Sayali

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 5383 OF 2026

Vishal T. Lathia,
Aged about 42 years, Occ -Service
An adult Indian Inhabitant, Having address
at Cottage No. C- 06, Nensey Cottage
Co-operative Housing Society Ltd,
Sant Dyaneshwar Marg, Borivali (East),
Mumbai – 400 066 **and Others** .... **Petitioners**

Vs.

Pratik Pokharkar, Dy. Registrar R- North
Ward, Having its address at – 303,
BMC Godown, Sanskruti 90 ft. Road,
Thakur Complex, Kandivali (East)
Mumbai – 400 101 **and Others** .... **Respondents**

Mr. Amogh Singh with Mr. Bhavin Bhatia, Ms. Krutisha Pandey, and Mr. Nirav Karia, i/b Bhavin Bhatia, for Petitioners.

Mr. Y. D. Patil, AGP for State-Respondent No.1, 2, and 31.

Ms. Rachana Mamnani, for Respondent no. 9.

Mr. A. Y. Sakhare, Senior Advocate with Mr. Prashant P. Kulkarni and Subhash Yadav for Respondent No. 12.

Mr. Pratik Pokharkar, Deputy Registrar R/North, Coop. Society, respondent No.1 is present.

CORAM : AMIT BORKAR, J.

RESERVED ON : APRIL 29, 2026.

PRONOUNCED ON : MAY 7, 2026

JUDGMENT:

1. By the present petition filed under Articles 226 and 227 of the Constitution of India, the Petitioners have assailed the legality, correctness, and propriety of the common judgment and order dated 15th April 2026 passed by Respondent No. 2, namely the Divisional Joint Registrar, Co-operative Societies, Mumbai, in Revision Application No. 65 of 2026 and Appeal No. 33 of 2026. By the said common order, the proceedings initiated by the Petitioners came to be rejected, and the reliefs sought by them were declined.

2. The factual matrix giving rise to the present proceedings, as projected by the Petitioners, may be briefly stated. It is the case of the Petitioners that Respondent Nos. 4 to 30, acting in concert and with an oblique and mala fide intention to impede the lawful redevelopment of Respondent No. 3 Society, approached Respondent No. 1, namely the Deputy Registrar, Co-operative Societies, R-North Ward. The said approach was made through MLC. It is contended that by lodging Complaint No. 6826 dated 26/08/2025 addressed to the Divisional Joint Registrar, Co-operative Societies, Mumbai Division, MLC sought cancellation of the Managing Committee of the Society.

3. It is further the case of the Petitioners that Respondent No. 1, without due consideration of the material placed on record and the submissions advanced on their behalf, passed the impugned order dated 27/11/2025 under Section 75(5) of the Maharashtra Co-operative Societies Act, 1960, on the basis of the complaints received. According to the Petitioners, the said order is arbitrary, suffers from the vice of extraneous considerations, and is the result of undue external influence, thereby offending the principles of natural justice. It is stated that thereafter, on 18 December 2025, Respondent No.1 issued a show cause notice under Section 77A(1)(b-1) of the said Act proposing appointment of an Administrator or Authorised Officer. The Petitioners submitted a detailed reply on 30/12/2025 placing on record relevant documents and material in response thereto. However, without adverting to the said reply and the supporting documents, Respondent No. 1 proceeded to pass a further order dated 20/01/2026 under Section 77A(1)(b-1) of the Act.

4. Being aggrieved by the impugned order dated 27 November 2025 as well as the subsequent show cause notices and order dated 18 December 2025 and 20 January 2026 respectively, the Petitioners initially approached this Court by filing Writ Petition (L) No. 2251 of 2026 along with Interim Application (L) No. 3452 of 2026. By order dated 4 February 2026, this Court granted liberty to the Petitioners to avail the alternate statutory remedies by filing appropriate proceedings before the competent authority and directed that the interim application therein be decided expeditiously. Pursuant thereto, the Petitioners preferred Revision Application No. 65 of 2026 along with a stay application challenging the order dated 27 November 2025 and the show cause notice dated 18 December 2025. They also preferred Appeal No. 33 of 2026 assailing the order dated 20 January 2026. It is their grievance that by the order dated 27 November 2025, Respondent No. 1 has disqualified them from holding office in the Society for a period of two years in a manner which is ex facie arbitrary and unsustainable in law. Being dissatisfied with the rejection of their proceedings, the Petitioners have instituted the present writ petition.

