

IN THE HIGH COURT OF JUDICATURE AT BOMBAY CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.466 OF 2025

Vitthal Sahakari Kukkutpalan, Andi Kharedi Vikri & Prakriya Sangh Maryadit, Salgare, Tal.Miraj, District Sangli

Petitioner

versus

- 1. Tanaji Mahadev Patil, Age 47 years, Occ. Agriculture,
- 2. Ramesh Ramu Mali, Age 52 years, Occ. Agriculture,
- 3. Ashok Dattatray Harge, Age 56 years, Occ. Agriculture,
- 4. Rajaram Arjun Ajetrao, Age 57 years, Occ. Agriculture,
- 5. Ramesh Kashinath Kharat, Age 42 years, Occ. Agriculture,
- 6. Mahadev Parasu Mali (deceased),
- 7. The Assistant Registrar, Co-operative Societies (Dairy), Sangli-Miraj, Tal.Miraj, District Sangli.
- 8. The Divisional Deputy Registrar, Co-operative Societies (Dairy), Pune Division, Pune.
- 9. The Joint Registrar, Co-operative Societies (Dairy), State of Maharashtra, Mumbai.

Respondent nos.1 to 5 r/o.Salgare, Tal.Miraj, District Sangli.

Respondents

AND WRIT PETITION NO.3437 OF 2025

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- 1. Satgonda Baburao Gundewadi, Age 57 years, Occ. Agriculture,
- 2. Shankar Baburao Gundewari, Age 73 years,

