IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.14252 of 2024
ODHC010419902024

Nrusingha Nath Dash .... ***Petitioner***

Mr. B.S. Tripathy(1), Sr. Adv.
with Mr. A. Sahoo, Advocate

-versus-

Registrar of Co-operative Societies, Odisha and Others .... ***Opposite Parties***

Mr. A. Tripathy, AGA for O.P. Nos.1 and 2

CORAM:
JUSTICE BIRAJA PRASANNA SATAPATHY

ORDER

Order No. **29.10.2026**

04. **1.** This matter is taken up through Hybrid Arrangement (Virtual/Physical) Mode.

2. Perused the office note. On the face of service of notice on Opp. Party No.4 by Special Messenger, no appearance has been made. In view of the same, notice against Opp. Party No.4 is treated as sufficient.

3. On the face of service of notice on Opp. Party No.3 since no appearance was made, notice against Opp. Party No.3 was treated as sufficient by this Court vide its order dated 29.08.2026.

4. Heard Mr. B.S. Tripathy, learned Senior Counsel appearing for the petitioner and Mr. A. Tripathy, learned Addl. Govt. Advocate for Opp. Party Nos.1 and 2.

5. The present Writ Petition has been filed *inter alia* with the following prayer:-

> *"On the facts and in the circumstances stated above, your petitioner, therefore, prays that this Hon'ble Court be pleased to;*
>
> *i) quash the impugned Notices dt.04.01.2024 and dt.08.05.2024 of the O.P. No.3 under Annexure-5 and 7 as well as the impugned judgment dt.20.09.2022 passed in Dispute Case No.160/2020 under Annexure-8 by holding the same as not only, bad, illegal and contrary to law U/s.28(3)(e) and Sec-69 of Orissa Cooperative Societies Act, 1962, but also violative of the principles of natural justice;*
>
> *ii) pass such other order(s) as would be deemed fit and proper in the interest of justice and fair play."*

6. Learned Senior Counsel appearing for the petitioner contended that Opp. Party No.3 filed Dispute Case No.160 of 2020 in the Court of Opp. Party No.2 against Opp. Party No.4 as the sole defendant. Even though petitioner was not a party to the Dispute Case in Dispute Case No.160 of 2020, but while disposing the Dispute vide order dated 20.09.2022 under Annexure-8, petitioner was held liable to pay a sum of Rs.34,37,950/-. Basing on such order passed under Annexure-8, petitioner when was issued with the impugned notice on 04.01.2024 under Annexure-5 by Opp. Party No.3 to deposit the amount so directed in order dated 20.09.2022 in the Dispute Case, challenging the notice and further notice issued by the Bank on 08.05.2024 under Annexure-7, the present Writ Petition was filed.

6.1. It is contended that this Court while issuing notice of the matter, passed an interim order holding that no coercive action be taken against the petitioner pursuant to notice dated 08.05.2024 so issued under Annexure-7 and the said interim order is continuing.

6.2. It is the main contention of the learned Senior Counsel for the petitioner that since petitioner was never a party to the Dispute so filed by the Opp. Party-Bank, Opp. Party No.2 while disposing the Dispute Case, could not have held the petitioner liable to pay any amount vide order under Annexure-8, basing on which the impugned notice dated 04.01.2024 under Annexure-5 was initially issued to the petitioner.

6.3. It is contended that petitioner though made a representation contending *inter alia* that he may be allowed 3(three) months' time for taking necessary action in the matter, but another notice was issued on 08.05.2024 under Annexure-7, with a direction to deposit the amount in terms of order dated 20.09.2022.

6.4. It is contended that since petitioner was not a party to the proceeding in the Dispute Case, no such direction could have been issued holding the petitioner liable to pay any amount by Opp. Party No.2 vide order under Annexure-8, basing on which the impugned notice dated 04.01.2024 under Annexure-5 and further notice on 08.05.2024 under Annexure-7 were issued to the petitioner with a direction to pay the amount.