5. The Petitioners sought deletion of Respondent Nos. 7, 20, 21, and 26 on the ground that service upon them had been refused, as well as deletion of Respondent Nos. 8, 9, 10, 11, 15, 18, 19, 24, 28 and 29 on the ground that they remained unserved. The said request was considered and accordingly allowed.

6. Mr. Amogh Singh, learned Advocate appearing on behalf of the Petitioners, submitted that the present writ petition calls in question the order dated 27 November 2025 passed by the Deputy Registrar under Section 75(5) of the Maharashtra Co-operative Societies Act, 1960 as well as the order dated 20 January 2026 passed in exercise of powers under Section 77A(1)(b-1) of the said Act appointing an Administrator. He further submitted that the Petitioners have also impugned the order dated 15 April 2026 passed by the Divisional Joint Registrar in appeal-cum-revision proceedings, whereby the order of disqualification under Section 75(5) has been upheld with modification by reducing the period of disqualification from two years to six months, and the order appointing the Administrator has been confirmed.

7. Learned counsel for the Petitioners further submitted that the impugned orders are vitiated on account of extra-judicial interference at the instance of a local Member of Legislative

Council, who is alleged to have close association with one of the complainants, Mr. Sudhir Hattangadi, belonging to the same political party. It is contended that such association is evident from the banner displayed by Respondent No. 6 and from the fact that the original complaint dated 2 July 2025 was addressed to the said MLC. It is further submitted that the MLC addressed a communication dated 26 August 2025 to the Deputy Registrar and on the very same day, a show cause notice came to be issued to the Society by the Deputy Registrar relying upon such communication. According to the Petitioners, the impugned order itself refers to the complaint, the communication of the MLC, and the consequent show cause notice. It is also pointed out that specific pleadings in that regard have been raised in paragraphs 43 to 47 of the petition. It is further submitted that the Society had appointed a developer for redevelopment by securing 85 percent majority of the members. However, the complainants, instead of pursuing remedies within the framework of law, approached the said MLC for intervention, which is reflected in the complaint dated 2 July 2025. It is also submitted that the affidavit filed on behalf of the State Government relies upon two additional complaints dated 8 May 2025 and 16 May 2025 addressed by certain members to the Deputy Registrar, and none of the said complaints disclose any allegation constituting breach of Section 75(5) of the said Act.

8. Inviting attention to the impugned order dated 27 November 2025 passed by the Deputy Registrar under Section 75(5) of the Act, learned counsel submitted that the said order proceeds on two grounds. Firstly, that the Society has failed to submit the Audit

Rectification Reports for the financial years 2022–2023 and 2023–2024. Secondly, that the accounts for the said years were not placed before the General Body for approval. It is submitted that the Deputy Registrar has failed to take into consideration that the accounts for the financial year 2022–2023 were duly approved in the General Body Meeting held on 24 September 2023 and that the report in respect thereof was submitted to the office of the Deputy Registrar on 20 October 2023. It is further submitted that for the financial year 2023–2024, the accounts were approved in the General Body Meeting dated 29 September 2024 and the report was submitted on 28 October 2024. It is contended that these aspects were specifically brought to the notice of the Divisional Joint Registrar in the appellate and revisional proceedings. However, the Divisional Joint Registrar, while passing the impugned order, has merely observed that it appears that the rectification reports were not placed before the General Body Meetings for the said years and thereby confirmed the findings recorded by the Deputy Registrar.

