IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

I.A. No. 239525 of 2026
IN
SLP (CIVIL) NOS. 342-49 of 2024

THE LIQUIDATOR,
BHANDARI CO-OPERATIVE
BANK LTD. & ORS. ...APPELLANTS

VERSUS

PRATP (BABU) ARJUN NAGVEKAR
(DEAD) THROUGH LRs & ANR.ETC. ...RESPONDENTS

AND
I.A. No. 239162 of 2026
IN
SLP (CIVIL) NOS. 351-358 of 2024

AND
I.A.No.239528 of 2026
IN
SLP (CIVIL) NOS. 1162-1164 of 2024

O R D E R

1. Heard Mr. Mukul Rohatgi and Mr. Anand Sanjay M. Nulli, learned senior counsel appearing for the applicant, and Mr. Uday B. Dube, learned senior counsel appearing for the respondent.

2. These three applications, namely, I.A. Nos. 239525 of 2026, 239162 of 2026 and 239528 of 2026, have been preferred by petitioner No. 1 in the above-captioned special

leave petitions. The applicant is the Official Liquidator representing Bhandari Co-operative Bank Ltd. ("Bank"), which is presently under liquidation.

3. The Bank was carrying on banking business as a co-operative bank. It subsequently went into liquidation on account of fraudulent sanction and disbursement of rickshaw and home loans amounting to approximately Rs.20.12 crores, allegedly without following the procedure prescribed by the Reserve Bank of India, the applicable bye-laws and the loan policy of the Bank. The private respondents in the pending special leave petitions are erstwhile employees of the Bank, who are alleged to have been involved in the said loan fraud.

4. Proceedings were thereafter initiated under Section 88 of the Maharashtra Co-operative Societies Act, 1960. The authorised officer, *vide* order dated 25th September, 2018, passed an inquiry report and order against 27 persons, quantifying the aggregate loss and liability at Rs. 29,33,32,084/-. The appeals preferred by some of the private respondents against the said order came to be dismissed by the Minister of Co-operation, State of Maharashtra, *vide* order dated 20th September, 2019.

5. Aggrieved thereby, the private respondents preferred writ petitions[1] before the High Court.

[1] Writ Petition Nos. 9377 of 2022, 12353 of 2019, 12123 of 2019, 12243 of 2019, 12325 of 2019, 9375 of 2022, 9376 of 2022 and 9378 of 2022.

6. The High Court, *vide* common judgment dated 17th January, 2023, allowed the batch of writ petitions and quashed the inquiry report dated 25th September, 2018 as well as the appellate order dated 20th September, 2019.

7. Aggrieved thereby, the applicant approached this Court.

8. This Court, *vide* order dated 2nd January, 2024, issued notice. However, no stay was granted on the effect and operation of the impugned judgment.

9. The present applications have now been preferred on the ground that, during the pendency of the special leave petitions, two of the contesting respondents, who were employees of the Bank and whose individual liabilities under Section 88 of the Maharashtra Co-operative Societies Act, 1960 form part of the subject matter of the impugned judgment, have instituted fresh writ petitions before the High Court seeking release of their pensionary and retiral benefits from the Bank, which is under liquidation.

10. Admittedly the liquidation proceedings are pending. As such, any claim towards arrears of salary, pension or other retiral dues would, therefore, have to be raised before the official liquidator and adjudicated by the competent forum in accordance with law. Needless to state that in the event such claims are preferred by the employees, the same shall be considered and adjudicated in accordance with law.

11. In the meanwhile, during the pendency of the present special leave petitions, there shall be no disbursement

from the estate of the Bank, except pursuant to an order passed by the competent forum in the pending liquidation proceedings.

12. The present I.A. Nos. 239525 of 2026, 239162 of 2026 and 239528 of 2026 are, accordingly, disposed of in the aforesaid terms.

……………………………………J.
[VIKRAM NATH]

……………………………………J.
[SANDEEP MEHTA]

NEW DELHI;
SEPTEMBER 09, 2026