6.5. It is accordingly contended that notice dated 04.01.2024 and further notice dated 08.05.2024 so issued by the Opp. Party-Bank under Annexures-5 and 7 and so also the judgment passed by Opp. Party No.2 on 20.09.2022 in Dispute Case No.160 of 2020 under Annexure-8 wherein petitioner has been held liable to pay a sum of Rs.34,37,950/-, requires interference of this Court.

7. Learned Addl. Govt. Advocate on the other hand made his submission basing on the stand taken in the counter affidavit so filed by Opp. Party No.2. It is contended that in the Dispute Case so filed by the Opp. Party-Bank against Opp. Party No.4 as the sole defendant, petitioner was examined as a witness on behalf of the Bank and during the said examination, petitioner admitted to have worked as the CEO of the Bank for the period from 22.06.2011 to 11.08.2016.

7.1. Since during incumbency of the petitioner, Opp. Party No.4 caused the mis-appropriation for which the dispute case was filed by O.P. No.3, Opp. Party No.2 while disposing the dispute vide the impugned order dated 20.09.2022, held the petitioner liable to pay a sum of Rs.34,37,950/-.

7.2. Basing on such order passed by Opp. Party No.2 under Annexure-8, the Bank issued the notice under Annexure-5 and subsequent notice under Annexure-7 with a direction to deposit the amount.

7.3. It is contended that since during the incumbency of the petitioner as CEO of the Bank, Opp. Party No.4 caused the mis-appropriation, petitioner is squarely liable to pay the amount along with the sole defendant and the other CEO who has also been held liable in the said order.

7.4. It is accordingly contended that no illegality or irregularity can be found with the direction contained in the impugned order dated 20.09.2022, so passed by Opp. Party No.2 under Annexure-8 and the consequential notices issued by the Opp. Party-bank under Annexures-5 and 7.

8. In spite of due service of notice, no appearance has been made either by Opp. Party No.3 or Opp. Party No.4.

9. Having heard learned Senior Counsel for the petitioner and learned Addl. Govt. Advocate for the Opp. Party Nos.1 and 2, it is found that Opp. Party No.3-Bank filed Dispute Case No.160 of 2020 in the Court of Opp. Party No.2 against Opp. Party No.4, being the sole defendant. It is found that in the said Dispute Case, petitioner was examined as a witness on 16.08.2024, so available under Annexure-B/2.

9.1. However, it is found that petitioner was never impleaded as a party to the Dispute so filed by the Opp. Party-Bank at any point of time and the said dispute

was only filed against Opp. Party No.4. Not only that petitioner was never issued with any notice by Opp. Party No.2, prior to holding him liable to pay the amount vide his order dated 20.09.2023 under Annexure-8.

9.2. It is the view of this Court that since petitioner was never impleaded as a party to the Dispute and Opp. Party No.4 was only the sole defendant in the said Dispute Case, no direction could have been issued by holding the petitioner liable to pay any amount vide the impugned order dated 20.09.2022 under Annexure-8 of Opp. Party No.2, basing on which the impugned notices were issued by the Opp. Party-Bank on 04.01.2024 under Annexure-5 and further notice issued on 08.05.2024 under Annexure-7.

9.3. Since petitioner was not a party to the Dispute, it is the view of this Court that no direction could have been issued by holding the petitioner liable to pay any amount by O.P. No.2. This Court accordingly is inclined to quash the direction issued by Opp. Party No.2 in the Dispute Case by holding the petitioner liable to pay the amount under Annexure-8.

9.4. While quashing the direction so contained in judgment dated 20.09.2022 under Annexure-8 so far as it relates to the petitioner and so also the notices issued by Opp. Party No.3-Bank under Annexures-5 and 7, the Writ Petition stands allowed.

10. The Writ Petition accordingly stands disposed of.

(Biraja Prasanna Satapathy)
Judge

Basudev

Signature Not Verified
Digitally Signed
Signed by: BASUDEV SWAIN
Designation: SENIOR STENOGRAPHER
Reason: Authentication
Location: High Court of Orissa, Cuttack
Date: 02-Nov-2026 10:26:36