9. Per contra, Mr. A. Y. Sakhare, learned Senior Advocate appearing for Respondent No. 12, submitted that it is incumbent upon the Petitioners, being members of the Managing Committee, to ensure preparation, placement, and approval of the Audit Reports for the financial years 2022–2023 and 2023–2024 in the respective General Body Meetings. It is submitted that such approval is mandatory in terms of Bye-law No. 95 read with the provisions of Sections 75(2), 75(2)(vii), 75(2)(viii), and 75(4) of the Maharashtra Co-operative Societies Act, 1960.

10. Learned Senior Counsel further submitted that the Petitioners have failed to prepare, place, and secure approval of the Audit Reports in the Annual General Meetings for the said financial years. It is submitted that under Bye-law No. 153, the Society is required to prepare an Audit Rectification Report in Form 'O' as prescribed under Rule 73 of the Maharashtra Co-operative Societies Rules, 1961, and the same is required to be placed before the Managing Committee for approval and thereafter before the General Body, and to be submitted to Respondent No. 1 along with the Annual Report within the prescribed time. It is contended that these mandatory requirements have not been complied with in respect of the financial years 2022–2023 and 2023–2024. According to the Respondent, such failure amounts to a violation of Section 75(2)(vii) of the Act and attracts consequences under Section 75(5), including disqualification. It is further submitted that such conduct also constitutes an offence under Section 146 of the Act, rendering the members of the Managing Committee liable for penal action under Section 147.

11. It is further submitted that as a consequence of the disqualification of Petitioner Nos. 1 to 4, there arose a vacuum in the Managing Committee. Out of the total strength of twelve members, four members stood disqualified, and one member had resigned, thereby reducing the strength to seven. It is further contended that Petitioner No. 2, who was co-opted on 7 October 2023, was not validly co-opted and, therefore, cannot be taken into account, resulting in further reduction of the effective strength and absence of quorum. It is submitted that in view of such situation, the order dated 20 January 2026 passed under Section 77A(1)(b-1) appointing a Board of Administrators was justified. It is pointed out that the Board of Administrators comprising Respondents No. 2, 4, and 15 has already assumed charge of the affairs of the Society and the bank account of the Society has also been frozen. It is thus contended that the impugned orders have already been implemented, and the present writ petition has been rendered infructuous. On these grounds, it is prayed that the writ petition be dismissed.

12. It is alleged that the Audit Rectification Reports arising out of the statutory audit, as well as the reports of the Managing Committee for the financial years 2022–2023 and 2023–2024, were not placed before the General Body Meetings for consideration and approval. It is further alleged that the proposed budget for the ensuing financial year was also not placed before the General Body. On the basis of the aforesaid omissions, it is contended that the Managing Committee has acted in breach of the provisions of Section 75 of the Maharashtra Co-operative Societies Act, 1960.

REASONS AND ANALYSIS:

13. I have heard the learned advocates for the parties at length and I have gone through the entire record. The record includes the complaints, the show cause notices, the inspection report dated 29 August 2025, the minutes of the annual general meetings, the impugned order dated 27 November 2025 passed under Section 75(5) of the Maharashtra Co-operative Societies Act, 1960, the order dated 20 January 2026 passed under Section 77A(1)(b-1), and the common judgment dated 15/04/2026 passed by the Divisional Joint Registrar in revision and appeal.

14. Therefore, the first question is whether the petitioners did in fact place the rectification reports and accounts before the general body and before the Deputy Registrar in the manner shown by the record. On this point, the communications dated 25 September 2023 and 10 September 2024 assume importance. These communications are shown to be specific. They refer in terms to submission of rectification of audit and accounts for the respective financial years. It is also seen that these communications were sent along with annexures, which are part of the record and which give substance to what is stated in the letters. Most importantly, both these communications bear acknowledgement and seal of the office of the Deputy Registrar dated 20 October 2023 and 28 October 2024. When a statutory office receives a document and puts its seal and acknowledgement, it creates a situation where receipt cannot be denied. There arises a presumption that such documents were indeed received in due course of official business. Therefore, these communications stand on a higher footing than assertions made in pleadings.

