

**Case Name:** -G. Krishnamurthy v. Registrar of Coop. Societies

**Citation:** -2017 SCC OnLine Kar 6932

**Link:** -<http://www.sconline.com/DocumentLink/Z1ux2N5I>

**Judgement:** -<https://share.google/ASmCOZeuaov86m1J5>

**Summary and Conclusion:** -

**Case Summary:** G. Krishnamurthy v. Joint Registrar of Co-Operative Societies

### **Background**

This legal dispute arose between G. Krishnamurthy (the Petitioner) and Mico Associates Housing Co-operative Society Limited (Respondent 2). The Society initiated a dispute under Section 70 of the Karnataka Co-operative Societies Act, 1959, seeking an award for Rs. 17,57,87,000/- plus interest and damages.

The Society alleged that the Petitioner had entered into an agreement to secure lands for them and had received Rs. 31,75,00,000/- for this purpose. However, the Society contended that the Petitioner failed to fulfill his obligations, making payments to landowners for only approximately Rs. 12,19,13,000/- and failing to secure the land or form a layout even after three years.

The Petitioner initially challenged the jurisdiction of the Registrar to hear the matter, arguing it should be settled in a Civil Court. This interlocutory challenge was rejected on December 17, 2016. Subsequently, an award was passed against the Petitioner on April 28, 2017, directing the recovery of the disputed amount. The Petitioner approached the High Court via writ petition, claiming he was not given a fair opportunity to participate in the proceedings or lead evidence.

**Issue:** -

The central issue in this case is whether a litigant, after failing to comply with court-mandated conditions and exhausting multiple legal avenues over several years, can be permitted to reopen a settled award through a delayed appeal, or if such conduct constitutes a gross abuse of the judicial process that violates the principles of res judicata and finality of judgment.

### **Conclusion and Court Order**

The High Court of Karnataka, presided over by Justice B.S. Patil, delivered a partially favorable order for the Petitioner on August 28, 2017:

**Opportunity to Defend:** The Court noted that while statutory appeals are usually the standard recourse, the Petitioner deserved a fair opportunity to cross-examine witnesses and lead his own evidence.

**Conditional Relief:** The Court quashed the final award dated April 28, 2017, and set aside the execution proceedings, but made this relief conditional.

**Mandatory Deposit:** The Petitioner was directed to deposit Rs. 2 Crores with the Respondent-Society within two months.

**Consequences of Default:** It was explicitly stated that if the Petitioner failed to deposit the Rs. 2 Crores within the stipulated time, he would not be entitled to the benefit of the order, and the Society would be free to implement the original award.

**Remand for Fresh Hearing:** Upon successful deposit, the Joint Registrar was directed to allow the Petitioner to participate in the proceedings and then pass a fresh award as expeditiously as possible.

**Case Name:** -G. Krishnamurthy v. Registrar of Coop. Societies

**Citation:** -2021 SCC OnLine Kar 14913

**Link:** -<http://www.scconline.com/DocumentLink/UfwiNK5H>

**Judgement:**

-  
[https://www.scconline.com/print/J\\_2021\\_SCC\\_OnLine\\_Kar\\_14913\\_23090100380\\_revaeduin\\_20260430\\_205333\\_1\\_4.pdf](https://www.scconline.com/print/J_2021_SCC_OnLine_Kar_14913_23090100380_revaeduin_20260430_205333_1_4.pdf)

**Summary and Conclusion:** -

**Case Summary:** G. Krishnamurthy v. Joint Registrar of Co-operative Societies

### **Background**

The case originated from a 2012 land development agreement where the appellant, G. Krishnamurthy (proprietor of Shree Vinayaka Builders and Developers), collected Rs. 31.75 Crores from the MICO Associates House Building Co-operative Society to secure land. The appellant failed to fulfill the agreement, leading to a legal dispute under the Karnataka Co-operative Societies Act, 1959.

An award was passed in April 2017 directing the appellant to refund Rs. 17,57,87,000/- plus interest and damages. The appellant challenged this in a 2017 writ petition, where the Court granted a conditional stay requiring the appellant to deposit Rs. 2 Crores within two months. The appellant failed to comply with this condition. Consequently, the Society proceeded with the execution of the award, which included the auctioning of properties belonging to the appellant's wife (Appellant No. 2) to recover the dues.

The appellants later filed a new writ petition seeking a writ of mandamus to cancel the registered sale deeds of the auctioned properties and to refund the Rs. 2 Crores that were eventually deposited much later under a separate interim order. A Single Judge dismissed this petition, leading to the present Writ Appeal.

### **Conclusion**

**The Division Bench, comprising Justice Alok Aradhe and Justice Anant Ramanath Hegde, dismissed the appeal on December 13, 2021, based on the following grounds:**

**Failure of Conditional Order:** The Court held that since the appellant did not deposit the Rs. 2 Crores within the two-month timeframe stipulated in the original August 2017 order, the conditional benefit of that order did not accrue. Therefore, the 2017 award remained valid and executable.

**Proper Legal Forum:** The Court emphasized that a writ petition is not the appropriate vehicle for the cancellation of registered sale deeds. Such relief can only be granted by a competent Civil Court.

**Finality of the Award:** The Bench noted that the appellant had already suffered an adverse order and had consistently failed to meet judicial conditions. There was no ground to interfere with the Single Judge's decision to dismiss the writ petition.

**Final Verdict:** The appeal was dismissed, and the request for the cancellation of the sale certificates and refund of the deposit was rejected.