Occ.Agriculture,

3. Balgonda Baburao Gundewadi, Age 63 years,

Occ.Agriculture,

4. Basgonda Baburao Gundewadi, Age 60 years,

Occ.Agriculture,

5. Siddhappa Baburao Gundewadi, Age 78 years,

Occ.Agriculture,

6. Annaso Maruti Patil, Age 64 years,

Occ.Agriculture,

7. Abaso Maruti Patil, Age 63 years,

Occ.Agriculture,

8. Balwant Maruti Patil, Age 50 years,

Occ.Agriculture,

9. Nanaso Sambhaji Patil, Age 65 years,

Occ.Agriculture,

10. Vilas Sambhaji Patil, Age 57 years,

Occ.Agriculture,

11. Appaso Sambhaji Patil, Age 60 years,

Occ.Agriculture,

12. Tukaram Khandu Patil, Age 57 years,

Occ.Agriculture,

13. Narayan Khandu Patil, Age 63 years,

Occ.Agriculture,

14. Laxman Khandu Patil, Age 75 years,

Occ.Agriculture,

15. Nanaso Sidrappa Miraje, Age 77 years,

Occ.Agriculture,

16. Krushna BaluSabale, Age 75 years,

Occ.Agriculture,

17. Vithoba Tukaram Bandgar, Age 63 years,

Occ.Agriculture,

18. Arun Tukaram Nimbalkar, Age 65 years,

Occ.Agriculture,

19. Arun Shivaji Patil, Age 57 years,

Occ.Agriculture,

20. Vilas Babu Jadhav, Age 64 years,

Occ.Agriculture,

21. Vasant Tatoba Jadhav, Age 80 years,

Occ.Agriculture,

22. Prakash Shankar Patil, Age 62 years,

Occ.Agriculture,

23. Amrut Dadaso Suryawanshi, Age 67 years,

Occ.Agriculture,

24. Sambhaji Narsu Jadhav, Age 60 years,

Occ.Agriculture,

25. Sahadev Subarao Bisure, Age 60 years,

Occ.Agriculture,

26. Kakaso Govind Kundale, Age 72 years,

Occ.Agriculture,

27. Mahadev Bhimsu Kamble, Age 63 years,

Occ.Agriculture,

28. Vitthal Hindurao Patil, Age 57 years,

Occ.Agriculture,

29. Balaso Nana Sawant, Age 67 years,

Occ.Agriculture,

30. Maruti Shripati Kharat, Age 55 years,

Occ.Agriculture,

31. Sunil Mahadev Mali, Age 53 years,

Occ.Agriculture,

32. Pandurang Parsu Mali, Age 70 years,

Occ.Agriculture,

33. Dattatraya Annaso Bansode, Age 61 years,

Occ.Agriculture,

34. Tanaji Hira Ajetrao, Age 61 years,

Occ.Agriculture,

35. Vishnu Laxman Jadhav, Age 55 years,

Occ. Agriculture,

36. Bajarang Shivram Pawar, Age 61 years,

Occ. Agriculture,

37. Sushma Sidram Shinde, Age 60 years,

Occ.Agriculture,

38. Vasanti Dadaso Kundale, Age 50 years,

Occ.Agriculture,

39. Goraknath Ganpati Desai, Age 63 years,

Occ.Agriculture,

40. Mahadev Sadashiv Mirje, Age 55 years,

Occ.Agriculture,

All 1 to 40 above residing at Post Salgare,

Taluka Miraj, District Sangli.

Petitioners

versus

1. Tanaji Mahadev Patil, Age 47 years,

Occ.Agriculture,

2. Ramesh Ramu Mali, Age 52 years,

Occ.Agriculture,

3. Ashok Dattatray Harge, Age 56 years,

Occ.Agriculture,

4. Rajaram Arjun Ajetrao, Age 57 years,

Occ.Agriculture,

5. Ramesh Kashinath Kharat, Age 42 years,

Occ.Agriculture,

All 1 to 5 above r/o.Salgare, Tal.Miraj,

District Sangli.

6. The Assistant Registrar,

Co-operative Societies (Dairy),

Sangli-Miraj, Tal.Miraj, Dist.Sangli.

7. The Divisional Deputy Registrar,

Co-operative Societies (Dairy),

Pune Division, Pune.

8. The Joint Registrar,

Co-op. Societis (Dairy),

State of Maharashtra, Mumbai.

9. Vitthal Sahakari Kukkutpalan Ani

Kharedi Vikri & Prakriya Sangh Maryadit,

Salgare, Tal.Miraj, District Sangli.

Respondents

Appearances:

WP No.466 of 2025:

Mr. Ashutosh M. Kulkarni i/by Mr. Akshay Kulkarni for Petitioner.

Mrs.M.S.Srivastava, AGP, for Respondents 7 to 9 State.

Mr.Umesh R.Mankapure for Respondent nos.1 to 5.

Mr.Rohan S.Mirpury for Intervenor.

WP No.3437 of 2025:

Mr.R.S.Mirpury for Petitioner.

Ms. Tanu N. Bhatia, AGP, for Respondents 6 to 8 State.

Mr.Umesh R.Mankapure for Respondent.

Mr.Ashutosh M.Kulkarni with Mr.Akshay Kulkarni for Respondent no.9.

CORAM: AMIT BORKAR, J.

DATE : 10th March 2025

JUDGMENT:

- 1. Both these Petitions lay a challenge to the impugned order passed by the Revisional Authority, in the purported exercise of powers under Section 154 of the Maharashtra Co-operative Societies Act, 1960 (hereinafter referred to as "the said Act"), whereby the Revisional Authority has set aside the order previously passed under Section 11 of the said Act.
- 2. The genesis of the present dispute, as pleaded, traces back to the enrollment of one hundred and forty-three (143) members in the year 2010. According to the Petitioners, these memberships were granted in contravention of the mandatory procedure prescribed under the provisions of the said Act, the Rules framed thereunder, as well as the Bye-laws of the society. It is alleged that neither were the statutory conditions for eligibility satisfied, nor was there due scrutiny of the proposed members' credentials, particularly on the crucial aspects of their residence within the area of operation of the society and the requirement that they be carrying on business, as mandated under the Bye-laws. The Petitioners contend that this irregular enrollment of members is the bedrock of the subsequent disputes and proceedings.
- **3.** Consequent upon an inquiry under Section 89A of the said Act, a further inquiry under Section 11 of the said Act was

undertaken. The Registrar, while exercising powers under Section 11 of the said Act, recorded a finding that the enrollment of all 143 members was irregular and invalid. The basis for such finding rested on two principal grounds: first, that the meeting convened on 15th April 2010 was held in violation of the provisions of the said Act, the relevant Rules, and the Bye-laws; and secondly, that there was an absolute absence of documentary or evidentiary material to demonstrate the fulfillment of eligibility conditions by the aforementioned 143 members. In pursuance of these findings, the Registrar, in exercise of powers conferred by Section 11 of the said Act, directed the removal of the said 143 members under Section 25 of the said Act.

