

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

CWP No.8312 of 2026

Decided on: 07.07.2026

Kangra Central Co-operative Bank Ltd.

.....Petitioner

Versus

Raman Kumar Sharma. and others.

.....Respondents

Coram

Ms. Justice Jyotsna Rewal Dua

Whether approved for reporting?¹

For the Petitioner: Mr. Rahul Mahajan, Advocate.

For the Respondents: Mr. Anup Rattan, Advocate General
with Mr. Y.P.S.Dhaulta, Additional
Advocate General for respondent No.3..

Jyotsna Rewal Dua, Judge

Petitioner feels aggrieved against order dated 15.06.2024 passed by the Additional Registrar Co-operative Societies, North Zone, H.P. dismissing petitioner's appeal preferred under Section 93 of the Himachal Pradesh Cooperative Societies Act, 1968 (the Act in short), thereby, affirming the order dated 23.12.2022 passed by the Assistant Registrar, Cooperative Societies, District Lahaul & Spiti at Keylong.

¹Whether reporters of print and electronic media may be allowed to see the order? Yes.

2. Heard and considered the case file.
3. Petitioner invoked Sections 72/73 of the Act against the respondents, citing non-payment of loan received by respondent No.1. The arbitration proceedings were accordingly initiated in case no. 30/2022. Learned Arbitrator vide order dated 23.12.2022, held that the petitioner-Bank had financed the loan on 19.02.2010. The petitioner-Bank deputed two officials to reconcile the account on 21.11.2022. The verification of task of entries with Punjab National Bank was statedly going on as per the statement recorded on 23.12.2022 of one Sh. Ashok Kumar, Clerk posted at Keylong Branch of the petitioner-Bank. As per the statement, bank needed more time to reconcile the loan account. Learned Arbitrator held that the financing bank branch of the petitioner, which had advanced the loan during the year 2010, failed to reconcile the amounts deposited by respondent No.1/ loanee even up to the end of December, 2022, which reflected gross negligence on part of the bank. Learned Arbitrator accordingly held that there was fault of the bank officials, who remained posted at the relevant time at the Branch in question and failed to discharge their duties and responsibilities in proper manner; That in case any amount

is found to be due under the loan account even after completion of reconciliation, it may be recovered from the bank officials by whose negligence the account was not reconciled in time and the loanee-respondent No.1 was also not informed in time. The operative portions of the award/ order passed by the Arbitrator reads as under:-

“The bank had financed its loan on dated 19.02.2010, but the General Manager The Kangra Central Coop, bank Head Office Dharamshala has deputed two officers of the bank to reconcile the account on dated 21.01.2022 (Annexed in the at Page 110). As per statement dated 23.12.2022 given by Sh. Ashok Kumar clerk posted in Keylong branch, he has stated that the verification task of the entries with PNB Is still going on and the bank needs more time to reconcile the loan account.

It is pertinent to mention here that the financing bank branch which has advanced its loan during the 2010 has failed to reconcile the amounts deposited by the loanee even up to the end of December 2022, which reflects the gross negligence of the bank.

In view of the discussion made above, I Jaram Singh Assistant Registrar, Cooperative Societies, District Lahaul & Spiti at Keylong (Arbitrator) have reached at this conclusion that there is the fault of bank officers who remained posted during the episode mentioned supra and failed to discharge their duties and responsibilities in a proper manner resulted which a customer of bank has been aggrieved. In exercise of the power of section 73(i) (c) of H.P Cooperative Societies Act, 1968 (Act No. 3 of 1969), I decide this

case against Kangra Central Coop. Bank branch Keylong being gross fault of the bank and order that if there is any amount after the completion of reconciliation found recoverable in the account of loanee it may be recovered from the bank officers by whose negligence the account has not been reconciled and loanee has not been informed well in time with the factual picture for which the borrower was requesting the bank by making his correspondence meanwhile he was intentionally keen to clear the dues.

Aggrieved party may file appeal before competent authority as per provisions of section 93 H.P Cooperative Societies Act, 1968 (Act No. 3 of 1969)."

While dismissing petitioner's appeal against the aforesaid award/order, the Additional Registrar Co-operative Societies North Zone, returned factual findings that respondent No.1 had availed loan amount of Rs. 2,88,934/- (vehicle loan) + Rs. 50,000/- (personal loan) on 19.02.2010. He had paid an amount of Rs.4,88,635/- within the prescribed loan period by making regular payments in the current account of Punjab National Bank, in the name of Kangra Central Co-operative Bank, Keylong; That an amount of Rs.3,83,635/- was deposited in seven instalments during the period September 2014 to March 2016 at Kangra Central Co-operative Bank, Keylong Branch; That respondent No.1 had made several correspondences with the petitioner/officials at its

concerned Branches for settlement of loan by submitting copies of the registered letters to the Bank Authorities. Respondent No.1 had produced all the communications made by him to the Bank. He had also furnished the details of counter foils of the amounts deposited by him in his loan account, either in the current account provided by the petitioner-Branch at Keylong or by way of demand draft, before the learned Arbitrator. Despite repeated requests made by respondent No.1 to the authorities of the petitioner-Bank for reconciliation of the loan account, the concerned Bank Authorities did not pay any heed to the petitioner's communications.

4. In view of above factual findings returned by the learned Arbitrator and affirmed by the learned Appellate Authority, there is no escape from the conclusion that there had been negligence on part of the bank officials, which resulted into harassment of respondent No.1. In the given facts and circumstances, the award/order dated 23.12.2022, passed by the learned Arbitrator was justly affirmed by the learned Appellate Authority. No interference with the impugned orders is called for.

Consequently, there is no merit in the present writ petition. The same is accordingly, dismissed.

Pending miscellaneous application(s), if any, also to stand disposed of.

July 7, 2026
R.Atal

Jyotsna Rewal Dua
Judge