



**IN THE HIGH COURT OF KARNATAKA, DHARWAD BENCH**

**DATED THIS THE 6<sup>TH</sup> DAY OF FEBRUARY, 2024**

**BEFORE**

**THE HON'BLE MR JUSTICE HEMANT CHANDANGOUDAR**

**WRIT PETITION NO. 100696 OF 2024 (CS-RES)**

**BETWEEN:**

SRI. ASHWIN S/O RAMACHANDRA CHANDAKE  
PROMOTER SRI. CHATHRAPATHI VIVIDDHOSHA  
PRATHAMIKA GRAMEENA KRUSHI SAHAKAR SANGHA,  
NIYAMITA KUNNUR VILLAGE, TALUKA- NIPPANI,  
DIST. BELAGAVI-590001.

...PETITIONER

(BY SRI. NEELENDRA D. GUNDE, ADVOCATE AND  
SRI. SRINIVAS B. NAIK, ADVOCATE)

**AND:**

1. THE STATE OF KARNATAKA  
DEPARTMENT OF CO-OPERATIVE SOCIETIES  
VIDHANA SOUDHA, BENGALURU-560001.  
REPRESENTED BY PRINCIPAL SECRETARY
2. ASSISTANT REGISTRAR CO- OPERATIVE SOCIETY  
TALUKA-CHIKKODI, DIST. BELAGAVI-591201.
3. DEPUTY REGISTRAR CO- OPERATIVE SOCIETY  
TALUKA-CHIKKODI, DIST. BELAGAVI-591201.

...RESPONDENTS

(BY SRI. V.S.KALASURMATH, HCGP)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF  
THE CONSTITUTION OF INDIA PRAYING TO, ISSUE A WRIT IN  
THE NATURE OF CERTIORARI QUASHING THE IMPUGNED ORDER  
DATED 22/12/2023 BEARING NO.KRA A R-11/RSR/85/2023-24  
PASSED BY THE RESPONDENT NO.2 VIDE ANNEXURE-C AND ETC.,

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, THE  
COURT MADE THE FOLLOWING:





**ORDER**

Learned HCGP accepts notice for the respondents.

2. The petitioner, who is the promoter of the co-operative society in question, submitted an application in Form No.3 with the respondent No.2 for registration of the co-operative society, as stated under Section 7 of the Karnataka Co-operative Societies Act, 1959, read with Rule 3B of the Karnataka Co-operative Societies Rules, 1960. The respondent No.2 sent a report. In turn, respondent No.3 issued a communication dated 28.11.2023 calling upon the respondent No.2 to take appropriate decision on the application submitted by the petitioner. Thereafter, the respondent No.2 passed the impugned order rejecting the application submitted by the petitioner for registration of the co-operative society stating that there already exists a co-operative society with similar aims and objectives in the said area. Taking exception to the same, this petition is filed.

3. The issue is whether registration of the co-operative society in the area where similar co-operative society is existing can be considered, was examined by the co-ordinate Bench of



this Court in W.P. No.104197/2021, wherein it is held that there is no bar on the number of co-operative societies that can be registered in an area. The Act essentially seeks to regulate the registration of a co-operative society, and the manner in which the co-operative societies are to be managed and also in ensuring the rights and liabilities of the members are protected. It was further held that there was absolutely no requirement of the society of the applicant to indicate the existence of any rival society in the area within which it intends to operate. However, Registrar is required to take into consideration certain factors such as population in the area of the operation of the proposed co-operative society, the assessment of economic and financial feasibility, like collection of share, funds from the share holders and also the overlapping of the existing similar co-operative societies. The factors prescribed under Rule 3B of the Rules, are essential factors, which would aid in determining whether the proposed society has a reasonable chance of success and is likely to be economically viable.

4. The Co-ordinate Bench of this Court has categorically held that the registration of a Co-operative Society in the same area cannot be denied merely on the existence of



the similar co-operative society, and the registration has to be considered in light of the provisions contained in Section 7 and Rule 3B of the Rules. Therefore, the impugned order passed by the respondent No.2 is contrary to the provisions contained in Section 7 and Rule 3B of the Rules.

Accordingly, the petition is allowed. The order dated 22.12.2023 issued by the respondent No.2 at Annexure – C is hereby quashed.

The respondents to consider the application submitted by the petitioner for registration of the co-operative society in light of the provisions contained under the Act and Rules. The said exercise shall be completed within a period of two months from the date of receipt of the copy of this order.

**Sd/-**  
**JUDGE**

RSH / CT:GSM.  
List No.: 2 Sl No.: 5