

**Case Name:** -Bremels Rubber Industries (P) Ltd. v. Joint Registrar of Coop. Societies

**Citation:** - 2025 SCC OnLine Kar 1795

**Link:** -<http://www.sconline.com/DocumentLink/G7Bh8Id8>

**Judgement:** - <https://share.google/gVfTyTia2Ms2fIsuG>

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

Based on the court order from the Bengaluru Bench of the Karnataka High Court (W.P. No. 25143 of 2024), here is the background of the case involving M/s. Bremels Rubber Industries Pvt. Ltd.:

### **The Underlying Dispute**

The case arose from a broader legal dispute (Dispute No. JRM/DDS/72/2022-2023) pending before the Joint Registrar of Cooperative Societies (JRCS). This dispute involved the petitioner, Bremels Rubber Industries, and Respondent No. 2, the South Canara District Cooperative Central Bank Ltd.

### **The Issue of Stamping**

During the proceedings before the Joint Registrar, a question was raised regarding a Hypothecation Agreement a key document used as security for a loan. Respondent No. 2 (the Bank) argued that this document had not been stamped with the correct government fee (stamp duty) as required by law.

### **Application for Impounding**

An application was filed under Sections 33(1) and 33(2) of the Karnataka Stamp Act, 1957. These sections require a public officer to "impound" (seize) any document that appears to be insufficiently stamped when it is produced before them. The goal was to ensure the deficit duty and penalties were paid before the document could be used as evidence.

### **Rejection by the Joint Registrar**

On August 31, 2024, the Joint Registrar rejected the application to impound the document. The petitioners, feeling that the legal procedure for verifying the stamp duty was not being followed correctly, approached the High Court to challenge this rejection.

### **Resolution in the High Court**

When the matter reached the High Court, the focus shifted from a "fight" to a "solution." Respondent No. 2 expressed a willingness to pay whatever deficit stamp duty was actually owed. Both sides agreed that instead of the Court or the Joint Registrar guessing the amount, the document should be sent to the District Registrar the specific authority empowered to calculate and adjudicate stamp duty issues.

## **The Decision**

The High Court disposed of the Writ Petition after the parties reached a consensus on how to proceed.

## **Key Directions from the Court**

The Hon'ble Mr. Justice Suraj Govindaraj passed the following order to resolve the dispute:

**Referral for Adjudication:** The request made by Respondent No. 2 regarding the payment of deficit stamp duty must be placed before Respondent No. 1 (the Joint Registrar).

**District Registrar's Role:** Respondent No. 1 is directed to refer the matter to the concerned District Registrar for formal adjudication.

**Payment of Duty:** The petitioner is willing to make the payment for any deficit stamp duty found on the documents (the Hypothecation agreement) once the District Registrar determines the correct amount.

## **Summary**

The case was about whether a certain legal document (a Hypothecation agreement) was properly stamped with the correct government fee. Instead of the Court deciding the fee itself, it ordered the case to be sent to the District Registrar, who is the expert official for such matters. Since the parties agreed to let the District Registrar handle the calculation and the petitioner agreed to pay whatever is owed, the High Court closed the petition as there was nothing left for it to decide.

**Case Name:** -B. Indrani v. Registrar of Firms and Deputy Registrar of Co-operative Societies Mysore District, Mysore

**Citation:** -2009 SCC OnLine Kar 141

**Link:** -<http://www.sconline.com/DocumentLink/YuP971gq>

## **Judgement:**

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[https://www.sconline.com/print/J\\_2009\\_SCC\\_OnLine\\_Kar\\_141\\_2009\\_4\\_Kant\\_LJ\\_526\\_2009\\_5\\_23090100380\\_revaeduin\\_20260327\\_221013\\_1\\_6.pdf](https://www.sconline.com/print/J_2009_SCC_OnLine_Kar_141_2009_4_Kant_LJ_526_2009_5_23090100380_revaeduin_20260327_221013_1_6.pdf)

## **Summary and Conclusion: -**

The background of this case, Smt. B. Indrani and others v. The Registrar of Firms and Others (2009), centers on a dispute over who was actually a member of a society and who was allowed to vote in its elections.

## **Breakdown of the events that led to the High Court filing:**

### **1. The Membership Dispute**

The conflict began within a society called Vidyavardhaka Sangha (the fourth respondent). There was significant disagreement regarding the "genuineness" of the members. To resolve

this, a Division Bench of the High Court had previously directed an Enquiry Officer to investigate and finalize a list of legitimate members.

## **2. The Enquiry Report**

The Enquiry Officer submitted a report on July 4, 2007, which: -

Identified 131 members as genuine.

Explicitly rejected the membership of the 21 petitioners (Smt. B. Indrani and others).

Confirmed that the petitioners were not part of the finalized list of voters.

## **3. The Triggering Event: Election Notice**

Following the report, the Deputy Registrar (the second respondent) acted on the finalized list of 116 members (after further verification) and issued a "Calendar of Events" on March 5, 2009. This notice officially set the election date for March 29, 2009.

## **4. The Petitioners' Grievance**

The petitioners filed these writ petitions (Nos. 6425 to 6445 of 2009) to challenge:

The Endorsements that rejected their membership.

The Enquiry Report itself, claiming they weren't given a fair hearing or notice.

The Election Calendar, seeking to stop the election from proceeding without them.

## **5. The Respondents' Stance**

The society and the government argued that the petitioners were too late. They pointed out that the Enquiry Report rejecting their membership was two years old and had never been challenged until the election was already starting. They maintained that the election process was now "in motion" and could not be stopped.

The High Court of Karnataka dismissed the writ petitions filed by Smt. B. Indrani and others. Below is the conclusion of the case, simplified for your research:

### **The Single Core Issue**

Whether the Court should interfere under Article 226 of the Constitution to stall an election process that has already been set in motion, specifically regarding disputes over membership and the electoral roll.

### **Conclusion**

The Court concluded that it would not interfere with the election process. The primary reasons were:

**Finality of Membership:** An enquiry officer had already verified the membership list and identified 116 genuine members. The petitioners failed to challenge this report earlier, and the Court ruled that this report had attained "finality."

**Election Process in Motion:** The calendar of events for the election had already been issued. Settled law dictates that once an election process begins, High Courts should not stop it.

**Alternative Remedies:** If the petitioners are still unhappy with the election or the voters' list, they must approach the proper forum (like a specialized tribunal or authority) as permitted under the relevant Cooperative Societies Act, rather than seeking a writ from the High Court at this stage.

### **Final Order**

The writ petitions were dismissed as devoid of merits, meaning the court found no legal grounds to grant the petitioners' requests.