



W.P.(MD) No.3637 of 2023

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 15.07.2026

CORAM:

THE HONOURABLE MR.JUSTICE MUMMINENI SUDHEER KUMAR

W.P.(MD) No.3637 of 2023
and
W.M.P.(MD) No.3407 of 2023

Babu

... Petitioner

-VS-

1.The Managing Director
Tamilnadu State Transport Corporation
Kumbakonam 2nd Division
Kumbakonam, Thanjavur District

2.The General Manager
Tamilnadu State Transport Corporation
Kumbakonam Limited
Kumbakonam, Thanjavur District

3.The Deputy Registrar of Cooperative Societies
T.P.Circle, Trichy District

4.YT 69 Tamilnadu Transport Corporation
represent by President
(Kumbakonam 2nd Division) Employees
Cooperative Thrift and Credit Society
No.3, Salai Road, Trichy

5.Selvaraj

... Respondents



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WEB CONFERENCE

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of certiorarified mandamus calling for the records pertaining to the impugned proceedings issued by the fourth respondent dated 20.01.2023 and quash the same and consequently direct the fourth respondent to recover the loan amount from the pension amount payable to the fifth respondent every month by the second respondent.

For Petitioner : Mr.S.Thangaraj

For Respondents : Mr.S.C.Herold Singh
Standing Counsel for R1 & R2
Mr.M.Dinesh Hari Sudarsan
Counsel for the Govt. of Tamil Nadu for R3 & R4

ORDER

Aggrieved by the notice dated 20.01.2023, issued by the fourth respondent – Society to the petitioner stating that the petitioner stood as a guarantor for the loan amount of Rs.3,00,000/- availed by the fifth respondent from the fourth respondent – Society and the fifth respondent has defaulted in repaying the loan amount and therefore, requiring the petitioner to remit the said loan amount to the fourth respondent – Society and failing which, the fourth respondent – Society informed the petitioner that the loan amount availed by the fifth respondent will be deducted from the monthly salary of the petitioner that is being paid to him by the respondents 1 & 2, the petitioner



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has approached this Court by filing the present writ petition contending that the fifth respondent had retired from service and he is still drawing pension from the respondents 1 & 2 and therefore, the fourth respondent – Society can recover the loan amount from the fifth respondent instead of recovering the same from the petitioner.

2. In response to the notice issued by this Court, the respondents 1 & 2 filed a detailed counter-affidavit contending that the Government issued instructions *vide* Letter No.381/Ch2/Ch.O/2022, dated 06.09.2022, instructing all the State Transport Corporations to stop deductions of the loan amounts from the salary of the employees with immediate effect and based on the said instructions, the Management of the respondent – Transport Corporation, on 23.09.2022, conducted a meeting, in which the representatives of the fourth respondent – Society had also participated and accordingly, a notice was issued on 24.09.2022 and in turn, the fourth respondent – Society also accepted the stand of the respondents 1 & 2 herein. Thus, it is categorically stated that the respondents 1 & 2 are not going to deduct any amount from the salary of their employees, including the petitioner herein, for the recovery of the loan amounts of the fourth respondent – Society.



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3. In the light of the above, the impugned notice dated 20.01.2023, issued by the fourth respondent – Society, has become inoperative insofar as proposing to deduct the alleged loan amount due from the fifth respondent from and out of the salary of the petitioner.

4. By placing on record the counter-affidavit filed by the respondents 1 & 2 not to deduct any amount from the salary of the petitioner for recovering the loan amount advanced by the fourth respondent – Society to the fifth respondent, this writ petition is closed. However, it is made clear that in case if the fourth respondent – Society intends to take steps for recovering the loan amount either from the fifth respondent or from the petitioner, it is always open for them to take such steps in accordance with law. No costs. Consequently, connected miscellaneous petition is closed.

15.07.2026

NCC : Yes / No
Index : Yes / No
Internet : Yes / No

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To:

- 1.The Deputy Registrar of Cooperative Societies,
T.P.Circle, Trichy District.
- 2.The President,
YT 69 Tamilnadu Transport Corporation,
(Kumbakonam 2nd Division) Employees
Cooperative Thrift and Credit Society,
No.3, Salai Road, Trichy.



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MUMMINENI SUDHEER KUMAR, J.

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