



WEB COPY

WP No. 26702 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09-07-2026

CORAM:

THE HONOURABLE MR.JUSTICE K. SURENDER

WP No. 26702 of 2026

and

W.M.P.No.29200 of 2026

M.Sekar

..Petitioner

Vs.

1. The Registrar of Cooperative Societies
170, EVR Periyar High Road,
Kilpauk
Chennai-600 010
2. The Deputy Registrar of Cooperative Societies,
Mannargudi Circle,
Mannargudi,
Thiruvarur District.
3. The Sale Officer
T.788, Thiruthuraipoondi Cooperative
Primary Agriculture
and Rural Development Bank,
Thiruthuraipoondi-614 713
Thiruvarur District.
4. The Secretary,
T.788, Thiruthuraipoondi Cooperative
Primary Agriculture
and Rural Development Bank,
Thiruthuraipoondi-614 713
Thiruvarur District.

..Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying
for issuance of a Writ of Certiorarified Mandamus calling for the records



relating to the Form-II notice dated 28.01.2026 issued by the 2nd respondent and quash the same and consequently permit the petitioner to settle the outstanding dues in Mortgage Loan No.NFS/62, dated 31.03.1999 in terms of the G.O.Ms.No.164 and G.O.Ms.No.59, Co-operation, Food and Consumer Protection (CC1) Department, dated 13.12.2023 and 24.06.2025 by considering the representation dated 01.07.2026.

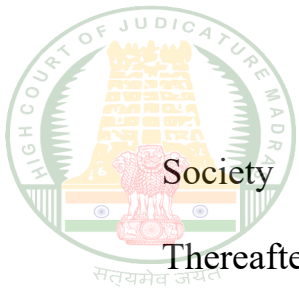
For Petitioner : Mr.S.Kamadevan

For Respondents : Mr.R.Chakkaravarthy, Govt. Counsel

ORDER

Writ Petition is filed praying for issuance of a Writ of Certiorarified Mandamus calling for the records relating to the Form-II notice, dated 28.01.2026 issued by the second respondent and quash the same and consequently permit the petitioner to settle the outstanding dues in Mortgage Loan No.NFS/62, dated 31.03.1999 in terms of G.O.Ms.No.164 and G.O.Ms.No.59, Co-operation, Food and Consumer Protection (CC1) Department, dated 13.12.2023 and 24.06.2025, by considering the representation, dated 01.07.2026.

2. Learned counsel for the petitioner submitted that the loan in Loan No.NFS/62 for a sum of Rs.1,17,000/- was availed by the petitioner from the



Society on 31.03.1999 by mortgaging the petitioner's house property.

Thereafter, on account of some problems, the petitioner could not repay the loan amount. However, in one instance, Rs.40,000/- was paid and the other small remittances were also made.

3. The Government floated a scheme, during 2023, whereby, the Bank offered loan settlement amount of Rs.3,12,506/- on the basis of the Scheme. However, the petitioner could not make the payment and accordingly, the Bank issued demand notice for Rs.4,99,927- on 28/1/2026, and also attached the property of the petitioner. The auction is also scheduled on 13.07.2026.

4. It is not in dispute that the petitioner had availed the loan and also mortgaged his property. The petitioner tried to settle the outstanding by paying Rs.40,000/- at one instance and also some other payments have been made. The grievance of the petitioner is that he is willing to pay the amount, however, requests this Court to direct the Bank to apply 9% simple interest in accordance with G.O.Ms.No.59 dated 24/6/2025. The said G.O., was issued pursuant to the Special Loan Settlement Scheme, 2023, since the duration of the said Scheme had ended on 12/3/2025.

5. The learned Government Counsel appearing for the respondents submitted that G.O.Ms.No.59, would not apply to the present Society, since it



was issued by the Cooperation, Food and Consumer Protection (CC1) Department.

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6. Be that as it may, keeping in view the facts of the case, this Court directs that the petitioner shall immediately pay the amount of Rs.75,000/- on or before 13.07.2026 to the concerned respondent, and on such payment, the respondents shall defer proceeding with the auction on 13/7/2026. Further, amount of Rs.75,000/- shall be paid by the petitioner on or before 13.08.2026, failing which, the Bank is at liberty to proceed with auction thereafter.

7. In the event of the petitioner paying totally a sum of Rs.1,50,000/- as directed above, the first respondent shall consider entering into a "One Time Settlement" (OTS) with the petitioner, for discharge of the remaining loan amount.

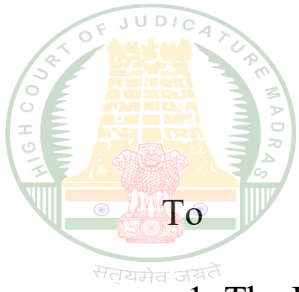
8. With the above directions, this Writ Petition is disposed of. There shall be no order as to costs. Consequently, the Miscellaneous Petition is closed.

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cs/mvs.

Index: Yes/No

Neutral Citation: Yes.



To

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