15. The Petitioners had specifically contended that the accounts for the financial year 2022–2023 were approved in the General Body Meeting dated 24 September 2023 and the relevant documents were submitted to the office of the Deputy Registrar on 20 October 2023. Similarly, for the financial year 2023–2024, the accounts were approved in the General Body Meeting dated 29

September 2024 and the documents were submitted on 28 October 2024. These factual assertions, supported by documents, were placed before the appellate and revisional authority. Yet, the Divisional Joint Registrar has recorded that it "appears" that the rectification reports were not placed before the General Body, without undertaking any examination of the minutes of meetings or the documents evidencing approval. This manner of recording findings shows absence of application of mind. When civil consequences such as disqualification are to follow, the authority is expected to record findings based on material. A mere observation that something "appears" cannot substitute a finding of fact.

16. The respondents, however, have taken a stand that the minutes of the Annual General Body Meetings do not reflect proper placement of rectification reports and annual budget before the general body. In the present case, the letters dated 25 September 2023 and 10 September 2024, along with annexures and official acknowledgements, indicate that the petitioners had placed material on record and had also brought it to the notice of the Deputy Registrar. These are contemporaneous documents. They are not created later for the purpose of litigation. Before recording a finding of violation leading to disqualification, the authority was required to examine these documents in detail and then come to a reasoned conclusion. However, the impugned order does not reflect such careful consideration. It proceeds on a general assumption that the statutory requirement was not fulfilled, without adequately dealing with the material produced by the petitioners. In absence of proper reasoning and analysis, the finding appears incomplete. Therefore, the approach adopted by the authority cannot be said to be in accordance with settled principles of law, which require consideration of all relevant material before arriving at a conclusion affecting rights of parties.

17. The petitioners had raised a serious contention before the authorities that the proceedings, beginning from the issuance of notices and the order under Section 75(5) were set in motion due to complaints having political background. They specifically pointed out that the complaint dated 26 August 2025 was addressed by a Member of Legislative Council and such involvement had a direct bearing on the manner in which the statutory authority proceeded. In this context in is necessary to to make refrence to the judgment of Supreme Court in *State of M.P. v. Sanjay Nagayach,* (2013) 7 SCC 25 wherein it is held as under:-

> "36. Statutory functionaries like the Registrar/Joint Registrar of cooperative societies functioning under the respective Cooperative Act must be above suspicion and function independently without external pressure. When an authority invested with the power purports to act on its own but in substance the power is exercised by external guidance or pressure, it would amount to non-exercise of power, statutorily vested. Large number of cases are coming up before this Court and the High Courts in the country challenging the orders of supersession and many of them are being passed by the statutory functionaries due to external influence ignoring the fact that they are ousting a democratically elected Board, the consequence of which is also grave because the members of the Board of Directors would also stand disqualified in standing for the succeeding election as well.

37. The Registrar/Joint Registrar, while exercising powers of supersession has to form an opinion and that opinion must be based on some objective criteria, which has nexus with the final decision. A statutory authority shall not act with pre-conceived notion and shall not speak his masters' voice, because the formation of opinion must be his own, not of somebody else in power, to achieve some ulterior motive. There may be situations where the Registrar/Joint Registrar are expected to act in the best interest of the society and its members, but in such situations, they have to act bona fide and within the four corners of the statute. In our view, the impugned order will not fall in that category. ....

42. Further, we are inclined to give the following general directions in view of the mushrooming of cases in various courts challenging orders of supersession of elected Committees:

42.1. Supersession of an elected Managing Committee/Board is an exception and be resorted to only in exceptional circumstances and normally elected body be allowed to complete the term for which it is elected.

42.2. Elected Committee in office be not penalised for the shortcomings or illegalities committed by the previous Committee, unless there is any deliberate inaction in rectifying the illegalities committed by the previous Committees.

42.3. Elected Committee in office be given sufficient time, say at least six months, to rectify the defects, if any, pointed out in the audit report with regard to incidents which originated when the previous committee was in office.

