

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06-07-2026

CORAM

THE HON'BLE MS. JUSTICE P.T. ASHA

WP No. 25043 of 2024

K.Manivannan

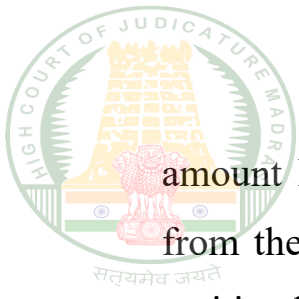
..Petitioner(s)

Vs

1. The Registrar(Co.Op)
Office Of Co-op Registrar, 170, Periyar
E.V.R.Highroad, Keezhpakkam
Chennai-600 010
2. The Joint Registrar
(Co-operative)societies, Collotorate
Buildings, Ariyalur-621 704
3. The District Registrar
(co-op)Societies, Collectorate Buildings,
Ariyalur-621 704
4. The Special Officer
Ty.Spl. 78 PACB, Asaveerankudikadu P.O,
Sendurai Taluk, Ariyalur-621 719

..Respondent(s)

Prayer:- Writ petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorarified Mandamus calling for the records of the 2nd respondent culminating in his proceedings his Letter No.146/2022 Pu.Ma.(21)dated 17.06.2022 and also the order of the 2nd respondent in Ref.No.2496/2019 Ka. dated 22.10.2019 quash the same and to direct the respondent 3 and 4 to pay the entire retained Provident fund



amount Rs.3,00,000/- together with interest at 12 percentage per annum from the date of retirement 31.8.2017 untill the date of realisation to the petition herein

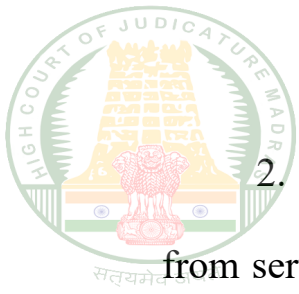
For Petitioner(s): Ms.G.Devi

For Respondent(s): Mr.V.Sivalingam
Government Advocate

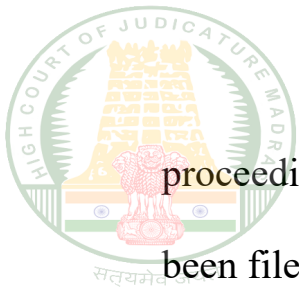
Order

This writ petition has been filed for the following relief:

“To issue of a Writ of Certiorarified Mandamus to call for the records of the 2nd respondent culminating in his proceedings his Letter No.146/2022 Pu.Ma. (21) dated 17.06.2022 and also the order of the 2nd respondent in Ref.No.2496/2019 Ka.dated 22.10.2019 quash the same and to direct the respondent 3 and 4 to pay the entire retained Provident fund amount Rs.3,00,000/- together with interest at 12 percentage per annum from the date of retirement 31.8.2017 until the date of realisation to the petition herein”.



2. The petitioner joined the 4th respondent Society and retired from service as Secretary on 31.08.2017 after rendering about 38 years of service. Upon retirement, the petitioner was sanctioned gratuity of Rs.3,00,000/-. However, the respondents withheld the petitioner's Provident Fund amount. The petitioner submitted several representations seeking release of the Provident Fund. Despite repeated requests, the respondents failed to release the same. In the meanwhile, the 2nd respondent, by proceedings dated 22.10.2019, withheld the petitioner's Provident Fund on the ground that a sum of Rs.2,76,440/- was recoverable towards the alleged loss arising out of the auction of pledged jewels conducted on 31.12.2015 in respect of loans availed by 14 borrowers of the 4th respondent Society. The petitioner thereafter submitted a representation dated 09.06.2022 to the 2nd respondent. However, by proceedings dated 17.06.2022, the 2nd respondent reiterated that unless the alleged loss of Rs.2,76,440/- was remitted by the petitioner, the retained Provident Fund amount of Rs.3,00,000/- would not be released. Subsequently, the 1st respondent issued a Circular dated 06.11.2023 clarifying that where more than 75% of the loan amount has been recovered through auction of pledged jewels, the balance amount shall be transferred to the Bad Debts Account of the Society. Aggrieved by the



proceedings dated 22.10.2019 and 17.06.2022, the present writ petition has been filed.

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3. Heard the learned counsels on either side and perused the materials available on record.

4. A reading of the affidavit, counter affidavit and the documents would show that the petitioner had retired on 31.08.2017. Two years thereafter on 22.10.2019, the 2nd respondent informed the petitioner that since a loss had occurred in the auction of pledged jewels when the petitioner was in employment the provident fund payable would be withheld while the other benefits had been paid. Thereafter, no surcharge proceedings or other proceedings had been initiated against the petitioner. Further, 75% of the outstanding had also been recovered and the rest had been treated as bad debts despite which the respondents have not paid the Provident Fund amount to the petitioner. Even the counter filed by the 3rd respondent would show that the respondent-Society has realized a sum of Rs.7,96,300/- by auctioning the jewels. The respondents have also contended that the Provident Fund is being retained to recoup the balance amount from the petitioner on the ground that the loss had occurred only



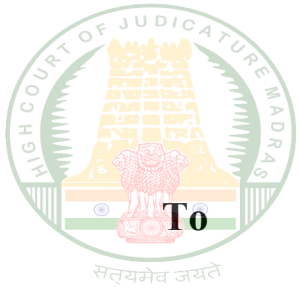
on account of his alleged dereliction of duty. The respondents have neither initiated any proceedings nor afforded any opportunity to the petitioner to prove his case. Without establishing the fact that the loss had occurred on account of the dereliction of duty on the part of the petitioner, the respondents cannot indefinitely withhold the Provident Fund amount payable to the petitioner. The petitioner had retired in the year 2017 and till date, the respondents have not taken further steps either to establish the petitioner's liability or to release the Provident Fund to the petitioner.

5. In the light of the above observation, the impugned orders are set aside. The Writ Petition is allowed. The respondents 3 and 4 are directed to disburse the provident fund amount with applicable interest to the petitioner from the date of retirement till the date of realization within a period of six weeks from the date of receipt of a copy of this order. No costs.

06-07-2026

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

SRN



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