

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

CIVIL WRIT PETITION NO. 5745 OF 2024

Himraj Madhusudan Sawant & Ors. ..Petitioners
Versus
Divisional Joint Registrar & Ors. ..Respondents

**WITH
CIVIL WRIT PETITION NO. 5746 OF 2024**

Kalpana Srinivasan Venkatesh & Ors. ..Petitioners
Versus
Divisional Joint Registrar & Ors. ..Respondents

**WITH
CIVIL WRIT PETITION NO. 5747 OF 2024**

Vinod Fakirchand Salve ..Petitioner
Versus
Divisional Joint Registrar & Ors. ..Respondents

Mr. Kishor Patil a/w. Kshada Nagrale i/b. Pratik B. Rahade for
Petitioners in all petitions.

Ms. Savina Crasto, AGP for State/ Respondent Nos.1 to 3 in
WP/5745/24.

Smt. V. R. Raje, AGP for State/ Respondent Nos.1 to 3 in
WP/5746/24.

Mr. P. V. Nelson Rajan, AGP for State/ Respondent Nos.1 to 3 in
WP/5747/24.

Mr. Saurav N. Katkar a/w. Ajinkya Patil i/b. Mr. Amar D. Parsekar
for Respondent No.4 in all petitions.

**CORAM : AMIT BORKAR, J.
DATE : 18 NOVEMBER 2025**

PC :

1. These petitions arise from an inquiry conducted under Section 88 of the Maharashtra Cooperative Societies Act. Since the issues are common, they are decided by this single order.

2. A report was submitted under Section 83 of the Act. On that basis, an inquiry under Section 88 was initiated. The report under Section 83 is dated 26 December 2017. Acting on this report, the authorised officer issued show cause notices to the petitioners on 26 March 2018 as required by Rule 71(1). The authorised officer then completed the inquiry and held the petitioners personally liable. The petitioners challenged this order before the Appellate Authority. The Appeal was dismissed. The petitioners then filed Revision Applications Nos. 687, 688 and 689 of 2023 before the State of Maharashtra. The Revisional Authority confirmed the order fixing liability. The petitioners have therefore approached this Court.

3. The petitioners placed reliance on the judgment of this Court in *Sanjeev Pathak versus State of Maharashtra and others in Writ Petition No. 10750 of 2022* along with connected petitions. They drew attention to paragraphs 67 and 68 of that judgment where the Court has set out the parameters for determining liability of an elected officer. They also relied on paragraphs 81 to 89 of the same judgment where the Court explained the requirements of the procedure prescribed under Rule 72 of the

Maharashtra Cooperative Societies Rules.

4. After examining the impugned order, it becomes clear that the authorities have not applied the parameters laid down by this Court in the judgment cited by the petitioners. These parameters are meant to guide the inquiry and ensure a fair and reasoned determination. The order does not show any discussion on how the petitioners can be held personally responsible for the alleged loss caused to the society. The law requires the authority to record clear findings. The authority must examine whether the petitioners had any role in the disbursement of the loan to the employee. The authority must also examine whether such disbursement was contrary to the Act, the Rules or the bye laws. The inquiry must address each of these issues in the light of the principles stated by this Court. The failure to do so amounts to a failure to exercise the jurisdiction in the manner required by law.

5. In view of these deficiencies, the impugned order cannot stand. The matter requires a fresh and lawful examination. The proceedings are therefore remitted to the authorised officer for a fresh inquiry.

6. The Registrar shall appoint a fresh authorised officer within four weeks. The newly appointed officer shall consider the parameters laid down by this Court in the judgment relied upon by the petitioners. He shall then decide whether the petitioners can be held personally liable and record his reasons in a clear and

reasoned manner.

7. The entire exercise shall be completed within six months from the date of appointment of the authorised officer.

8. All the petitions are disposed of.

(AMIT BORKAR, J.)