by the petitioner in
CWJC No. 5178 of 2023 by the I.A. No. 2 of 2025 is as
follows:-

“.....for quashing the Certificate Case No. 16/43 of 2016-17 (Annexure-3) of the writ petition issued under the signature of Respondent No. 6 against the petitioner for recovery of so



called amount to the Rs. 13,64,604.84/- only.”

9. Learned counsel appearing on behalf of the petitioners in all the three cases mentioned above has relied on the order of this Court dated 11.12.2024 passed in CWJC No. 474 of 2024 wherein this Court relying on the judgments of this Hon'ble Court in the case of ***Nawal Kishore Pd. Singh Vs. State of Bihar reported in 2006 (3) BLJ 676*** and also in the case of ***Kanhaiya Lal v. State of Bihar reported in 2022 (2) PLJR 553*** has allowed the CWJC. Learned counsel states that the petitions are similarly situated and are covered by the above cited judgments. Learned counsel appearing on behalf of the respondents has not controverted the above judgments and the law laid down.

10. This Hon'ble Court in the case of ***Nawal Kishore Pd. Singh Vs. State of Bihar reported in 2006 (3) BLJ 676*** has held as under:-

“5. However, in view of the fact that the said purported agreement, which has been executed, has been executed by the petitioners in their official capacity, there cannot be any dispute that they cannot be proceeded in their individual capacity. Loan was granted by the Central Cooperative bank to the Transport Cooperative Society. Both are juristic entities. It was not a loan personally granted to the petitioners nor was any such loan personally guaranteed by the



petitioners nor the petitioners stood surety for the said loan.

4. In that view of the matter, the entire certificate proceedings as against the petitioners in their individual capacity is wholly without jurisdiction and is liable to be quashed. The order passed under Section 10 of the Act rejecting the petitioners' petition under Section 9 of the Act denying liability is erroneous on the face of it. It has no legal sanctity. The same is liable to be quashed and is quashed in so far as it relates to the petitioners in their personal capacity is concerned. It will be open to the Central Cooperative Bank to substitute the names by names of the present office bearers who again, it is made clear, would not be liable in their personal capacity. It is elementary that a Corporate entity cannot by itself stand up in Court proceedings. It has to act through a person. It is only for that limited purpose, the names of office bearers would be there in the certificate proceedings."

11. A Division Bench of this *Hon'ble Court* in the case of ***Kanhaiya Lal v. State of Bihar*** reported in **2022 (2) PLJR 553** has held as under:-

"... which has examined a similar matter and held that the certificate proceedings against the Directors of a Company incorporated under the provisions of Companies Act could not lie as the Company has an independent juristic Corporate entity."

12. Admittedly, in all the three cases mentioned above, the certificate proceedings have been initiated against the



former Chairmen of the Primary Agricultural Cooperative Credit Society (PACCS).

13. Having regard to the above mentioned facts and the law laid down by this Court in the above cited cases, the initiation of the certificate proceedings against the petitioners in all the three cases mentioned above in their individual capacity cannot be sustained. Therefore, the impugned initiation of certificate proceedings against the petitioners in all the three cases are quashed. This order does not preclude the respondents from proceedings against the PACCS for recovery of the amounts due in accordance with law.

14. Accordingly, all the three writ petitions mentioned above are allowed to the extent indicated above.

(A. Abhishek Reddy, J)

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