

In the High Court of Judicature at Madras

Dated : 12.3.2019

Coram :

The Honourable Mr. Justice T.S.SIVAGNANAM
and
The Honourable Mrs. Justice V.BHAVANI SUBBAROYAN

Writ Appeal No.780 of 2019

C.Rajeswari

...Appellant

Vs

- 1.The Deputy Registrar of Cooperative Societies, Hosur Circle, Hosur, Krishnagiri District.
- 2.The Cooperative Sub-Registrar/ Enquiry Officer, D.K.80 Berigai Primary Agricultural Cooperative Credit Society, Sulagiri Road, Berigai-635105. Sulagiri Taluk. Krishnagiri District.
- 3.The President, D.K.80 Berigai Primary Agricultural Cooperative Credit Society, Sulagiri Road, Berigai-635105. Sulagiri Taluk. Krishnagiri District.
- 4.The Secretary to Government, Food & Cooperation and Consumer Protection Department, Fort.St. George, Chennai-9.
- 5.The Registrar of Cooperative Societies, EVR Periyar Road, Kilpauk, Chennai-10.

...Respondents

APPEAL under Clause 15 of the Letters Patent against the order dated 28.1.2019 made in W.P.No.28192 of 2018.

W.P.No.28192 of 2018:

Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Mandamus, directing the respondents to extend the benefits of the loan waiver scheme to the petitioner by implementing the G.O.Ms.No. 50 Corporation Food and Consumer Protection Department dated 23.05.2016 in so far relates to the petitioners agricultural loan dated

18.06.2012 and adjust the amount already paid the petitioner to the tune of Rs. 1.19 Crores with the petitioners housing loan

For Appellant : Mr.C.Prakasam
For Respondents 1,2, 4 & 5: Mr.Venkatachalam, AGP
For Respondent-3 : Mr.M.S.Palanisamy
Standing Counsel

JUDGMENT WAS DELIVERED BY T.S.SIVAGNANAM, J

We have heard Mr.C.Prakasam, learned counsel for the appellant, Mr.Venkatachalam, learned Additional Government Pleader accepting notice for respondents 1, 2, 4 and 5 and Mr.M.S.Palanisamy, learned Standing Counsel accepting notice for the third respondent.

2. This appeal is filed by the writ petitioner challenging the order dated 28.1.2019 made in W.P.No.28192 of 2018.

3. The said writ petition was filed by the appellant to direct the respondents to extend the benefit of loan waiver scheme by implementing G.O.Ms.No.50 Cooperation, Food and Consumer Protection Department dated 23.5.2016 in so far as it related to the appellant's agricultural loan dated 18.6.2012 and adjust the amount already paid by the appellant to the tune of Rs.1.19 Crores with the appellant's housing loan.

4. From the facts placed before this Court and after going through the order impugned, we find that a substantial sum of money had been handled by the society and there appears to be certain suspicious transactions involved in the matter. Firstly, it is not known as to whether the loan waiver scheme framed by the Government of Tamil Nadu would apply to the appellant, as the loan availed by the appellant was to the tune of Rs.1.15 Crores. There also appears to be other loan transactions to the extent of Rs.8.5 Crores, which, according to the appellant, had not been availed by her. On her own showing, there appears to have been several transactions and the name of the president of the society had been roped in by the appellant to state that a large scale embezzlement and fraud had been committed.

5. It is submitted by the learned counsel for the appellant that the appellant filed a separate writ petition seeking a direction to the Registrar of Cooperative Societies to conduct a thorough verification in the matter.

6. Considering the facts of the case, we are of the view that the learned Single Judge was perfectly right in rejecting the said writ petition. Admittedly, there is an enquiry going on under the provisions of the Tamil Nadu Cooperative Societies

Act. In such circumstances, the correctness of the procedure adopted in the sanction of loan has to be examined. Given the fact that a huge amount of money of the society had been disbursed by way of loan, we are of the view that the enquiry to be conducted should be at higher level and should be monitored by the Registrar of Cooperative Societies to see that wrong doers are brought to books and stringent action is initiated.