42.4. The Registrar/Joint Registrar are legally obliged to comply with all the statutory formalities, including consultation with the financing banks/controlling banks, etc.

Only after getting their view, an opinion be formed as to whether an elected Committee be ousted or not.

42.5. The Registrar/Joint Registrar should always bear in mind the consequences of an order of supersession which has the effect of not only ousting the Board out of office, but also to disqualify them for standing for election in the succeeding elections. The Registrar/Joint Registrar therefore is duty-bound to exercise his powers bona fide and not on the dictation or direction of those who are in power.

42.6. The Registrar/Joint Registrar shall not act under political pressure or influence and, if they do, be subjected to disciplinary proceedings and be also held personally liable for the cost of the legal proceedings.

42.7. Public money is not to be spent by the State Government or the Registrar for unnecessary litigation involving disputes between various factions in a cooperative society. Taxpayers' money is not expected to be spent for settling those disputes. If found necessary, the same is to be spent from the funds available with the Bank concerned."

18. In the light of above observations I have perused impugned judgment. The submission goes to the root of how the proceedings have come into existence and in what manner the statutory authority has been put into motion. It is their clear case that the complaint which set everything in motion was not addressed to the authority, but was first made to a Member of Legislative Council. This may appear as a simple act of representation, but what follows thereafter assumes significance. A letter dated 26 August 2025 was issued by the said political person to the Deputy Registrar. On the same day, the authority issued a show cause notice and commenced action under the statute. The petitioners say that such immediacy gives an impression that the statutory process did not originate from independent application of mind, but was set into motion because of the said communication. When events follow in such close sequence, the Court is required to examine whether the authority acted because it was satisfied on record, or because it was prompted to act.

19. It is further urged that the timing of the complaint adds another layer of doubt. At that stage, the society had already moved forward with redevelopment and had secured approval of an overwhelming majority of its members. In such a background, when a complaint surfaces through a political channel and is immediately acted upon, it creates a reasonable apprehension that the proceedings may not have been initiated in a neutral manner. The petitioners rely not merely on the existence of such communication, but on the continuity of events, the proximity in time, and the absence of any inquiry. When all these factors are read together, they indicate that the authority may not have acted on its own satisfaction.

20. However, it is equally necessary to state that mere involvement of a political functionary cannot, by itself, vitiate the proceedings. In actual working, complaints are often made through elected representatives. Such conduct is not unknown to law. The difficulty arises when the record shows that the authority has acted in close alignment with such communication and has not demonstrated that it examined the matter. If the impugned order itself refers to such letter, and the subsequent action follows immediately without any independent scrutiny, then the Court is bound to examine whether the discretion exercised has been influenced.

21. In such a situation, the requirement becomes strict. The authority must act on its own reasoning. It must record its own satisfaction based on material placed before it. The order must show that it has considered the reply submitted by the affected parties, examined the relevant documents, and applied the provisions of the statute. If the action appears to be a continuation of what has been suggested by an external authority, then the order loses its character as a statutory decision. The authority is required to speak for itself. It cannot follow the voice of another, irrespective of position. This requirement goes to the core of validity.

22. This position is well supported by the law laid down by the Supreme Court in *Sanjay Nagayach*. The principles stated therein are directly applicable in cases where allegations of external influence are raised. The Supreme Court has made it clear that authorities like Registrar and Joint Registrar, though vested with wide statutory powers, are under a obligation to exercise those powers independently. The decision must be their own. The law does not permit them to act under direction or influence of others. Independence is a condition attached to the exercise of power. The judgment explains that even if an order appears on paper to have been passed by the authority, but in reality it is guided by someone else, then such exercise is no exercise in the eyes of law. This observation carries serious implication. It means that compliance with procedure alone is not sufficient. The decision must reflect independent thinking. The Supreme Court has also taken note of increasing instances where elected committees are removed due to outside influence, without appreciating the seriousness of consequences. This caution becomes relevant in the present case where similar concerns are raised.

