MHCO130001972009

Presented on:- 25/03/2009
Registered on:- 01/12/2009
Decided on :- 18/07/2026
Duration :- Y.16 M.07 D.17

IN THE COURT OF JUDGE, CO-OPERATIVE COURT, SOLAPUR AT SOLAPUR.
(Presided over by Smt. S. D. Mukkanwar)

Co-Op.Case No. 1184 / 2009. **Exh.No. 95**

Shri. Hingaljmata Urban C0-operative
Society Ltd.Solapur 21/22, Sakhar peth, ... **Disputant**
Solapur,Through its Manager,
Shri. Rajesh Ramdas Kshirsagar
Age- 39yrs. Occu. Service.
R/O Solapur.

Versus

01. Vasantdada Shetkari Sahkari Bank Limited, Sangali, having registered office at Sangali and Branch office atGold Finch Peth, Solapur
02. Liquidator of Vasantdada Shetkari Sahakari Bank,ltd, Sangli, having registered office at Sangli and Branch office at Gold Finch Peth. Solapur

Claim:- Suit for Recovery of Rs.8,58,346/-

Mr.U.B.Marathe Advocate for the Disputant.

Mr.Giridharsinh N. Rajput Advocate for the Opponent.

JUDGMENT
(Delivered on 18.07. 2026)

In nutshell case of the Disputant is,

1. Disputant is co-operative credit society duly registered under Maharashtra cooperative society Act 1960. The object of the society is to accept and lend the money. The present dispute is filed by the chairman of disputant society who is authorized to file the dispute vide resolution passed by the society in its managing committee dt on. 23.02.2009. in pursuance thereof the present dispute is filed by the manager of disputant society and accordingly he has signed and verified the present dispute. The opponent is also a co-operative bank duly registered under the Maharashtra Co-operative Societies Act, 1960. The opponent has object of accepting the deposits and lending money . the opponent bank has its office at Solapur. The disputant has transaction with the opponent bank regarding depositing the money with the opponents. The disputant submits that the opponent bank has given call for depositing the amounts with it. The opponent bank has also agreed to give additional interest to the co-operative credit societies. Therefore, the disputant has decided to deposit the amount with the opponent. Hence, after passing resolution the disputant society has deposited the amounts with the opponent bank in current account also fixed deposit. The particulars regarding the deposits made the receipt numbers, amount, rate of interest and date of maturity are given below,

Account no.	Date	Amount in Rupees	Rate of interest	Maturity date	Amount after maturity
2858	14.06.2008	4,00,000/-	5%	13.08.2008	4,03266/-

2857	18.06.2008	2,00,000 /-	5%	17.08.2 008	201666 /-

As such disputant deposited the total amount of Rs. 6,00,000/- with the opponent bank as stated above. In fixed deposit and in current account of disputant with opponent bank Rs. 439531/-the disputant states that the deposit were made with a condition that the opponent shall make the payment of the same on the date of maturity. So also, the disputant society has kept current account with the bank and it was agreed that the interest of the fixed deposit shall be credited to the current account. The amount after maturity of the fixed deposit was also agreed to be credited to the current account so that disputant can withdraw the amount as per its requirement. However, the opponent bank has neither made the payment of the deposits which are matured nor amount is credited to the current account of the disputant. The disputant society has so many times asks the opponent about aforesaid payment but opponent has only given assurance of making payment. It was obligatory on the part of opponent to make the payment to the disputant society but the opponent has not made the payment. Therefore, disputant has filed present dispute to recover the amount of Rs. 8,58,346/- as per statement enclosed with the dispute application along with separate list of above mentioned fixed deposit and amount laying in current account. Hence, disputant filed present suit for recovery against opponent for the amount of Rs. 8,58,346/-with interest of 15% .

2. Opponent is appeared in the matter and filed his written statement at Exh. 35. He denied all adverse allegations against him

