

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH  
AT SRINAGAR**

**WP (C) 832/2025, CM (2172/2025)**

**Kashmir Valley Cooperative House Building Society Limited**

... Petitioner(s)

Through: Mr. T. H. Khawaja, Adv. with Mr. Naseer Ahmad, Adv.

V/s

**UT of JK and others**

... Respondent(s)

**CORAM: HON'BLE MR. JUSTICE JAVED IQBAL WANI, JUDGE**

**ORDER**

**18-04-2025**

1. In the instant petition filed under Article 226 of the Constitution, Kashmir Valley Co-operative House Building Society Limited (*for short, "the Society"*), petitioner herein, which is a shareholder in J&K State Cooperative Bank Limited (*for short bank*), both registered as "Society" under J&K Cooperative Societies Act, 1989 (*for short Act of 1989*), has approached this court seeking appropriate orders for conduct of elections for constitution of Board of Directors/Management of the Bank.
2. The facts emerging from the record available on the file would reveal that the bank is supposed to be managed by a Board of Directors/Management to be elected for a period of three years by General Body of constituent members. It gets revealed that the previously elected Board of Directors came to be superseded by the Government of J&K vide Government Order No. 14-JK/COOP of 2020 dated 15-05-2020, and substituted by a nominated Board of

Directors under and in terms of Section 30 of the Act of 1989, which nominated Board was supposed to hold elections for constitution of elected Board of Management and since the said Board nominated by the Government failed to hold elections within the stipulated time its continuation and existence came to be challenged before this court in WP(C) No. 2775/2021 titled as "*Kashmir Valley Cooperative Housing Society and another versus UT of J&K and Others*," which writ petition came to be disposed of by this Court on 15-07-2022 by holding as under:

"i. The nominated Board of Directors of the Cooperative Bank is entitled to remain in position and legitimately run the affairs and management of the bank till 04.10.2022.

ii. The nominated Board of Directors shall cease to be in existence after 04.10.2022 and therefore, it is incumbent upon the Government or the Registrar to reconstitute the Board of Directors of the Cooperative Bank on or before 04.10.2022 by holding elections in accordance with the Act of 1989, the Rules and the byelaws of the Cooperative Bank."

3. Record reveals that the respondents instead of holding elections for reconstitution of Board of Directors/Management, as was directed by the Court in terms of above order dated 15-07-2022, reconstituted the already nominated Board of Directors vide order no.04-JK (COOP) of 2023 dated 21-01-2023 which order as well came to be challenged in WP(C) no.174 of 2023 titled as "*Kashmir Valley Cooperative Society and another vs. Union Territory of J&K and others*" and the said petition came to be allowed by this court vide judgment dated 07-04-2023 in the following terms:

"26. For what has been discussed hereinbefore, it is clear that the respondents did not have power and competence to reconstitute the nominated Board which had already outlived its life. It was not

open to the Government to give a fresh lease of life to the said Board simply by replacing one of its members. The action of the respondents cannot be countenanced by law, as, such, the impugned order dated 21.01. 2023 (supra) is liable to be quashed.

27. Accordingly, the writ petition is allowed and the impugned order bearing no. 04-JK (Coop) of 2023 dated 21-01-2023 is quashed.”

4. It also gets revealed that in the judgment dated 07-04-2023, supra, the court directed respondents to hold elections as already directed in the earlier judgment dated 15-7-2022. It is significant to note here that both the judgments dated 15-7-2022 and 7-4-2023 have assumed finality.
5. The grievance projected by the petitioner in the instant petition is twofold: firstly, that the respondents have failed to take any steps for holding elections for the constitution of Board of Management in accordance with the Act of 1989 and Rules made thereunder, and secondly that respondent 6 is functioning as Managing Director of the Bank without any legal authority, though the Bank had already appointed one of its permanent employees, respondent 4 herein, as Managing Director of the Bank after complying with the procedure, however, the Chairman of the nominated Board of Directors, had appointed the then Additional Commissioner by nomination as second Managing Director of the Bank.
6. It has been further averred in the petition that the Board of Directors nominated by the government has ceased to exist by the efflux of time and in the meantime the person who was appointed as Additional Commissioner and appointed as second Managing Director stands transferred from the office of Additional Commissioner and in his place

respondent 6 herein has been posted as Additional Commissioner who on his own without there being any order issued by any authority has taken over charge of the post of Managing Director in place of previously nominated Managing Director of the bank and that since the nominated Board of Directors has ceased to exist by efflux of time, the term of Managing Director appointed by it has also come to an end and that owing to the said position the presence of second Managing Director, respondent six herein, without any formal order by any authority has created confusion and operational chaos and in the process inefficiency in the bank.

**Heard learned counsel for the petitioner and perused the record.**

7. Having regard to the case set up by the petitioner in the instant petition, noticed in the preceding paragraphs inasmuch as the record available on the file, coupled with the submissions made by the counsel for the petitioner, a case for grant of indulgence and an interim relief at this stage is made out.
8. Issue notice in the main as well as in CM returnable within a period of three weeks upon steps to be taken within one week.
9. List on **20.05.2025**.
10. In the meanwhile, subject to objections, respondent 6 herein shall refrain from acting as Managing Director of the Bank or interfering with its affairs. Beside this, in furtherance of directions earlier passed by this Court, the Competent Authority under the Act of 1989 and Rules made thereunder, is directed to take steps for holding elections for constitution of Board of Directors/Management in accordance with

provisions of the Act of 1989 and the Rules made thereunder without any further delay and pendency of the instant petition shall not stand in the way of the competent authority to hold such elections.

11. Alteration/modification/vacation on motion.

**(JAVED IQBAL WANI)**  
**JUDGE**

Srinagar  
18-04-2025  
*N Ahmad*