23. Another aspect which cannot be ignored is the nature of consequence flowing from such orders. Removal of an elected managing committee or disqualification of its members directly interferes with the democratic functioning of the society. It also has future impact, since such members may be prevented from contesting elections again. Therefore, the exercise of such power requires a higher level of scrutiny. The authority must act carefully. It must ensure that its decision is based on objective material and free from any external pressure.

24. The Supreme Court has also cautioned that the authority must not act with a pre-determined mind. It cannot begin with a conclusion and then look for justification. Nor can it accept allegations made by one group within the society without proper examination. In cooperative societies, disputes between groups are common. One group may attempt to bring action against another. In such situation, the role of the Registrar is to remain neutral and examine the matter on its own merits. If the authority acts under influence or accepts one side without proper scrutiny, then it fails in discharge of its statutory duty.

25. When these principles are applied to the facts of the present case, the overall situation does not appear free from doubt. The chain of events, beginning from the complaint to the political functionary, followed by immediate communication and swift statutory action, creates an impression that the authority has not have acted with independence. The impugned order does not indicate that the defence of the petitioners was independently evaluated.

26. Therefore, though it cannot be stated in absolute terms that involvement of a political person alone invalidates the proceedings, the surrounding circumstances in the present matter, when read with the contents of the impugned order, do not inspire confidence that the decision was taken with independence. The statutory authority was expected to act above such influence and strictly within the limits of the Act. The doctrine of colorable exercise of power becomes relevant in such situation. It means that though the authority appears to act within its powers, the real purpose behind the action is something else. In the present matter, the cumulative effect of these facts creates a reasonable doubt that the action was influenced by considerations not confined to the provisions of the Act. The authorities under the Act are expected to act with independence, especially when their decisions have serious civil consequences such as disqualification and takeover of management. If the process gives an impression that one party has been favoured through indirect means, then the decision cannot be sustained. Therefore, this Court finds that the manner in which powers have been exercised indicates a colorable exercise, which vitiates the impugned action.

27. The order dated 20 January 2026 passed under Section 77A(1)(b-1) cannot stand on its own footing and is connected with the order of disqualification. It appears that the reason for bringing in Authorized Officers was based on the order that managing committee had already become disqualified. In other words, the second order is standing upon the first order. If the first order is found to be unsustainable, then the second order loses its base. When the disqualification is taken away, then the entire basis of vacuum or stalemate in the society becomes unsustainable. If the base falls, the structure cannot stand. In such circumstances, the appointment of Authorized Officers cannot be sustained.

28. The scheme of Section 77A indicates that the power given to the Registrar comes with inbuilt checks. One such check is that before passing such order, the Registrar is required to put a notice on the notice board of the society office. By putting such notice, all members of the society, even those who are not in the managing committee, come to know that some action is being proposed. Then, if they want, they can come forward and explain their side. It also helps the authority to know the situation inside the society, because sometimes members themselves can explain what is actually happening.

29. In the present matter, it is seen that the Registrar has used the proviso to Section 77A and has avoided giving notice by saying that there was urgency. The proviso does allow this, but only in rare cases. The authority must show that there was real urgency. There must be reasons showing that if notice is given and time is taken, then harm will happen. But in the impugned order, such reasons are not shown.

30. Further, the way in which the order has been passed also creates doubt. The complainant himself has been appointed as Authorized Officer immediately. This gives a feeling that the decision may have been already decided in advance. When a person who is part of dispute, it raises question about fairness. It gives impression that the aim was to remove the petitioners and bring in a particular person. If all these things are seen together, it gives overall impression that the power has not been used in balanced manner. The process looks hurried and leaning towards one side. Therefore, the order passed by using proviso cannot be accepted in law without special reasons.

31. Taking the matter as a whole, I am of the opinion that the petitioners have succeeded. The finding that there was violation of Section 75 cannot be sustained. Once that finding falls, the disqualification under Section 75(5) also falls. The order appointing Authorized Officers under Section 77A(1)(b-1), being founded on that disqualification also cannot stand.