and submitted that, the opponent had no any sort of transaction with the disputant by name Hinglajmata urban co-operative credit society limited. The deposit receipt produced by the disputant alongwith the dispute application are in the name of Hingaljmata Nagari sahakari Patsanstha. It is pleaded as to how Hingaljmata Urban co-operative credit society limited is having right to sue on behalf of the Hingaljmata Nagari Sahkari Patsanstha. Thus, the dispute as a whole is not maintainable and need to be dismissed. Opponent bank is amenable to the provisions of the Maharashtra Co-op society Act, 1960 and it was doing banking business under the license reserve Bank of India. However, the reserve bank of India had issued directions on the opponent no.1 bank on 25.07.2008 and imposed restrictions as per the provisions of banking regulation Act. The banking license of opponent no.1 bank was cancelled on 07.01.2009. In view of cancellation of banking license the registrar of co-operative societies, Maharashtra State, Pune has appointed a liquidator committee on the opponent no.1 bank. Accordingly, the affairs of opponent no.1 bank are being wound up. Due to restrictions imposed by reserve bank of India and the liquidation order the opponent bank cannot release any payment to any of its creditors unless the priority of claims is finalized. The liquidator so appointed has every power under section 105 of the Maharashtra co-operative societies Act to decide all claims against the society and satisfy same with procedure prescribed by law. The dispute is not at all required to file any dispute for adjudication of controversy involved in this dispute.

Thus, the dispute as a whole of the disputant is infructuous and needs to be dismissed at the threshold being premature.

Further, contended that, disputant is not member of opponent no.1 Bank. The relation between the disputant and opponent is a depositor and banker. Disputant has not obtained any prior permission as envisaged by section 70 (d) before investing the amount with the opponent no.1 bank. Thus, the transaction entered between disputant with nonbanker like opponent no.1 bank are not covered by the provisions of the Maharashtra co-operative societies Act. Hence liable to be dismissed. The opponent no.1 being an insured co-operative bank, after its liquidation the interest of depositors is protected by the provisions of deposit insurance credit Guarantee Cooperation Act. There is no need to file any dispute. The payment as per DICGC Act are released. The deposit of amount as mentioned in para no. 4 are true but the interest as claimed is not admitted. All the creditors will be entitled to receive the amount on the basis of priority list which will be finalized according to law. the disputant has not stated the amount released by DICGS. Disputant has paid the court fees treating the dispute to be simple money claim, the dispute filed by the disputant is complicated money claim. The claim of interest is without considering the provisions of law applicable to society in liquidation. Therefore, the demand of such interest cannot be granted at all. Hence, suit is liable to be dismissed.

3. On the basis of rival pleadings, my learned predecessor has framed issues at Exhibit 39. I have reproduced the same along with my findings thereon. For the reasons is given below.

Sr. No.	ISSUES	FINDINGS
1.	Whether this court has jurisdiction to try and decide this dispute?	In the affirmative.
2.	Does the disputant prove that opponent bank is liable to pay to it an amount of Rs.8,58,346/- with interest @15 % p.a from 01.03.2009?	In the Negative.
3.	Whether disputant society is entitle to recover suit claimed amount from opponent bank ?	In the Negative.
4.	Whether dispute is barred by limitation?	In the Negative
5.	What order and award?	As per Final order.

REASONS

4. In order to substantiate their claim disputant examined manager shri. Rajesh Ramdas Shirsagar at Exh.56, Disputant has also relied upon documentary evidence, i.e receipt no. 198669, 198670 of deposit at Exh. 59 and 60, ledger details at Exh. 61 to 65, notice at Exh. 66, acknowledgement at Exh. 67, copy of permission letter dt on. 02.08.2006 at Exh. 68, copy of resolution at Exh. 69, copy of permission granted by registrar as per section 70 (d), copy of letter dt on. 27.10.2007 for opening current account with opponent and signature format with resolution at Exh. 71 and 72, permission to commissioner and Dy. registrar to file suit against liquidator at Exh. 73and 74, resolution at Exh. 58, copy of order of additional commissioner at Exh. 75,

5. On the other hand, opponent has examined shri. Hemant Bansode at Exh.86, Opponent failed to file documentary

evidence on record. Opponent closed their evidence by filing pursis at Exh. 93.

AS TO ISSUE NO.1 ;-

6. Opponent has argued that, disputant is not the member of opponent no.1 Bank. The relation between the disputant and the opponent is that of the depositor and banker. Disputant has not obtained any prior permission as envisaged by section 70 (d) before investing the amount with the opponent no.1 Bank. Thus the transaction entered into by disputant with non members like opponent no.1 bank are not covered by the provisions of Maharashta Co-operative Societies Act 1960 and therefore the dispute of the disputant is not at all governed by section 91 of the Maharashtra Co-operative societies Act,1960. Thus the suit is liable to be dismissed since this court has no jurisdiction to decide the same.

To invoke section 91 two elements are necessary i.e The nature of the Dispute – it must touch the business, management or affairs of the society and 2) the parties to dispute – both the parties must strictly belong to the categories listed in section 91 of the MCS Act such as a society, a member, or a person claiming through a member.