4. Aggrieved by the Registrar's order dated 9th September 2019, six of the affected members preferred an Appeal, being Appeal No.7 of 2019. However, by its judgment and order dated 29th April 2024, the Appellate Authority was pleased to dismiss the said appeal. Consequently, five of the aforesaid members instituted Revision Application No.10 of 2024, wherein the Revisional Authority, by the impugned judgment and order, quashed and set aside the Appellate Authority's decision dated 29th April 2024. It is against this revisional order that the present Writ Petitions have been filed: Writ Petition No.466 of 2025 by the society and Writ Petition No.3437 of 2025 by 40 members of the society. The principal grievance revolves around the legality and propriety of the Revisional Authority's intervention, as well as the merits of the initial enrollment of

the 143 members, which form the focal point of the dispute.

- 5. Learned advocate for the Petitioners submitted that the authorities constituted under the said Act have rightly recorded a finding that the 143 members in question were ineligible for membership, as there was no material on record to substantiate that the procedure prescribed under the said Act, the Rules framed thereunder, and the Bye-laws of the society was duly followed. It was contended that the fundamental eligibility conditions for membership were not satisfied, and the authorities, upon due consideration of the factual and legal aspects, have rightly concluded that the said members could not have been enrolled. The learned advocate submitted that the Revisional Authority has erroneously placed reliance on a solitary certificate purportedly issued by the Sarpanch of the concerned village, which merely indicated that the said 143 persons resided within the area of operation of the society and were engaged in business activities. He submitted that such reliance was wholly impermissible, inasmuch as the certificate in question was issued by an authority lacking jurisdiction, whereas the authorities under the Act had already concluded that the certificate should have been issued by the Competent Authority designated for such purpose and not by the Sarpanch.
- **6.** Inviting attention to the findings recorded in the impugned order and the inquiry report prepared under Section 89A of the said Act, learned advocate for the Petitioners reiterated that the members in question, who were enrolled on

15th April 2010, had failed to fulfill the essential conditions of membership as prescribed under the Bye-laws of the society. It was, therefore, submitted that the authorities under the said Act had rightly held them ineligible, and there was no justifiable reason for the Revisional Authority to interfere with the concurrent findings recorded by the Registrar and the Appellate Authority.

- 7. Alternatively, it was contended that the benefit of the Revisional Authority's order, even if assumed to be valid for argument's sake, cannot be extended beyond the five members who had approached the Revisional Authority. The learned advocate for the Petitioners pointed out that out of the 143 members, only five had preferred a challenge to the order passed under Section 11 of the said Act. Therefore, in the absence of an appeal or revision being filed by the remaining members, they cannot be permitted to derive the benefit of the order passed in favor of the said five persons. It was urged that the Revisional Authority has acted contrary to settled principles of law by extending relief to those members who had not invoked the appellate or revisional jurisdiction in their individual capacity.
- **8.** Per contra, learned counsel for the contesting Respondents vehemently opposed the submissions advanced on behalf of the Petitioners and contended that a co-operative society, being a neutral entity, cannot be permitted to challenge an order arising out of Section 11 of the said Act. It was further submitted that

the very act of the society in opposing the enrollment of members—when it was the society itself that had initially granted membership—renders its conduct arbitrary and selfcontradictory. In such circumstances, it was urged that the present writ petitions at the instance of the society were not maintainable. In furtherance of his submissions, learned counsel for the Respondents contended that the findings recorded by the Registrar and the Appellate Authority, wherein they have held that the meeting held on 15th April 2010 was illegal, are wholly without jurisdiction. In view of the above, learned counsel for the contesting Respondents submitted that the Revisional Authority has exercised its jurisdiction within permissible limits, has rightly appreciated the material on record, and has arrived at a just and proper conclusion by setting aside the erroneous findings recorded by the authorities below. It was, therefore, prayed that the present writ petitions be dismissed as being devoid of merit.

