



2026:AHC-LKO:5261-DB

**HIGH COURT OF JUDICATURE AT ALLAHABAD
LUCKNOW**

WRIT - C No. - 521 of 2026

Bahuddesiya Prathmik Grameen Sahkari Samiti
Limited Thru. Chief Promoter Ramaaasare And
Another

.....Petitioner(s)

Versus

State Of U.P. Thru. Its Prin. Secy. Co Operative
Lko. And 7 Others

.....Respondent(s)

Counsel for Petitioner(s)	: Rama Kant Dixit, Amit Kumar Dixit
Counsel for Respondent(s)	: C.S.C.

Court No. - 1

HON'BLE RAJAN ROY, J.

HON'BLE ABDHESH KUMAR CHAUDHARY, J.

1. Heard learned counsel for the petitioners and Shri Raj Bux Singh, learned Additional Chief Standing Counsel for the State respondents.
2. Yesterday, that is on 21.01.2026, we had passed the following order :-

"1. Heard.

2. By means of the petition the petitioners have challenged a decision allegedly taken by the opposite parties refusing the application of the petitioners for registration of cooperative society in exercise of powers U/s 7(2) of The U.P. Co-operative Societies Act, 1965 (hereinafter referred to as the 'Act, 1965').

3. Submissions is that Annexure-1, which is under challenge, merely mentions about rejection of the application on 12.12.2025 but does not disclose any reason.

4. We asked the Standing Counsel to seek instructions where are the reasons he has informed that as per telephonic instructions whatever decision is taken is uploaded on website and the decision is based on some report.

5. Application for registration is filed U/s 6 and is decided

under Section 7 of the Act, 1965. Section 7 of the Act, 1965 reads as under:

"7. Registration (1) If the Registrar is satisfied-

(a) That the application complies with the provisions of this Act and the rules;

(b) That the objects of the proposed society are in accordance with section 4;

(c) That the proposed bye-laws are not inconsistent with the provisions of this Act and the rules; and

(d) That the proposed society complies with the requirements of rules in regard to the existence of any conditions in general or for the class of societies to which the particular society belongs and with the requirements of sound business and has reasonable chances of success,

the Registrar shall register the society and its bye-laws :

Provided that where the bye-laws accompanying the application for registration are such as have, after the enforcement of this Act, already been approved by the Registrar for the type or class of co-operative societies to which the proposed society belongs, the Registrar shall pass final orders thereon either registering the society or refusing its registration within three months from the date of the receipt of the application by him and if he fails to do so, the applicants may make a representation to the authority competent to hear under Section 98 appeals against Registrar's order of refusal to register a society and if such authority, after calling for a report from the Registrar, passes an order for registration of society, the society, shall be deemed to have been duly registered from the date of communication of such order to the Registrar.

(2) Where the Registrar refuses to register a society, he shall

*communicate the order of refusal together with the reasons therefor to such applicant as has been named in the application for this purpose and in default of such naming to any one of the applicants."*6. Sub-section (2) of Section 7 of the Act, 1965 categorically provides that where the Registrar refuses to register a society, he shall communicate the order of refusal together with the reasons therefor to such applicant as has been named in the application for this purpose and in default of such naming, to any one of the applicants.

7. The contention of the learned State Counsel is that the decision has been taken on the report which is also uploaded, therefore, it would contain the reasons. We are not impressed by this argument.

8. The object behind sub-section (2) of Section 7 of the Act, 1965 is that after collecting such material, as may be required, a satisfaction has to be recorded by the Registrar, either to allow the application and register the society or to refuse it. In the event of refusal, the Registrar is required to communicate the order of refusal together with the reasons therefor. The only information, which has been uploaded, is, as contained in Annexure No.1. It does not refer to any other document which may contain the reasons. Therefore, apparently, uploading of such cryptic decision merely shows that the application has been rejected and nothing more, which is neither in consonance with section 7(2) of the Act, 1965 nor with the principles of natural justice.

9. To say that the report would contain the reasons is also not acceptable because the report has to be considered by the Registrar and in a given case it can either be accepted or rejected for reasons to be recorded by him. Therefore, after submission of report, there has to be due and proper application of mind to the facts and the material available on record in the context of the application U/s 6 of the Act, 1965 for its consideration and disposal as per the Section 7 of the

Act, 1965.

10. However, we grant one opportunity to the State Counsel till tomorrow to justify the impugned action.

11. List/put up tomorrow, as fresh."

3. Today, Shri Raj Bux Singh, learned Additional Chief Standing Counsel for the State respondents informs on instructions that no such order containing reasons as is envisaged under Section 7(2) of the U.P. Co-operative Societies Act, 1965 is available. Infact, he states that the entire procedure regarding grant or refusal of registration happens online and therefore the rejection is also uploaded online along with the record. It seems that before preparing the software or the web portal for the aforesaid purpose, nobody has looked into the provisions of law contained in the U.P. Co-operative Societies Act, 1965 as noticed by us in the above quoted order. This is no excuse that because entire exercise is done online therefore there is no reasoned order. The law as contained in the statute envisages a reasoned order to be passed and communicated to the applicant(s) in the event of refusal of application for registration of a co-operative society. Therefore, even if the proceedings are online, a reasoned order has to be uploaded online and should be communicated to the applicant(s). Infact Section 116 of the U.P. Co-operative Societies Act, 1965 reads as under :-

"116. Service of notice under the Act- Except where otherwise provided by or under this Act, every notice or order issued or made under this Act may be served on any person by properly addressing to the last known place of residence or business of such person and posting by registered post, a letter containing the notice or order, and unless the contrary is proved, such service shall be deemed to have been effected at the time at which the letter would be delivered in the ordinary course."

4. Therefore, not only a reasoned order should be passed as per Section 7(2) of the U.P. Co-operative Societies Act, 1965 but it should also be communicated in terms of Section 116 of the U.P. Co-operative Societies Act, 1965.

5. We may also refer to the provisions contained in Rule 3 to 12 of the U.P. Co-operative Societies Rules, 1968 under Chapter 2 heading 'Registration'. Rule 8 contained therein clearly envisages due and proper enquiry and application of mind on an application for registration for a co-operative society.

6. In view of the aforesaid, the impugned action by which the application of the petitioner for registration of the co-operative society has been rejected is de hors the provisions of the U.P. Co-operative Societies Act, 1965.

7. We, accordingly, quash Annexure no.1 and direct the Registrar, Co-operative Society to pass a reasoned order and communicate the same to the petitioners/ applicants in terms of the provisions of law contained in the U.P. Co-operative Societies Act, 1965 and the U.P. Co-operative Societies Rules, 1968, as discussed herein-above or as maybe otherwise applicable. We further direct the Registrar, Co-operative Society that in future the procedure as aforesaid will have to be followed in the event of refusal and if the software or web portal, where the information is being uploaded, is not in tune with the law, then, it should be brought in tune with the law.

8. Shri Raj Bux Singh, learned Additional Chief Standing Counsel for the State respondents shall communicate this order to the Registrar Co-operative Society and if the State Government is required to do the needful for upgradation of the software/ web portal, then, it shall do the needful.

9. A copy of this order shall be sent to the concerned in the State Government by Shri Raj Bux Singh, Additional Chief Standing Counsel.

10. With the aforesaid, the writ petition is **allowed**.

(Abdhesh Kumar Chaudhary,J.) (Rajan Roy,J.)

January 22, 2026

Arnima