In the case hand disputant came with the case that disputant is co-operative society doing a banking business. The opponent is also banking company registered under the Mah. Co-op. Societies Act,1960. Disputant has transactions with opponent Bank regarding depositing the money. The opponent Bank has given call for depositing the amount with it. Therefore, by passing resolution disputant society has deposited the amount with the opponent Bank. Considering the transaction between the opponent and the disputant is appears is touching the business of the society. Further, the question as to obtaining the permission under section 70 (d) is concern record shows that at Exh.68 and 69 the permission under section 70 is appears to be granted to the disputant. Hence, the contention of opponent that the suit is not tenable cannot be taken into consideration. The suit is well within the jurisdiction of this court and hence I answer issue no. 1 in the affirmative.

AS TO ISSUE NO. 2 and 3 ;-

7. Disputant has examined Shri. Ajesh Shirsagar at Exh. 56 who is manager of disputant society. He reiterated the contention made in the affidavit of examination in chief. During his cross examination he admitted that, it is required to take permission of registrar prior to opening the saving or current account in other bank or society. The disputed deposits are dated on 18.06.2008 and 14.06.2008. Opponent is not member of the society. At the time of filing suit disputant society has outstanding amount of Rs. 239551/- with the opponent bank. On 31.03.2014 cheque Rs. 1 lakh is got to the disputant. the amount of said 1 lakh is not deducted from the amount claimed. The balance confirmation letter is not filed in the suit. The notice has been send by disputant to the opponent prior to filing of the suit and in that notice the recovery of current account is also prayed. Outward number is not mentioned at Exh. 68 to 71 and 74. The letter at Exh.69,71,68 are of prior to filing suit. disputant society receives some letter it bears the outward number, seal of the society. The receipt of fixed deposit at Exh. 59 to 60 mention the

rate of interest of 5% . there is no agreement executed between disputant and opponent society to charge interest of 15 % on deposit. He has not made inquiry by issuing letter to opponent liquidator about Rs. 1 lakh.

8. Disputant has also relied upon documentary evidence, i.e. copy of letter at Exh. 70 which shows that dt on 07.08.2006 disputant has sought permission for opening account in opponent bank to the Dist. Sub registar. Copy of letter at Exh.69 shows that, resolution passed for opening account in the bank mentioned in the resolution, letter at Exh. 68 shows that, to sought the permission to open account in opponent bank as per resolution. Copy of notice Exh. 66 shows that, disputant claimed amount of Rs. 839,551/-to the opponent. Account extract Exh.65 shows that on 14.06.2008 the amount of Rs.40,000/- and 18.06.2008 the amount of Rs 20000/-is deposited, General ledger Exh. 61 to 64 shows the balance amount of Rs.239551.00 at the end of 2008, copy of fixed deposit receipt at Exh. 59 and 60 shows an amount of Rs. 2 lakh and 4 lack is deposited in opponent bank dt on 17.08.2008 and 13.08.2008.

9. Disputant failed to argue the matter. Opponent has argued that, the suit is not within the jurisdiction of this court hence, not tenable. Further argued that, the co-operative Bank were regulated by the RBI and subsequently the deposits insurance and credit Guarantee Corporation (DICGC) was established. The DICGC is a subsidiary of the Reserve Bank of india that provides insurance to depositors in the event of Bank failure. It ensures that depositors receive a guaranteed amount upto 1 lakh even if the bank cannot return their full deposits. Liquidator of the opponent bank had paid

Rs.1 lakh is admitted by the disputant. The claim of disputant is including current account for the payment of Rs. 839,551/- with 15% which is not agreed between the parties. Hence order directing liquidator to pay excess amount in his hand to depositors is against statute. Therefore, the relief claimed is premature and liable to be dismissed.

10. In support of their argument opponent has also relied upon **Writ Petition No. 3853 of 2010 in The Administrative officer vs. The liquidator** wherein hon'ble high court has not given directions to responded no.4 on the ground that respondent no.4 is a statutory authority established under DICGC Act and under the said Act, the depositors of the insured Bank have been granted protection but subject to prescribed limit. The claim of the petitioner is seeking directions against respondent No. 4 to discharge its liability by depositing with liquidator or respondent No.1 bank the sum of Rs. 5,16,55,369/-. Such direction cannot be given against statutory body and de horse the provisions of the DICGC Act,1961. Also, relied on **AIR 2013 SC1398 in Margaret Almeida and others v. Bombay Catholic Co-operative Housing Society Ltd.** And others wherein hon'ble supreme court has dismissed the appeal and of the opinion that the petitioner claim before the High court does not seem to be bona fide. They also so not prima facie seems to have genuinely intimated the instant litigation. The facts in the present case and the case in hand are different hence, with due respect it is not applicable to the case in hand. Also relied upon **AIR 2015 SC 3070 in deposit Insurance and Credit Guarantee Corporation v. Raghupati Ragavan and ors,** where in the hon'ble court is of the

