IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO.1546 OF 2014

Dr. Mandar D. Mule & 6 Ors. ..Petitioners

Vs.

The President/CEO, The Konkan Prant
Sahakari Bank Ltd. & 7 Ors. ..Respondents

Ms. Rachana R. Chavan for the Petitioners.
Mr. Venkatesh Dhond, Senior counsel a/w Ms. Mansi Patel i/b Udwadia & Co. for the Respondent No.2.
Mr. Pramod Patil for the Respondent No.4.
Mr. Mohit Jadhav for the Respondent Nos.5 and 6.
Mr. Parag Sharma a/w. Ms. Manasi Patel i/b Udwadia & Co. for the Respondent No.8.
Mr. Shriram Kulkarni, Amicus Curiae.

CORAM: V.M. KANADE &
C. V. BHADANG, JJ.

APRIL 21, 2017.

P.C.

. The learned counsel appearing on behalf of the liquidator has filed a draft undertaking. In the draft undertaking it is stated that there are 29534 secured depositors and the DICGC has sanctioned a sum of Rs.30,17,59,341.27 for the purpose of distribution to the said secured depositors. It is further stated in the draft affidavit that the Bank has paid Rs.28,83,65,423.87 to 8100 account holders. It is further stated that 21434 account holders have not come forward to collect their sanctioned amount and amount of Rs.1,33,93,917.40 remained with the Bank as unclaimed by these depositors. This amount has been invested by them in a nationalized bank. The bank undertakes not to withdraw the said amount.

2. On the other hand, the learned counsel appearing on behalf of DICGC submits that this amount may be kept in an escrow account which should be operated by the Registrar Co-operative Societies, officers of the Bank and officers of DICGC.

3. In our view since the liquidator has deposited the said amount of Rs.1,33,93,917.40 in a nationalized bank and has given an undertaking not to withdraw the said amount, it is not necessary to open an escrow account since it would not earn any interest. The liquidator to file an undertaking to this effect within 1 week from today.

4. It is clarified that as and when any secured depositor comes forward to claim the amount, the same shall be paid by the liquidator subject to the satisfaction of KYC norms and information as regards same will be communicated to DICGC. It is an admitted position as of today no amount has been paid by DICGC. We therefore permit the liquidator to disburse further amounts to the account holders having deposits above 1 lakh rupees on pro rata basis. The liquidator shall also continue to recover amount from the defaulting members by filing appropriate proceedings. The Bank shall furnish list of assets in their possession within 4 weeks.

5. Stand over to 8/6/2017 on the supplementary board.

(C. V. BHADANG, J.) **(V.M. KANADE,J.)**