- **9.** Rival contentions of the parties now fall for consideration.
- 10. Learned advocate for Respondent Nos.2 to 5 has raised a preliminary objection to the locus standi of the society in initiating proceedings under Section 11 of the said Act. The thrust of the argument is that the society, by its very nature, is intended to function neutrally and in the collective interest of all its members. It is contended that the society should not ordinarily assume an adversarial role in membership disputes—particularly when such disputes essentially involve individual

members or prospective members—unless the outcome directly impinges upon the society's statutory obligations, its by-laws, share capital, or other critical assets. Undoubtedly, if the dispute is of a purely private character between certain members, the society would have no standing to claim itself as an "aggrieved person." However, it cannot be gainsaid that a co-operative society is a body corporate with the right to initiate legal proceedings when its own rights, property, or statutory objectives are compromised.

It is a well-recognized principle that a party must be 11. "aggrieved" to have the locus standi to maintain a legal challenge. An "aggrieved person" is one who suffers a legal injury or whose legal rights stand adversely affected by a particular order. In the context of the Maharashtra Co-operative Societies Act, a key question arises when a Registrar's order directs or confirms the admission of certain individuals as members: does the society suffer any legal prejudice, or is it merely a medium to implement the membership rights of individuals who meet the eligibility criteria? If the society can demonstrate that the Registrar's directions are patently contrary to its registered by-laws or impose obligations that infringe upon the society's own operational, financial, or governance structure, the society may rightly assert that it is an aggrieved party. Conversely, if the Registrar's order simply acknowledges that certain individuals satisfy the membership requirements, the actual "persons aggrieved" would generally be either those challenging such membership or those individuals themselves if

membership was wrongly denied. Thus, the society's locus standi depends upon whether its corporate or legal interests are genuinely impacted, rather than on the mere preference or stance of one faction of its managing committee.

- 12. In principle, a society may be estopped from belatedly challenging membership issues unless it can convincingly establish that a manifest illegality or a breach of the society's bylaws has only come to light at a later stage and poses an ongoing detriment to the society. If the Registrar's order merely ratifies the eligibility of persons already enrolled, it is difficult for the society to claim any fresh grievance. In such scenarios, courts are cautious about permitting societies to assume a partisan position, especially if the individuals in question have been treated as members for a significant duration. Such a change in stance often appears to stem from internal factionalism or a shift in the society's management, rather than from any bona fide concern about corporate interests or statutory compliance.
- 13. It also stands to reason that while a co-operative society typically acts through its managing committee, that committee is expected to maintain a neutral stance in disputes involving membership eligibility. If the real contest is whether certain individuals meet the statutory or Bye-law criteria for membership, the central dispute lies between those individuals and any members objecting to their admission. The society in its institutional capacity is ordinarily expected to remain impartial,

unless it can clearly demonstrate that allowing or disallowing such individuals has a direct bearing on the society's legal position, financial integrity, or statutory obligations. If the society's management, after previously admitting these persons, later seeks to disown the admission on grounds that do not affect its core interests, courts are inclined to treat such moves as reflective of internal power struggles rather than a genuine corporate cause of action.

