

Sayali

SAYALI
DEEPAK
UPASANI

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 13061 OF 2025

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Date: 2026.03.23
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Nilesh Jitendra Sanghvi

... Petitioners

V/s.

Deputy Registrar Co-op soc. Mhada and
Others

... Respondents

Mr. Nikhil Rajeshirke with Sandesh D., for Petitioner.

Mr. Y. D Patil, AGP for State-Respondent nos. 1 and 3.

Mr. Savrav Katkar with Amar D. Parsekar, Mrs. Anju
Mane, for Respondent no. 2.

CORAM : AMIT BORKAR, J.

DATED : MARCH 23, 2026

P.C.:

1. The present petition brings into question an order passed by the Deputy Registrar, whereby the proceedings initiated under Section 75(5) of the Maharashtra Co-operative Societies Act came to be withdrawn. The grievance of the petitioner is directed not merely against the conclusion, but against the manner in which the authority has accepted the explanation of the society without properly examining whether the statutory requirement was complied with. Section 75 places a clear obligation upon the society to hold its Annual General Meeting within the prescribed time. This requirement is not procedural formality. It is a substantive safeguard meant to ensure accountability and

transparency in the functioning of the managing committee. When such proceedings are withdrawn, the authority is expected to record reasons which show due application of mind.

2. The allegations against the existing managing committee are specific and cover three consecutive financial years. It is stated that for the years 2021–2022, 2022–2023 and 2023–2024, no Annual General Meeting was conducted. This is despite the fact that the committee itself came to be re-elected in June 2022. Once re-elected, the committee was under a continuing duty to ensure compliance with statutory requirements. The failure is not for a single year. It continues over a period of time. Such repeated non-compliance raises a serious doubt about the functioning of the committee. The obligation to hold AGM is a recurring one. It cannot be avoided by referring to administrative or internal difficulties.

3. The authority under the Act has accepted the explanation given by the society. The explanation is that relevant documents were handed over only in December 2024. On that basis, the notice issued under Section 75(5) was withdrawn. This reasoning, in my view, does not deal with the core issue. The question was whether the AGM was held within time. The explanation speaks about delay in handing over documents. It does not explain why the AGM could not be convened for three years. Even assuming some delay in handing over records, the managing committee is not rendered powerless. It has sufficient

means to call for records, reconstruct accounts, or take appropriate steps. The Act does not permit indefinite postponement of AGM on such grounds.

4. In my opinion, the explanation accepted by the authority does not amount to sufficient cause. The expression sufficient cause must be understood in a reasonable manner. It must show that despite due diligence, the committee could not comply with the requirement. In the present case, there is no such material. The authority has accepted the explanation in a routine manner. There is no discussion as to why the delay continued for multiple years. Therefore, the order dated 17th April 2025 cannot be sustained. It suffers from lack of proper reasoning and failure to consider relevant aspects. The same is required to be quashed and set aside.

5. As a consequence, the proceedings under Section 75(5) of the Act are restored to the file of the Registrar of the Co-operative Housing Society. The society shall have liberty to file a fresh reply to the notice. This is necessary to ensure fairness. At the same time, the authority shall consider the matter afresh. It shall give an opportunity of hearing to the existing managing committee. The decision shall be taken in accordance with law. The authority must examine whether there was genuine inability or mere inaction. The order to be passed shall contain reasons which show due consideration of the material placed on record.

6. The parties are directed to appear before the Deputy Registrar on 06th April 2026 at 11 a.m. This direction is issued to avoid any further delay and to ensure that the proceedings move forward without unnecessary adjournments.
7. The Deputy Registrar shall decide the restored proceedings within a period of eight weeks from the date on which the parties appear. The time limit is fixed keeping in view that the issue relates to statutory compliance affecting the functioning of the society. Delay in such matters affects the rights of members.
8. With these directions, the petition stands disposed of.

(AMIT BORKAR, J.)