

**Case Name:-** Byadgi Taluka Vakkalutana v. Asst. Registrar of Co-Operative Societies and Recovery Officer

**Citation:-** 2014 SCC OnLine Kar 1258

**Link:-** <http://www.sconline.com/DocumentLink/smpZT7IT>

**Judgement:-** <https://share.google/HJm3SwLnVQzlTev09>

Summary and Conclusion:-

The background of Byadgi Taluka Vakkalutana Huttavali Maratada Sahakari Sangha Niyamita v. The Asst. Registrar of Co-operative Societies (2014) involves a debt recovery dispute that led to the attempted seizure of a society's office building.

### **Factual Background**

**The Debt:** The Petitioner (a Co-operative Society) had borrowed a loan from the 2nd Respondent (The Byadagi Urban Co-operative Bank Ltd.).

**The Default:** The Society fell behind on its loan repayments, leading to an award or decree being passed against it for the recovery of the outstanding amount.

**The Impugned Action:** To recover the money, the Assistant Registrar of Co-operative Societies issued a notice/order on February 9, 2010. This order, purportedly acting under Section 101(b) of the Karnataka Co-operative Societies Act, 1959, directed the transfer of the Society's office building to the Bank to satisfy the debt.

### **The Legal Controversy**

The Society challenged this transfer in the High Court, primarily on the grounds of procedural and substantive fairness. The key issues involved:

**Valuation and Necessity:** Whether the transfer of an entire office building was a proportionate or legally sound method of debt recovery.

**Statutory Compliance:** Whether the Assistant Registrar followed the strict requirements of Section 101 of the Act before directing the handover of immovable property.

### **The Resolution**

While the case was still being heard by the Court, the Petitioner-Society managed to arrange funds and repaid the entire loan amount to the Bank. The Bank subsequently issued a certificate on November 23, 2013, confirming that no further dues remained. This repayment effectively rendered the Assistant Registrar's original order for the building transfer unnecessary and legally unsustainable.

The High Court of Karnataka, in the case of Byadgi Taluka Vakkalutana Huttavali Maratada Sahakari Sangha Niyamita v. The Asst. Registrar of Co-operative Societies and Another (2014), concluded the matter by allowing the writ petition and setting aside the administrative action taken against the Petitioner-Society.

### **The Final Conclusion**

The Court issued the following specific orders:

**Quashing of Notice:** The impugned notice/order dated February 9, 2010 (Annexure-D), which transferred the office building of the Petitioner-Society to the 2nd Respondent-Bank, was quashed.

**Disposal of Applications:** The interlocutory application (IA-I/2013) filed during the pendency of the case was disposed of accordingly.

**Costs:** The Court ordered that there would be no order as to costs.

### **Core Reasoning**

The Court's decision was based on the fact that the original grievance—the debt owed by the Petitioner-Society to the Respondent-Bank—had been resolved:

**Full Repayment:** During the pendency of the writ petition, the Petitioner-Society repaid the entire loan amount borrowed from the 2nd Respondent-Bank.

**Confirmation of Payment:** A communication certificate issued by the 2nd Respondent-Bank (dated November 23, 2013) confirmed that the amount had been paid in full.

**Invalidation of Transfer:** Since the debt was cleared, the basis for the Assistant Registrar's order (under Section 101(b) of the Karnataka Co-operative Societies Act, 1959) to transfer the Society's building to the Bank no longer existed. Consequently, the impugned order could not be sustained.

**Case Name:-** C. Umesh v. Joint Registrar of Coop. Societies

**Citation:-** 2024 SCC OnLine Kar 26220

**Link:-**<http://www.sconline.com/DocumentLink/9jgPsPQI>

**Judgement:-** <https://share.google/3HsihfNZi6RK1S28O>

### **Summary and Conclusion:-**

The background of C. Umesh and Another v. Joint Registrar of Co-operative Societies and Others (2024) involves a procedural challenge regarding an interim order that was overturned by the Karnataka Appellate Tribunal.

### **Factual Background**

**The Parties:** The case was brought by two petitioners, C. Umesh and another individual, against several respondents, including the Joint Registrar of Co-operative Societies (Bengaluru Region) and the Karnataka Appellate Tribunal.

**The Original Dispute:** While the specific details of the underlying dispute are not fully detailed due to the case being withdrawn, it originated from an order passed by the Joint Registrar of Co-operative Societies on September 28, 2022.

**The Tribunal's Intervention:** The 3rd Respondent (the opposing party in the original dispute) challenged the Joint Registrar's decision before the Karnataka Appellate Tribunal. On January 23, 2024, the Tribunal passed an order in Appeal No. 446/2022 that effectively stayed or set aside the earlier order that had been in favor of the Petitioners.

## **The Legal Challenge**

The Petitioners approached the High Court of Karnataka seeking a Writ of Certiorari with two main goals:-

**Quashing the Tribunal Order:** They sought to set aside the Karnataka Appellate Tribunal's order dated January 23, 2024.

**Restoration of Relief:** They wanted to restore the original order passed by the Joint Registrar of Co-operative Societies in 2022.

## **The Procedural Turn**

Before the High Court could rule on the legal merits of whether the Tribunal acted correctly, the Petitioners filed a formal memo through their counsel. In this memo, they stated they did "not press" the petition and requested permission to withdraw it. Consequently, the case was closed without a final judgment on the legal issues involved.

The High Court of Karnataka, in the case of *C. Umesh and Another v. Joint Registrar of Co-operative Societies and Others (2024)*, concluded the matter by permitting the withdrawal of the Writ Petition.

## **The Final Conclusion**

The Court issued a brief order based on a formal request from the Petitioners:-

**Withdrawal Granted:** Following a memo filed by the learned counsel for the Petitioners stating that they did "not press" the petition, the Court officially permitted the Writ Petition to be withdrawn.

**Case Disposition:** In light of the withdrawal, the petition was marked as disposed of.

## **Core Reasoning**

The conclusion was not based on a legal determination of the merits of the case but rather on the Petitioners' own decision to terminate the proceedings.

The Petitioners filed a memo explicitly stating:-

"It is submitted that the petitioners respectfully prays that this Hon'ble court may be pleased to permit the petitioners to withdraw the aforesaid Writ Petition as not pressed to meet the ends of justice."

By "not pressing" the petition, the Petitioners effectively asked the Court to close the case without a judgment on the original challenge, which sought to quash an order from the Karnataka Appellate Tribunal and restore a previous interim order.