32. In the facts of the present case, this Court finds it necessary to deal with the issue of conduct of the statutory authority in light of the principles laid down in *State of M.P. v. Sanjay Nagayach*. The record indicates that the initiation and culmination of the proceedings do not reflect a independent exercise of statutory power. The sequence of events, beginning from the complaint addressed to a political functionary, followed by communication from such office, and the immediate activation of statutory machinery, coupled with absence of clear consideration of the petitioners' defence, creates a situation where the decision-making process appears to have been affected by external inputs. The material is sufficient to hold that the standard of independent application of mind expected from a statutory authority has not been satisfied.

33. It is well settled that a Registrar or Joint Registrar, while exercising powers under the Co-operative law, acts as a statutory authority and is bound to function within the four corners of the statute. Such authority cannot act on dictates emanating from outside the statute. The law requires that the satisfaction must be of the authority itself. When such satisfaction is seen to be diluted, even by indirect influence, the legitimacy of the decision stands impaired. The Supreme Court has cautioned that such conduct, if established, would invite disciplinary consequences and even personal liability in appropriate cases.

34. Having regard to the nature of findings recorded herein, this Court is of the view that the matter cannot be left at mere quashing of the impugned orders. The manner in which the proceedings have been conducted raises concerns which require appropriate action.

35. Accordingly, it is directed that the State Government, through the Secretary, Co-operation Department, shall examine the conduct of the concerned Deputy Registrar who passed the impugned orders dated 27 November .2025 and 20 January 2026. Such examination shall be undertaken in the light of the observations made in this judgment and the principles enunciated in *State of M.P. v. Sanjay Nagayach*, particularly with regard to the requirement of independent exercise of statutory power and absence of external influence. The State shall call for an explanation from the said officer and take an appropriate decision in accordance with law as whether any disciplinary action is warranted. It is further directed that the aforesaid exercise shall be completed within a period of three months from the date of receipt of this order. The decision taken shall be placed on record of this Court by way of an affidavit.

36. Before parting, this Court deems it appropriate to reiterate that statutory authorities entrusted with powers affecting elected bodies must exercise such powers with independence. Any deviation from these principles not only affects the parties before the authority but also erodes confidence in the rule of law. The direction issued herein is intended to ensure adherence to these principles.

37. In view of the foregoing discussion and findings recorded hereinabove, the following order is passed:

(i) The Writ Petition is allowed;

(ii) The order dated 27 November 2025 passed by Respondent No. 1 under Section 75(5) of the Maharashtra Co-operative Societies Act, 1960, the order dated 20 January 2026 passed under Section 77A(1)(b-1) of the said Act, and the common order dated 15 April 2026 passed by Respondent No. 2 in Revision Application No. 65 of 2026 and Appeal No. 33 of 2026 are quashed and set aside;

(iii) Consequentially, the disqualification of the Petitioners stands set aside. The Managing Committee of the Society shall stand restored to its original position;

(iv) If, pursuant to the impugned orders, any Administrator or Board of Administrators has taken charge of the affairs of the Society, such authority shall forthwith hand over charge, along with all records, documents and accounts, to the restored Managing Committee;

(v) The operation of the bank account of the Society, if restricted pursuant to the impugned action, shall be restored in favour of the Managing Committee in accordance with law;

(vi) The State Government, through the Secretary, Co-operation Department, shall examine the conduct of Respondent No. 1 and 2 in light of the observations recorded in this judgment and the principles laid down in *State of M.P. v. Sanjay Nagayach*. The State shall call for an explanation from the concerned officer and take an appropriate decision in accordance with law;

(vii) The aforesaid exercise shall be completed within a period of three months from the date of receipt of this order and compliance affidavit shall be filed within three months;

(viii) Rule is made absolute in the above terms. There shall be no order as to costs.

38. List this writ petition **for compliance** on **10 August 2026**.

39. At this stage, learned Advocate for respondent No.12 seeks stay of the operation and implementation of the present judgment and order. However, for the reasons recorded in this judgment, said request for stay stands rejected.

(AMIT BORKAR, J.)