7. Therefore, while dismissing this writ appeal, we direct the Registrar of Cooperative Societies - the fifth respondent herein to take effective steps to ensure that the enquiry conducted into the affairs of the society is done in a proper manner. The Registrar of Cooperative Societies shall monitor the entire investigation and proceed further in accordance with law. Since the funds transacted by the society alone amounted to several crores of rupees, we are of the view that the enquiry shall be conducted by an officer, who is in the cadre of Additional Registrar of Cooperative Societies. Parallely, the Registrar of Cooperative Societies is also directed to lodge a criminal complaint before the Central Crime Branch, Krishnagiri District, so that the police can investigate the matter from criminal angle. The above directions shall be complied with within a period of two weeks from the date of receipt of a copy of this judgment. No costs.

-s/d-

Assistant Registrar (CS-I)

True Copy

Sub-Assistant Registrar

To

1. The Deputy Registrar of Cooperative Societies, Hosur Circle,
Hosur,
Krishnagiri District.

2. The Cooperative Sub-Registrar/Enquiry Officer, D.K.80 Berigai
Primary
Agricultural Cooperative Credit Society, Sulagiri Road,
Berigai-635105.
Sulagiri Taluk. Krishnagiri District.

3. The President, D.K.80 Berigai Primary Agricultural Cooperative
Credit
Society, Sulagiri Road, Berigai-635105. Sulagiri Taluk.
Krishnagiri District.

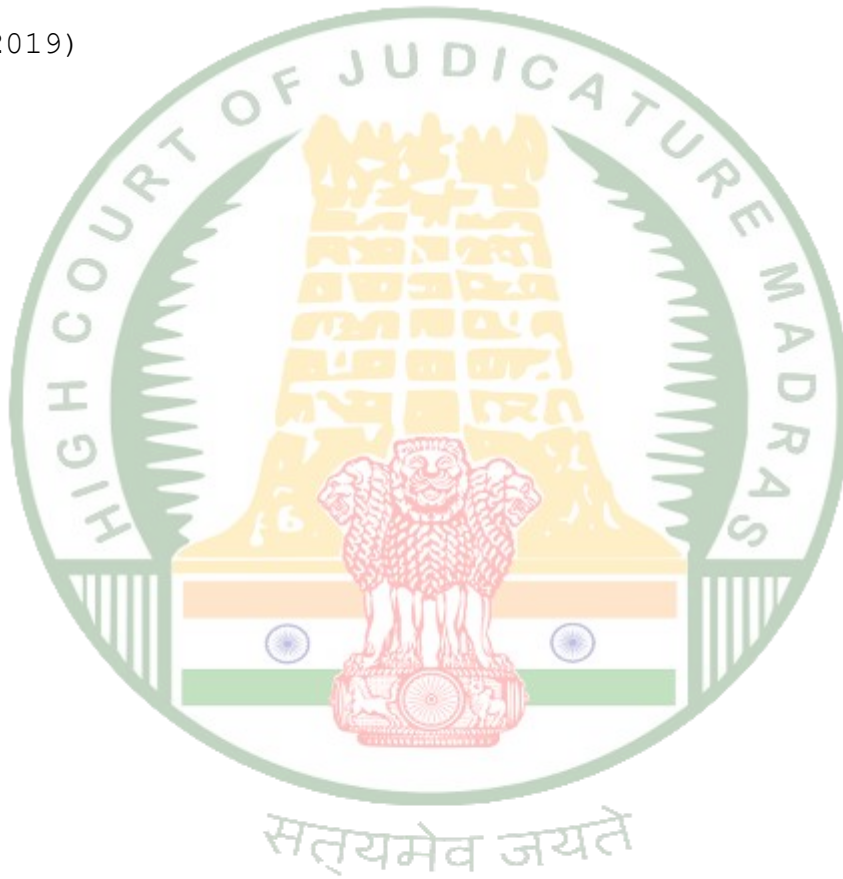
4. The Secretary to Government, Food & Cooperation and Consumer
Protection Department, Fort. St. George, Chennai-9.

5.The Registrar of Cooperative Societies, EVR Periyar Road,
Kilpauk,
Chennai-10.

+1 CC to Mr.C.Prakasam, Advocate sr 23563.

WA.No.780 of 2019

GJII (CO)
SP (27/03/2019)



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