view that High court had exceeded its authority while giving a direction to the official liquidator , which is not in consonance with statutory provisions and therefore, set aside the judgement and order delivered by the division bench and direct the official liquidator and special officer to act in accordance with the statutory provisions.

11. To prove his case opponent has filed affidavit of examination in chief of Shri.Hemant Bansode at Exh. 86. He reiterated the contention made in the affidavit. Disputant failed to take his cross examination. The affidavit of opponent remains unchallenged.

12. Considering the record, I find it is necessary to go through Section 21 of the DICGC Act,1961 which mandates that after fulfilling its insurance obligations to depositors, any remaining funds in failed bank must first be repaid to DICGC before distributed to the depositors. Hence, perusal of all the document and evidence on record it appears that the liquidator is appointed on the opponent bank and opponent by filing document at Exh. 92 pointed out that the appointment of custodian as per rule 89 (17) of MCS Act 1961 on the opponent bank. So also by filing pursis at Exh. 94 has submitted that an amount of 152667/- is given to the disputant through cheque bearing no. 78479 of Bank of Maharashtra dt. on 19.04.2025. Further record shows that in W.S opponent has admitted the deposit of the amount and also by filing affidavit of examination in chief admitted that an amount of Rs. 508893/- from 2009 to till date is outstanding towards them which remains

unchallenged. As opponent admitted the amount deposited with him by disputant society it need not to discuss more.

13. Considering the record, when the opponent no.1 being an insured co-operative bank, after its liquidation the interest of depositors is protected by the provisions of deposit insurance credit Guarantee Cooperation Act (DICGC). In such a circumstance, what is need to be consider is that, whether disputant is entitle to the amount of Rs.839,551/-with interest as claimed and the direction to opponent bank can be given or not. Further, record shows that opponent has admitted the amount of Rs. 508893/- is outstanding and by way of cheque has paid the amount of Rs.152667/- in such a circumstance the amount paid by opponent is required to be deducted from the claimed amount. However, plaintiff has not cleared the said fact by cross examining the opponent witness or by adducing other cogent evidence. In such circumstances whether, plaintiff is entitled for the amount of Rs.8,39,551/-is in doubt. Most importantly, it is admitted fact that opponent bank is in liquidation and if the liquidator has to discharge the liability as per preferential order and after the assets of the Bank being sold. Further, as per principle laid down in above cited cases the direction cannot be issued against statutory body and de horse the provisions of the DICGC Act. In such a circumstance, though the amount is fixed in the opponent bank by the disputant the direction to the bank in liquidation to withdraw the amount as claimed or admitted by opponent would not be given. Hence, in view of discussion made above at this stage I do not find the suit of the disputant be allowed and the direction be given to the opponent bank to discharge the

liability of disputant by payment of the amount with interest as prayed. Hence, I answer issue no 2 and 3 in the negative.

AS TO ISSUE NO. 4 ;-

14. Opponent has argued that, the claim put forth by way of amendment regarding amount due under current account is absolutely barred by law of limitation. The claim regarding current was willingly not made while filing the original dispute. Therefor the claim is not within limitation. The claim as to recovery initiated by disputant was a bunch of one set of action. it is not severable and therefore the dispute is barred by limitation. To prove the said fact except the oral contention opponent has not adduced any oral or documentary evidence. In such a circumstance merely on the oral contention it cannot be said that the dispute is barred by limitation. Hence, I answer issue no. 4 in the negative.

AS TO ISSUE NO. 5 ;-

In answer to issue no.1 in the affirmative and issue no. 2 to 4 in the negative. In answer to issue no. 5 I pass following order,

ORDER

1. Suit is dismissed.
2. Parties to bear their own costs.
3. Decree/ Award be drawn up accordingly.

SONALI DEVIDASAPPA MUKKANWAR

Digitally signed by SONALI DEVIDASAPPA MUKKANWAR
Date: 2026.07.18 16:37:44 +0530

(S.D. Mukkanwar)

Date : - 18.07.2026

Judge Co-operative Court
Solapur