



ARB-144-2025 (O&M) & ARB-170-2025

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**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

278 (2 cases)

ARB-144-2025 (O&M)

Date of Decision: 22.05.2025

Jai Baba Ganga Dass Co-op. L&C Society Ltd.

...Applicant

Versus

Registrar, Cooperative Societies, Haryana and others

...Respondents

With

ARB-170-2025 (O&M)

The Jai Baba Ganga Dass Co-op. L&C Society Ltd.

...Applicant

Versus

Registrar, Cooperative Societies, Haryana and others

...Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: - Mr. Dinesh Arora, Advocate for the applicant

Ms. Palika Monga, Deputy Advocate General, Haryana

Ms. Simran Sharma, Advocate

for Mr. Sanjeev Kaushik, Advocate for respondent No.2

Mr. Aman Bahri, Advocate and

Mr. Shubham Pathania, Advocate for respondent No.3

JAGMOHAN BANSAL, J. (Oral)

1. As common issues are involved in the captioned applications, with the consent of both sides, the same are hereby disposed of by this common order. For the sake of brevity and convenience, facts are borrowed from *ARB-144-2025*.

2. Through instant application under Section 11 of the Arbitration and Conciliation Act, 1996 (for short '1996 Act'), the applicant is seeking appointment of an Arbitrator.



3. A dispute erupted between two societies i.e. the applicant and respondent No.2 which are constituted under Haryana Cooperative Societies Act, 1984 (for short '1984 Act'). The matter reached to respondent No.1-Registrar, Cooperative Societies, Haryana who passed an order dated 07.09.2021 whereby dispute between the parties was attempted to be settled. The applicant, feeling aggrieved from orders of Registrar, preferred an appeal which came to be disposed of vide order dated 06.01.2023 by Additional Chief Secretary to Government of Haryana. The appeal was disposed of by way of remand to Registrar, Cooperative Societies, Haryana. Since then the matter is pending before Registrar who concededly is sitting over the matter.

4. Learned counsel for the applicant submits that as per Section 102 of 1984 Act, dispute between the parties has to be resolved through arbitration. The applicant has entered into agreement with respondent No.2 which in turn has entered into agreement with respondent No.3-Housing Board, Haryana. There is an arbitration clause in the agreement executed between respondent Nos.2 and 3, thus, the applicant has right to invoke Section 11(6) of 1996 Act.

5. Reply filed by respondent No.3 is taken on record. Registry is directed to tag the same at an appropriate place.

6. From the perusal of record, it is evident that there is no agreement between the applicant and respondent No.2 with respect to reference of dispute to the Arbitrator. The contract between the applicant and respondent No.2 is governed by 1984 Act and Section 102 of the said Act provides that in case of dispute between two societies, dispute shall be



referred to arbitration of the Registrar for decision and no Court shall have jurisdiction to entertain any suit or other proceedings in respect to such dispute. For the ready reference, Section 102 of 1984 Act is reproduced as below: -

“102. Disputes for arbitration. (1) Notwithstanding anything contained in any law for the time being in force, if any dispute touching the constitution, management or the business of a co-operative society [other than a dispute of disciplinary action or dispute relating to service matters in respect of a paid servant of a society] arises -

- (a) among members, past members and persons claiming through a member, past member or deceased member; or*
- (b) between a member, past member or persons claiming through a member, past member or deceased member and the society, its committee or any officer, agent or employee of the society or liquidator, past or present; or*
- (c) between the society or its committee and any past committee, any officer, agent or employee or any past officer, agent or employee or the nominee, heirs or legal representatives of any deceased officer, agent or employee of the society; or*
- (d) between the society and any other society, between a society and liquidator of another society or between the liquidator of one society and the liquidator of another society;*

such disputes shall be referred to the arbitration of the Registrar for decision and no court shall have jurisdiction to entertain any suit or other proceedings in respect of such dispute.