- 14. Nevertheless, there can be no quarrel with the proposition that a society may legitimately challenge a Registrar's order where that order demonstrably contravenes the society's registered by-laws, imposes illegal obligations upon the society, or adversely affects the society's share capital or other financial parameters. For instance, if an influx of new members under questionable eligibility criteria would significantly alter the society's liabilities, share distribution, or governance, the society could lay a credible claim to being an aggrieved party. However, disagreement with the Registrar's findings, absent any tangible corporate harm, generally falls short of establishing locus standi.
- **15.** Further, where the by-laws categorically exclude a particular class of applicants or prescribe certain prerequisites under the statute, and yet the Registrar insists upon their admission, the society may be compelled to challenge the Registrar's directive if it deems such admission ultra vires of its by-laws. In that event, the society's stance is neither adversarial

nor partisan; rather, it is a necessary measure to preserve the society's legal and governance framework. This position becomes more pronounced if the Registrar's order substantially modifies the society's financial or operational obligations, thereby affecting its overall functioning. Contrarily, if the issue is confined to whether an individual has satisfied basic conditions such membership as residency nominal or membership eligibility, the presumption should be that the society does not have a personal stake that would warrant a legal challenge—barring evidence of a resultant legal or financial prejudice to the society as a whole.

16. In the facts of the present case, it emerges that the question of membership eligibility under Section 11 could plausibly impact the society's composition of membership, and potentially its governance mechanisms. This lends some credibility to the society's claim of being an aggrieved party if it perceives that the admission of members is contrary to statutory or Bye-law prescriptions. Moreover, if the society contends that the original enrollment was tainted by fraud or illegality, and present management only became aware of such irregularities after the passage of time, it cannot be categorically precluded from taking remedial legal recourse under the Act. However, such assertions must be backed by cogent evidence, and a mere shift in the management's position—unsubstantiated by any new or compelling proof of wrongdoing—may not suffice.

- 17. In these peculiar facts, the conclusion is that while a cooperative society should ordinarily remain neutral in membership disputes, it is not stripped of locus standi if a contested enrollment or the Registrar's consequent order genuinely impairs the society's legal or financial interests. Therefore, for the reasons discussed hereinabove, the challenge raised by Respondent Nos.2 to 5 on the ground of lack of locus standi on the part of the society does not hold merit in the present case.
- 18. Equally untenable is the contention that an individual member of the society lacks the locus standi to question the Registrar's determination under Section 11 of the said Act. In the factual matrix before this Court, the members who have chosen to challenge the eligibility of Respondent Nos.1 to 5 are themselves part of the same co-operative society, thereby giving them a vested interest in its governance and financial structure. The addition or removal of members not only bears upon the society's share capital but also influences the decision-making processes within the society, as membership composition has a direct bearing on voting rights, participation in meetings, and the allocation of benefits or liabilities. Therefore, these members are not mere strangers to the dispute; rather, their rights and interests stand to be materially affected. Consequently, their grievance is germane to the core functioning of the society and cannot be dismissed on the ground of lack of locus standi. It is, therefore, held that the concerned members do possess the requisite standing to file and maintain the present writ petition.

- 19. On the merits of the issues involved, I have carefully perused the entire record, including the pleadings, the orders passed by the authorities under the Act, and the report prepared under Section 89A of the said Act. Further, I have scrupulously examined the relevant provisions of the Maharashtra Cooperative Societies Act, 1960, the Rules framed thereunder, and the Bye-laws of the society. A holistic reading of these materials indicates that the Registrar, while exercising his power under Section 11, is statutorily mandated to determine whether any person seeking membership satisfies the criteria pertaining to residence within the area of operation of the society, eligibility to hold shares, and engagement in any requisite business activity. Such an inquiry, by its very nature, demands an independent assessment of documentary and oral evidence pertaining to the prospective member's eligibility.
- 20. By contrast, the report under Section 89A of the said Act—while certainly an important piece of evidence—cannot, in the absence of a thorough fact-based inquiry by the Registrar, form the sole basis to reject or grant membership. Nor can the Registrar exceed the limited scope of Section 11 by venturing into questions regarding the procedural validity of the society's resolutions or meetings, which fall within the purview of other provisions of the Act. In this regard, the legislative intent, as manifested in the scheme of the Act, underscores that the Registrar's scrutiny under Section 11 is confined to ascertaining membership eligibility. The fact that the statutory framework confers finality upon the Registrar's determinations on these

discrete factual issues only reinforces the necessity of a transparent, evidence-based inquiry wherein all relevant material is produced and evaluated.

