

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.08.2017

CORAM

THE HON'BLE MR. JUSTICE D. KRISHNAKUMAR

W.P. No.21781 of 2009

and

M.P.No.2 of 2009

K.Saravanan

..Petitioner

Vs.

1. The Secretary to Government
Co-operation, Food and Consumer
Protection Department,
Secretariat, Fort St.George,
Chennai-9.

2. The Registrar of Co-operative Societies,
170, E.V.R. High Road,
Kilpauk,
Chennai-600 010.

3. The Joint Registrar of Co-operative Societies,
Vellore Region,
Vellore.

4. The Special Officer,
Vellore District Central Co-operative Bank,
No.3, Officers Line,
Vellore-632 001.

5. The Management of
VL.Spl.49, Kavanoor Primary
Agricultural Co-operative Credit
Society Represented by its
Special Officer,
Kavanoor & Post,
Arakonam Taluk,
Vellore District.

..Respondents

PRAYER: This Writ Petition is filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari calling for the records of the G.O.(2D) 77 Cooperation, Food and Consumer Protection Department dated 22.07.2009 issued by the 1st respondent and the Circular issued by the 2nd respondent in Rc.No.78230/2009 CBP 3 dated 24.07.2009 and the circular issued

by the 4th respondent in Na.Ka.No.230/2009 pa.sa.ka dated 03.08.2009 and the Resolution dated 31.08.2009 passed by the 5th Respondent and quash the same.

For Petitioner : Mr.K.Balu
For Respondents 1 to 3: Mrs.T.Girija
Govt.Advocate
For 4th Respondent : Mr.V.Viswanathan
For 5th Respondent : Mr.L.P.Shanmugasundaram
Special Government Pleader

O R D E R

The petitioner has challenged the impugned Government Order by raising the ground that if the impugned G.O.(2D) 77 dated Cooperation, Food and Consumer Protection Department 22.07.2009 is implemented it will cause monetary loss to the tune of Rs.29,75,598/- to the 5th respondent and thereby affecting its members chances of getting back their deposit amount which was utilised for repaying the interest and loan obtained from the 4th Respondent for financing its borrowers. Therefore, the respondent has no right to compel the 5th respondent to implement the G.O.(2D).77 which will affect not only the financial stability of the institution but also the interest of its members.

2. The counter affidavit has been filed by the 1st respondent in paragraph No.10 of the counter, it reads as follows:-

'10. It is respectfully submitted that the fifth respondent society has been registered under Section 9 of the Tamil Nadu Co-operative Societies Act, 1983(Tamil Nadu Act 30 of 1983). The 5th respondent has to follow the instructions issued by the Government and the second respondent scrupulously. As such the 5th respondent has passed a resolution on 31.08.2009 to implement the Special Loan Settlement Scheme based on the G.O.(2D) 77, Co-operation, Food and Consumer Protection Department dated 22.07.2009 and as per the circular issued by the 2nd respondent in RC No.78230/2009 CBP3 dated 24.07.2009 and the 4th respondent circular in Na.Ka.No.230/2009 Pa.Sa.Ka. Dated 03.08.2009. It is submitted that the members of the society who were not in a position to repay the loans were benefited under this scheme. Moreover, it is submitted that the Co-operative Societies are not the profit motive institutions and in otherwise they are the service motive institutions. It is also true that the petitioner was furnished information under the Right

to Information Act 2005, (Central Act 22 of 2005) which revealed loss to the extent of Rs.29,75,598/-. It is also submitted that the 25% of the interest loss has to be borne by the 5th respondent Society and the 75% loss i.e., Rs.22,31,698/- has to be borne by the 4th respondent Bank.'

3. Further, in counter affidavit, it states that the deposit outstanding to the 4th respondent as on date is only Rs.9,25,000/- and the 5th respondent society has not made any default in the repayment of deposits on maturity. Therefore, the apprehension of the petitioner who has no fixed deposit in the society is not based on facts. Further, it is submitted that the 4th respondent Bank i.e., The Vellore District Central Co-operative Bank, Vellore may be instructed to credit Rs.22,31,698/- (75% of the interest loss) to the savings account of the Kavanoor Primary Agricultural Cooperative Credit Society as per the orders issued in paragraph No.4(5) in G.O.(2D) No.77, Co-operation, Food and Consumer Protection Department, dated 22.07.2009 to implement the Special Loan Settlement Scheme.

4. In view of the specific stand taken by the 1st respondent, this writ petition is dismissed. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-
Asst.Registrar (CO)

/true copy/

Sub Asst. Registrar

ssn

To

1. The Secretary to Government
Co-operation, Food and Consumer
Protection Department,
Secretariat, Fort St.George,
Chennai-9.

2. The Registrar of Co-operative Societies,
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3. The Joint Registrar of Co-operative Societies,
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Vellore.

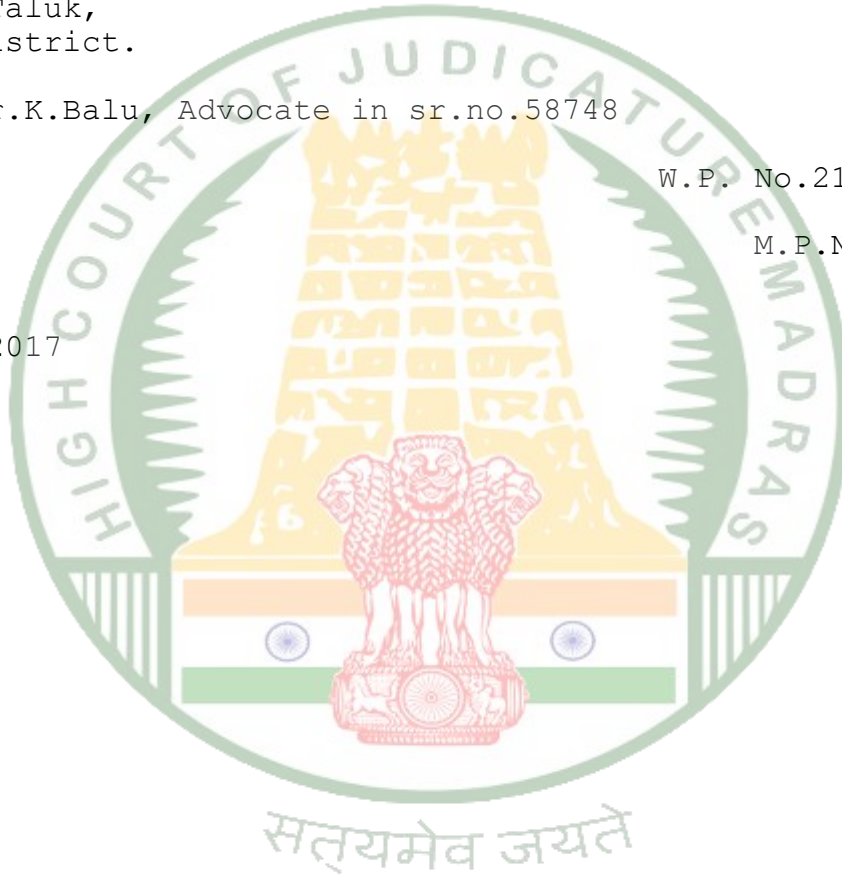
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Special Officer,
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+1cc to Mr.K.Balu, Advocate in sr.no.58748

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and
M.P.No.2 of 2009

KK(CO)
NR 22/09/2017



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