Provided that any proceedings pending or concluded under Section 101 shall not constitute a dispute touching the constitution, management or the business of the society.



(2) *For the purpose of sub section (1), the following shall be deemed to be disputes touching the constitution, management or the business of a co- operative society, namely :-*

- (a) *claim by the society for any debt or demand due to it from a member, or nominee, heirs or legal representatives of a deceased member, whether such debt or demand be admitted or not;*
- (b) *a claim by a surety against the principal debtor where the society has recovered from the surety any amount in respect of any debt or demand due to it from the principal debtor as a result of the default of the principal debtor, whether such debt or demand is admitted or not;*
- (c) *any dispute arising in connection with the election of any officer of the society.*

(3) *If any question arises whether a dispute referred to the Registrar under this section is or is not a dispute touching the constitution, management or the business of co-operative society, the decision thereon of the Registrar shall be final and shall not be called in question in any court.*

(4) *No dispute arising in connection with the election of committee member or officer of the society shall be entertained by the Registrar unless it is referred to him within thirty days from the date of the declaration of the result of election.”*

7. From the perusal of above quoted Section, it is quite evident that a dispute between two cooperative societies shall be referred to arbitration of Registrar. Section 11 of 1996 Act can be invoked if there is arbitration agreement between the parties. In the instant case, dispute between the parties is governed by Section 102 of 1984 Act. The foundation of claim of the applicant is primarily Section 102 though applicant is trying to plead that contract executed between respondents may be considered for



invoking Section 11(6) of 1996 Act. The claim of the applicant is misconceived because there is a dispute between two societies which can be resolved by arbitration of Registrar. In view of specific provision under 1984 Act dealing with dispute between two societies, there is no question to invoke Section 11(6) of 1996 Act especially when there is no arbitration agreement between the applicant and respondent No.2. The applicant just to invoke provisions of 1996 Act has impleaded respondent No.3 i.e. Housing Board, Haryana with whom neither it has executed agreement nor there is dispute. The dispute, if any, is between two societies. The said fact is fortified from the fact that the dispute in question was concededly referred to Registrar, Cooperative Societies who passed order dated 07.09.2021 whereby an attempt was made to resolve the issue. The said order was assailed by the applicant before the Government and Additional Chief Secretary, Haryana allowed the appeal by way of remand. The matter is pending before Registrar who has to resolve the dispute between the two societies. The applicant is trying to overreach jurisdiction of Registrar who is a creature of statute whereunder applicant and respondent No.2 are constituted. The foundation of claim to make appointment of an Arbitrator is Section 102 of 1984 Act, thus, the applicant is bound to act within four corners of said Section. As there is specific provision by way of Section 102 of 1984 Act to resolve dispute between the two societies, there is no question to invoke power under Section 11(6) of 1996 Act.

8. The applicant in support of his argument has relied upon judgment of Supreme Court in ***Haryana State Cooperative Labour and Constructions Federation Limited v. Unique Cooperative Labour and Constructions Cooperative Society Limited and another, 2017 (3) RCR***



(Civil) 294. The said judgment is inapplicable to applicant's case because in the said case, Section 102 of 1984 Act was not the subject matter of consideration. The dispute was not governed by Section 102 and the matter was not pending before Registrar in terms of Section 102 of 1984 Act.

9. The pendency of dispute before Registrar since 2023 has prompted the applicant to approach this Court in terms of Section 11(6) of 1996 Act. Though it is not subject matter of instant application, yet to resolve the issue between the parties, I deem it appropriate to observe that Registrar, Cooperative Societies, Haryana ought to expeditiously adjudicate the dispute which was referred to him by Additional Chief Secretary, Haryana in 2023.

10. In the wake of above discussion and findings, this Court is of the considered opinion that present applications deserve to be dismissed and accordingly dismissed.

11. Pending application(s), if any, shall stand disposed of.

(JAGMOHAN BANSAL)
JUDGE

22.05.2025

Mohit Kumar

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No