- 21. It is in this context that the Bye-laws of the society also assume significance, inasmuch as they often prescribe additional conditions for membership—such as proof of residence, business, or contribution to share capital—which must be strictly adhered to. Non-compliance with these Bye-law invalidate membership stipulations can a application. an applicant demonstrably meets these Conversely, once requirements, a challenge to such membership must be supported by cogent, concrete evidence, rather than mere surmises. The adjudication of these factual aspects, therefore, calls for meticulous scrutiny, and any failure in that process can vitiate the ultimate conclusion.
- 22. The foregoing analysis leads to the inference that the authorities below were required to specifically address whether there was sufficient material to support or negate each member's eligibility, rather than merely adopting the findings of Section 89A inquiry or delving into extraneous considerations such as procedural regularity of the meeting. Against this backdrop, the present proceedings necessitate a careful calibration of the Registrar's jurisdiction under Section 11 to ensure that the exercise of this statutory power remains confined to determining the factual eligibility criteria laid down under the Act and the Bye-laws, without encroaching upon the

domain of disputes that are required to be settled under other provisions.

- 23. In order to address the scope of the power under Section 11 of the said Act, it would be apposite to refer to the statutory framework contained therein. Section 11 empowers the Registrar to decide specific questions, inter alia, whether a particular individual is an agriculturist or otherwise, whether such individual is residing within the area of operation of the society, or whether such individual is engaged in carrying on business therein. The legislative intent, as can be discerned from a plain reading of Section 11, appears to confine the Registrar's jurisdiction to determining these limited questions of fact, culminating in a final determination that is ordinarily not amenable to an appeal.
- 24. A conjoint reading of these provisions indicates that the law has accorded a certain degree of finality to the Registrar's findings on the aspects enumerated in Section 11. The legislative scheme suggests that once the Registrar has ascertained that a person fulfills (or does not fulfill) the requisite conditions for membership, such a determination carries the weight of finality unless the matter is carried to a competent forum under the Act in a manner permitted by law. Hence, while the Registrar's role under Section 11 is vital in confirming the eligibility or otherwise of prospective members, it does not extend to examining or invalidating the internal procedures or resolutions of the society beyond the ambit of

membership eligibility criteria.

- 25. A closer reading of Section 11 of the said Act makes it abundantly clear that the power conferred upon the Registrar is circumscribed by the statutory mandate to adjudicate only on whether a person (i) is an agriculturist, (ii) resides within the society's area of operation, and (iii) is engaged in carrying on business in that area. It does not empower the Registrar to embark upon an inquiry into the validity of the meeting convened by the society or to determine whether the society has followed the correct procedure prior to passing a resolution. Such matters, if disputed, must be taken up before the appropriate forum under the Act—whether by invoking Section 91 or any other relevant provision of law.
- 26. In that view of the matter, to the extent that the inquiry conducted by the Registrar under Section 11 purported to venture into the legality or procedural improprieties of the resolution passed by the society, such an exercise would be beyond the Registrar's powers and hence ultra vires of Section 11. This, however, does not foreclose any remedy available to an aggrieved person under Section 91 of the said Act, subject to the statutory limitations prescribed therein. Consequently, any finding by the Registrar with respect to the validity of a meeting or resolution—over and above determining the elemental questions of membership eligibility—must be seen as having been rendered without jurisdiction.
- 27. Turning now to the question of whether the individuals in

question actually reside within the area of operation of the society and whether they are engaged in any business, the authorities under the said Act have referred to and relied upon a certificate dated 10th April 2010 purportedly issued by the Sarpanch of the concerned village. According to this certificate, all 143 persons are residents of the village and carry on their business in the society's area of operation. Under the Maharashtra Village Panchayats Act, the Sarpanch is the executive head of the Panchayat and exercises certain statutory functions, which may include certifying residency and, in appropriate circumstances, business activities within the village limits, subject to contrary proof. In the absence of any specific statutory provision under the said Act designating another authority for issuing such certificates, reliance on the Sarpanch's certificate may not be ipso facto unjustified.

