

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

WRIT PETITION NO.4315 of 2010

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Between:

S. Chengalraya Reddy

PETITIONER

AND

1. The Government of Andhra Pradesh, rep. by its Principal Secretary, Public Enterprises Department, Secretariat, Hyderabad, and others.

RESPONDENTS

ORDER:

The case of the petitioner is that the petitioner and his wife are shareholders of the Cherlopalli Milk Producers Cooperative Society Limited., Cherlopalli Village, Putalapattu Mandal, Chittoor District, which was registered under A.P. Dairy Development Cooperative Federation Limited, Lalapet, Hyderabad. It is stated that the milk societies are the members of Chittoor District Cooperative Milk Producers Union Limited (for short the Union), Chittoor, and share certificates were also issued

by the Union represented by its Chairman. The Union went into liquidation in the year 2003. The 3rd respondent was appointed as Official Liquidator vide proceedings dated 29.07.2003. The grievance of the petitioner is that though the official liquidator has been appointed as long back as 2003 the liquidation proceedings have not been completed so far. Hence the present writ petition is filed.

The learned counsel for the petitioner contended that the liquidation proceedings ought to have been completed within a period of three years in view of the provisions of Section 69-A of the A.P. Cooperative Societies Act (for short 'the Act'). In spite of the same, the 3rd respondent is not terminating the liquidation proceedings, instead selling the movable properties belonging to the Union unauthorisedly, and not crediting the mount in proper account.

The 3rd respondent filed counter affidavit stating that In view of its financial crisis Chittoor District Cooperative Milk Producers Union Limited was unable to pay salaries to its employees, and therefore closed its operations. The Registrar of Cooperative Societies initiated enquiry into the affairs of the Union under Section 51 of the Act and recommended for liquidation of the Union. Accordingly, by proceedings dated 29.07.2003 a liquidator was appointed. After liquidation of the Union several employees approached this Court by filing W.P.No.874 of 2003 and batch, which was disposed of and as against the same, the employees filed W.A.No.552 of 2008 and the same was also disposed of on 03.07.2008 directing the liquidator to settle the claims of the eligible employees as per their entitlement. Further, the Government issued G.O.Rt.No.1029, dated 06.10.2006 extending the period for liquidation for a period of three years. It is also stated in the counter that after expiry of the period prescribed under G.O.Rt.No.1029, dated 06.10.2006, further extension was granted in G.O.Rt.No.437, dated 6.04.2010. The said G.O. has been made in exercise of the powers conferred under Section 123 of the Act. Therefore, the petitioner cannot question the continuation of the 3rd respondent-liquidator, and prays for dismissal of writ petition.

I Have considered the rival contentions of both the learned counsel and perused the material placed on record.

The relief sought for in this writ petition cannot be granted, since the petitioner did not challenge the G.Os referred to above, issued by the Government extending

the liquidation proceedings beyond the period prescribed under Section 69-A of the Act.

Learned counsel for the petitioner submits that the petitioner may be given liberty to challenge the said G.Os.

Accordingly, the writ petition is closed leaving it open for the petitioner to challenge the said G.Os, if he so desires.

As a sequel, pending miscellaneous petitions, if any, shall stand closed. No order as to costs.

CHALLA KODANDA RAM, J.

30th November, 2015

Js.