



WEB COPY

WP No. 27268 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 15-07-2026

CORAM

THE HON'BLE MR.JUSTICE K.SURENDER

WP No. 27268 of 2026 and

WMP No.29860 of 2026

K.Mohan

..Petitioner

Vs

1. The Deputy Registrar of Cooperative Societies,
Vellore circle, Gopal Nilayam,
No.1, First Floor, Veppamara Street,
Vellore Tamil Nadu-632 001.
2. The Tamil Nadu Cooperative State Agriculture
and Rural Development Bank,
181, Luz Church Road, Chennai-600 004
Rep. by the Deputy General Manager
3. The Tamil Nadu Cooperative State Agriculture
and Rural Development Bank
Vellore Regional office.

..Respondents

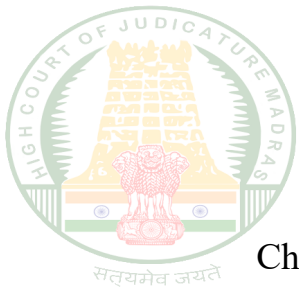
PRAYER Writ Petition filed under Article 226 of the Constitution of India, seeking to issue a Writ of Certiorari, call for the entire records in relation to the impugned notice dated 07.05.2026 issued by the 1st respondent in order dated 07.05.2026 vide CEP.01/2026-27 RC.1502.2026/Sapa to furnish security before attachment and the impugned conditional attachment order dated 07.05.2026 issued by the second respondent under section 167 of the Tamil Nadu Cooperative Societies Act, 1983 and to quash the same.

For Petitioner:

Mr.V.Sundar Raman

For Respondents:

Mr.R.Chakkaravarthy,
Government Counsel
for R1 to R3



ORDER

Challenging the impugned notice dated 07.05.2026 issued by the 1st respondent in order dated 07.05.2026 vide CEP.01/2026-27 RC.1502.2026/Sapa to furnish security before attachment and the impugned conditional attachment order dated 07.05.2026 issued by the second respondent under section 167 of the Tamil Nadu Cooperative Societies Act, 1983, this writ petition is filed.

2. The grievance of the petitioner is that the notice was issued under 167 of the Tamil Nadu Cooperative Societies Act (in short “Act”) seeking the petitioner to furnish security of Rs.3,33,75,000/- at once which would be sufficient to satisfy any decree that would be passed against him and failing which the immovable property of the petitioner would be attached conditionally.

3. The learned counsel for the petitioner would submit that inquiry under Section 81 of the Act is now going on and the said enquiry will not fall within the ambit of Section 167 of the Act for taking any action under the said provision. The learned counsel relied on the Order of this Court, dated 05.09.2026 in W.P.No.21143 of 2023 wherein this Court has held as under:

“7. A careful reading of the above mentioned provision would suggest that the order under Section 167 of the Act can be passed only in cases where a proceedings is initiated under



Section 87, 90, 138 or 139 sub-Section 2(b) of the Tamil Nadu Co-operative Societies Act.

WEB COPY

8. In is the case on hand, admittedly only 82 enquiry is ordered by the second respondent and the same is under progress. No surcharge proceedings is initiated against the petitioner either under Section 87 of the Co-operative Societies Act or Section 90 of the Co-operative Societies Act. In such circumstances, a condition precedent for invoking Section 167 of the Act is not at all satisfied. In this regard, it would be appropriate to refer the judgment of this Court in *V.Sundaram Vs. The Deputy Registrar Co-operative Societies (Milk) Vellore Circle, Vellore District and another*, reported in 2009 SCC Online Mad 61. This Court while considering the scope of the power under Section 167 of the said Act, has observed as follows:

“....6. A plain reading of Section 167 of the Tamil Nadu Co-operative Societies Act would make it clear that an order of attachment before judgment under Section 167(1) of the Act or conditional attachment under Section 167(2) of the Act could be made only in cases where there is already a case pending on the file of the Deputy Registrar either under Section 87 or under Section 90 or under Section 139 of the Tamil Nadu Co-operative Societies Act. Without satisfying the said condition precedent, it is not all available for the Deputy Registrar to issue any order under Section 67 of the above said Act....”

9. In view of the fact that the condition for invoking Section 167 of the Tamil Nadu Co-operative Societies Act is not satisfied, the impugned order passed by the second respondent by

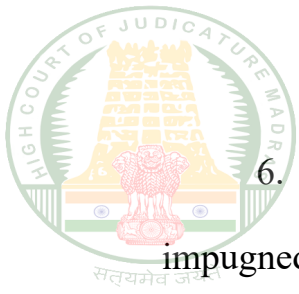


invoking Section 167 of the Tamil Nadu Co-operative Societies Act is not sustainable. Accordingly, the impugned order is set aside and this Writ Petition is allowed.

10. The allowing of this Writ Petition will not preclude the second respondent from initiating fresh proceedings and pass orders under Section 167 of the Tamil Nadu Co-operative Societies Act in case subsequent to filing of report by the Enquiry Officer, the second respondent choose to proceed against the petitioner either under Section 87 of the Co-operative Societies Act or under Section 90 of the Co-operative Societies Act. No costs. Consequently, connected Miscellaneous Petition is closed.

4. Since it is not in dispute that inquiry under Section 81 of the Act is going on which would not fall within the ambit of 167 of the Act for passing any orders by the Registrar, this writ petition is liable to be allowed. However, this would not preclude the respondent from seeking attachment of the property of the petitioner in view of the proceedings as contemplated under Section 167 (1) of the Act.

5. The learned counsel for the petitioner would also submit that he would not encumber the property mentioned in the notice in any manner whatsoever since there is a housing loan. The said undertaking is also recorded.



6. With the above observation, this writ petition is allowed. The impugned notice dated 07.05.2026 issued by the 1st respondent, is hereby set aside. No costs. Consequently, connected miscellaneous petition is closed.

(K.SURENDER,J.)
15-07-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
vum

To

1. The Deputy Registrar of Cooperative Societies
Vellore circle, Gopal Nilayam,
No.1, First Floor, Veppamara Street,
Vellore Tamil Nadu-632 001.
2. The Tamil Nadu Cooperative State Agriculture
and Rural Development Bank
181, Luz chruch Road, Chennai-600 004
Rep. by The Deputy General Manager
3. The Tamil Nadu Cooperative State
Agriculture and Rural Development Bank
Vellore Regional office.



WEB COPY

WP No. 27268 of 2



K.SURENDER J.

vum

**WP No. 27268 of 2026 and
WMP No.29860 of 2026**

15-07-2026