28. Notwithstanding the above, the report prepared under Section 89A of the said Act seems to suggest that the documentary proof furnished by these 143 persons was inconclusive regarding their eligibility. The officer appointed under Section 89A recorded that it was not clear from the documents on record whether the persons in question were actually residing within the area of operation of the society or were actively engaged in any business. The Registrar, in disallowing membership under Section 11 of the said Act, primarily relied on the Section 89A report without conducting a separate, independent inquiry into the factual aspects of residence and business.

- 29. Such an independent inquiry, in my view, is essential. The Registrar, while exercising powers under Section 11, is duty-bound to scrutinize the evidence pertaining to each individual's claim to membership, including the veracity and probative value of any certificate produced. This necessarily entails issuing notices to the concerned society and calling upon it to submit relevant documents, records, or any other material to support the eligibility of the proposed members, as stipulated in the Byelaws. Regrettably, this mandatory exercise does not appear to have been undertaken by the Registrar, and the consequential orders—later endorsed by the Appellate Authority—have thus failed to address whether the members genuinely fulfilled the membership criteria laid down under the said Act and Bye-laws.
- 30. In the totality of circumstances, and based on the record, the impugned orders rendered under Section 11 of the said Act and thereafter confirmed in appeal do not demonstrate that there was an independent, fact-based adjudication on the eligibility of the proposed members. Instead, reliance was placed on a broad-based report that itself highlighted inconclusive evidence, while the official certificate produced by the Sarpanch was sidelined without adequate consideration or an explicit finding on its credibility and legal standing.
- **31.** Given this backdrop, it follows that any determination of ineligibility—absent a proper inquiry under Section 11—does not reflect the reasoned scrutiny that the law requires. The Registrar ought to have summoned the parties to produce

documentary or oral evidence and, based thereon, arrived at a decisive conclusion on residence and business engagement. The ensuing paragraphs shall delve further into the appropriate course of action in light of these observations.

- 32. Whereas the Revisional Authority has placed reliance on the certificate issued by the Sarpanch of the concerned village panchayat, which attests to the fact that the persons in question were bona fide residents within the area of operation of the society and were carrying on business as required under the Bye-laws, I am of the considered view that such reliance, absent any explicit statutory prohibition, cannot be faulted in the limited scrutiny available under Article 226 of the Constitution of India. The Sarpanch's certificate, in the absence of any contrary evidence of greater probative value, was rightly taken into consideration by the Revisional Authority. Consequently, there appears to be no compelling reason warranting interference with the Revisional Authority's findings in the exercise of this Court's extraordinary writ jurisdiction.
- 33. However, it is clarified that the benefit of the order passed by the Revisional Authority shall enure only to Respondent Nos.1 to 5, being the persons who had actively challenged the Registrar's order under Section 11 of the said Act. Members who did not avail themselves of the remedy by filing an appeal or revision cannot, as a matter of legal entitlement, claim the fruits of the revisional order, particularly in light of the settled principle that a litigant who chooses not to contest an adverse

order cannot later derive benefit from an order obtained by another, unless such benefit is specifically extended by the adjudicatory forum. Accordingly, the relief granted by the Revisional Authority is confined to the said Respondent Nos.1 to 5 alone.

- It is further clarified that it shall remain open for any 34. aggrieved person to approach the Co-operative Court under Section 91 of the said Act for the purpose of impugning the validity of the resolution, if so advised and if permissible under the statutory scheme set out in Sections 91 and 92 of the said Act. The contentions raised by the parties, insofar as they pertain to the legality and validity of the meeting of 15th April 2010 or any procedural infirmity therein, stand reserved for determination by the appropriate forum under Section 91, subject to the limitations prescribed under Section 92 of the said Act. This Court does not intend to foreclose any party's right to assail the resolution or its procedural propriety before the competent forum, save and except those issues that have already been conclusively determined by the Registrar regarding membership eligibility within the narrow compass of Section 11.
- **35.** With the above observations, both the petitions stand disposed off. No order as to costs.

(AMIT BORKAR, J.)

MST