# Arunkumar.B vs the Assistant Registrar of Co-Operative Societies (General)

Arunkumar.B vs the Assistant Registrar of Co-Operative Societies (General)

**SooperKanoon Citation** : sooperkanoon.com/1388124

**Court** : Kerala

**Decided On :** Oct-31-2023

**Judge** : Honourable Mr.Justice N.Nagaresh

**Appeal No.** : WP(C)/29471/2023

**Appellant** : Arunkumar.B

**Respondent** : The Assistant Registrar of Co-Operative Societies (General)

**Judgement** :

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT THE HONOURABLE MR.JUSTICE N.NAGARESH TUESDAY, THE 31ST DAY OF OCTOBER 2023 / 9TH KARTHIKA, 1945 WP(C) NO. 29471 OF 2023 PETITIONER: ARUNKUMAR.B THEKKETHURUTHIPALLIL HOUSE, KOTHAVARA.P.O, VAIKOM, KOTTAYAM., PIN - 686 607. BY ADVS. SACHIN RAMESH BRIJESH MOHAN RESPONDENTS:

1 THE ASSISTANT REGISTRAR OF CO-OPERATIVE SOCIETIES (GENERAL) VAIKOM, KOTTAYAM, PIN - 686 141. 2 THE ARBITRATOR/SPECIAL SALE OFFICER KADUTHURUTHY AGRICULTURAL SERVICE CO-OPERATIVE GROUP 1233, OFFICE

OF THE ASSISTANT REGISTRAR OF CO-OPERATIVE SOCIETIES (GENERAL), VAIKOM, KOTTAYAM., PIN - 686 141. 3 KOTHAVARA SERVICE CO-OPERATIVE BANK LTD.NO.1359 KOTHAVARA.P.O, VAIKOM, KOTTAYAM , REPRESENTED BY ITS SECRETARY., PIN - 686 607. BY ADV KAVERY S THAMPI MABLE C KURIAN - GOVERNMENT PLEADER THIS WRIT PETITION (CIVIL) HAVING COME UP FOR

ADMISSION ON 31.10.2023, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING: :2:

## JUDGMENT

Dated this the 31st day of October, 2023 The petitioner has approached this Court aggrieved by the coercive proceedings for recovery of financial advance made by the 3rd respondent-Bank to the petitioner, invoking the provisions of the Kerala Co-operative Societies Act, 1969.

2. The Bank paid 8,50,000/- to the petitioner as

Loan in the year 2020. The petitioner states that though the petitioner made remittances promptly during the initial repayment period of the financial advance, he could not pay the repayment instalments promptly later. The repayment of loan fell into arrears later due to Covid-19 pandemic and consequential lockdown. It happened due to reasons beyond the control of the petitioner.

3. Though the petitioner requested the Bank to permit the petitioner to repay the overdue amounts in easy :3:

monthly instalments, the Bank authorities were not yielding. The authorities, instead, started coercive proceedings, invoking the provisions of the Kerala Co-operative Societies Act, 1969.

4. The petitioner states that he is still in a position to

clear the overdue amounts towards the loan, if sufficient time is given to clear the dues in easy monthly instalments. If the respondents are permitted to continue with the coercive proceedings and auction the secured assets provided by the petitioner, he will be put to untold hardship and loss.

5. Standing Counsel entered appearance on behalf

of the Bank and denied all the statements made by the petitioner. On behalf of the respondents, it is submitted that the loan was given to the petitioner in the year 2020. The petitioner committed default in repaying the loan.

6. The Bank repeatedly reminded the petitioner and

required him to clear the dues. The petitioner deliberately omitted to do so. In the circumstances, the Bank had no other go, than to proceed against the petitioner invoking, the :4: provisions of the Kerala Co-operative Societies Act, 1969. The petitioner has not advanced any legal reasons to thwart the coercive proceedings initiated by the Bank.

7. The Standing Counsel, however, submitted that if

the petitioner is ready and willing to make a substantial payment soon and remit the balance outstanding amount immediately thereafter, a short breathing time can be granted to the petitioner to clear the dues. The Standing Counsel submitted that the outstanding amount due to the Bank from the petitioner is 11,87,520/-.

8. I have heard the counsel for the petitioner and the Standing Counsel representing the Bank. I have also heard the Government Pleader representing the 1 st respondent.

9. The specific case of the petitioner is that the

petitioner has been making the repayment and maintaining the loan account initially. The default in repayment of the loan occurred lately due to reasons beyond the control of the petitioner. The petitioner has provided substantial security which will safeguard the interest of the Bank. :5:

10. In the facts and circumstances of the case, I am inclined to dispose of the writ petition giving a short and reasonable time to the petitioner to clear off his liability.

11. The writ petition is therefore disposed of with the following directions:

(i) The petitioner shall remit the outstanding amount of 11,87,520/- in 12 equal monthly installments along with accruing interest and other Bank charges, if any.

(ii) First of such installment shall be paid on or before 30.11.2023

(iii) The petitioner shall remit the balance outstanding amount in subsequent consecutive 11 equal monthly instalments thereafter, along with accruing interest and other Bank charges, if any. :6:

(iv) If the petitioner commits default in making payments as directed above, the respondents will be at liberty to continue with coercive proceedings against the petitioner in accordance with law.

(v) If the petitioner pays the instalments as directed above, any coercive proceedings against the petitioner shall stand deferred. Sd/- N. NAGARESH JUDGE

AMR :7: APPENDIX OF WP(C) 29471/2023 PETITIONER'S EXHIBITS Exhibit P1 TRUE COPY OF THE RELEVANT EXTRACT OF THE LOAN PASS BOOK ISSUED TO THE PETITIONER BY THE SECRETARY OF THE 3RD RESPONDENT. Exhibit P2 TRUE COPY OF THE COMPLAINT DATED 28-3-2023 SUBMITTED BY THE 3RD RESPONDENT BEFORE THE 1ST RESPONDENT. Exhibit P3 TRUE COPY OF THE AWARD DATED 28-4-2023 IN ARC NO.608/2023 ISSUED BY THE 2ND RESPONDENT.