

File No.- L-11014/04/2026-Banking
Government of India
Ministry of Cooperation
(Office of the Appellate Authority and Central Registrar of Cooperative Societies)

9th Floor, Tower 'E', World Trade Centre,
Nauroji Nagar, Safdarjung Enclave,
New Delhi 110029

ORDER
(Appeal filed u/s 85A(3) of the Multi State Cooperative Societies Act, 2002)

An appeal dated 27.10.2025 has been filed by the Chairman, Latur Multi State Cooperative Credit Society Ltd., Latur, Maharashtra (hereinafter referred to as the 'Appellant Society') under Section 85A(3) of the Multi-State Cooperative Societies Act, 2002 read with Rule 30J of the Multi-State Cooperative Societies Rules, 2002 against the order dated 03.10.2025 passed by the Cooperative Ombudsman.

2. The Cooperative Ombudsman, vide the aforesaid order, directed the Appellant Society to pay to Rajlaxmi Multi State Credit Cooperative Society Ltd., Yavatmal, Maharashtra (hereinafter referred to as the 'Respondent Society') the amount due against its fixed deposit, together with up-to-date interest as applicable, within thirty days from the date of the said order. Aggrieved by these directions, the Appellant Society preferred the present appeal.

3. The matter was initially fixed for hearing on 25.06.2026. At the request of the Appellant Society, the hearing was rescheduled to 08.07.2026. On a further request made by the Appellant Society, the matter was again adjourned and was heard on 21.07.2026. During that hearing, the Appellant Society relied upon certain alleged contractual commitments and mutual arrangements between the parties. Accordingly, an interim order was passed directing the Appellant Society to place its written submissions and supporting documentary evidence on record and permitting the Respondent Society to file its reply. The Society has submitted only an affidavit sworn by one Hemant, Son of Pukhraj Jailwal, business partner of Mr Agragnya Buildcon, stating largely what has already been stated by the Appellant in his appeal. However, no agreement/contract, deposit receipt, terms and conditions, correspondence, or any other contemporaneous documentary record has been furnished to establish the terms and conditions governing the deposit, including its tenure, interest/return, withdrawal/repayment conditions, rights and obligations of the parties, or other contractual arrangements which may defend the plea of the appellant society against the order passed by Cooperative Ombudsman to refund the amount within 30 days of the order.

4. Thereafter, the matter was fixed for final hearing on 03.09.2026. On another request of the Appellant Society, the hearing was rescheduled to



11.09.2026 which was again rescheduled to 17.09.2026 at 2:30 PM due to order of the Central Govt to keep the Central Govt offices closed on that day. The Appellant Society again asked to reschedule the hearing, which was denied and the parties were allowed to appear through Video Conferencing.

5. On 17.09.2026, the Appellant Society appeared through its Chief Executive Officer and another official. The Respondent Society appeared through its Managing Director along with Sr. Manager. Both parties appeared through video conference. The Chief Executive Officer of the Appellant Society submitted that its Chairman was conversant with all the facts of the case and requested that another date of hearing be granted. He was informed that the Chairman may join the proceedings through video conference. In view of the adjournments already granted in past on request of Appellant but to afford a further opportunity to the Appellant Society, the hearing was adjourned until 3:30 PM, to enable it to arrange the Chairman's participation.

6. When the proceedings resumed at 3:30 PM, the Society was instead represented by its Advocate. The Appellant Society stated that the Chairman could not join through video conference and again sought an adjournment. It was noted that the Appellant Society had sought and was granted two adjournments on different occasions and another to allow it submit documents. This was the third request by the Appellant Society for adjournment of the hearing in the course of these proceedings which was denied and the Society was asked to submit its arguments on merit. However, instead of making submissions on merit, the Society repeatedly asked for adjournment.

7. This Authority is of the considered view that the Appellant Society has been afforded sufficient and repeated opportunities to present its case. The matter cannot be kept pending indefinitely merely because the person whom the Appellant Society considers best acquainted with the case has chosen not to participate, particularly when its Advocate and Chief Executive Officer were present and the Appellant Society had prior notice of the final hearing. Principles of natural justice require a reasonable opportunity of hearing; they do not confer an unrestricted right to repeated adjournments. Grant of any further adjournment would cause avoidable delay and prejudice to the Respondent Society, whose deposit amount remains unpaid despite the order of the Cooperative Ombudsman. In view of this, further adjournment was disallowed and the Appellant was asked to present its argument on merit of the case. The Appellant, instead of presenting its argument on merit, again repeatedly asked for adjournment only. It was then concluded that the Appellant has nothing more to say on merit. Therefore, it was announced that final order shall be passed on the basis of documentary evidence already submitted and the hearing was accordingly concluded.

8. The Appellant Society has submitted that the respondent Society had FD investment of Rs 12 Cr with maturity value of Rs 15.81 Cr with it and that the Appellant has already paid an amount of Rs 2.92 Cr and balance Rs 2.89 Cr remains unpaid due to property related settlement stated to have been agreed and contractual commitments mutually agreed between the Appellant and Respondent. An impression has also been made that the Respondent Society agreed to treat an amount of Rs 4.41 Cr with Appellant till sale of

certain property connected with the Appellant, respondent and another Society, namely, Sairam Urban Multi State Co-op Credit Society Ltd. An affidavit to the same effect sworn by one Hemant, Pukhraj Jailwal, Business partner of M/s Agragnya Buildcon.

9. However, the Appellant has failed to submit any document to support the stated commitment mutually agreed between them, particularly, by which the balance Rs 2.89 Cr could have been linked to sale of the property and be payable on actual sale only. In absence of such a document, the affidavit being a unilateral statement of a third party submitted by the Society, cannot by itself be treated as a substitute for the underlying contractual/ documentary evidence of the transaction, unless corroborated by other independent records, particularly when the Appellant has been given opportunity for the same which was utilised by it only to submit an affidavit along with its annexures instead.

10. Having considered the record of the proceedings, the order dated 03.10.2025 passed by the Cooperative Ombudsman, the submissions made by the parties at the hearings, and the opportunities granted to the Appellant Society to substantiate the grounds raised in appeal, this Authority finds no ground warranting interference with the impugned order.

11. Accordingly, the appeal dated 27.10.2025 filed by Latur Multi State Cooperative Credit Society Ltd., Latur, Maharashtra is dismissed, and the order dated 03.10.2025 passed by the Cooperative Ombudsman is upheld.

Ordered accordingly.

Dated: 22.09.2026



Shiv

(Shiv Pal Singh)

Appellate Authority and

Central Registrar of Cooperative Societies

To,

1. Chairman, Latur Multi State Co-op. Credit Society Ltd., Kazi Complex, Opp. S.T. Work Shop, Ambajogai Road, Latur - 413 531. (E-mail: laturmultistate51@gmail.com)
2. Chairman, Rajlaxmi Multistate Credit Co-Op. Society Ltd., Rajlaxmi Height's, mainde Chowk, Sankatmochan Road, Tilakwadi, Yavatmal Maharashtra - 445 001. (E-Mail: rajlaxmimultistate@gmail.com)

Copy to:

1. NIC for uploading on website.
2. Cooperative Ombudsman, 9th Floor, Tower 'E', World Trade Centre, Nauroji Nagar, Safdarjung Enclave, New Delhi 110029.