



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 15.09.2020

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P. (MD)No.11630 of 2018

and

W.M.P (MD) .Nos.10592 & 10593 of 2018

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AP7, Tamil Nadu Electricity Board
Employees Co-operative Thrift & Credit
Society Limited
Represented through its President
R.F.Road
Palani 624 601
Dindigul District

... Petitioner

Vs.

1.The Deputy Registrar of Co-operative Societies
Palani
Dindigul District

2.The Assistant Director of Audit
Department of Audit
Velu Nachiar Valagam
Collectorate Complex
Dindigul

3.The Assistant Commissioner of Labour
(Conciliation)
Nehruji Nagar
Dindigul

... Respondents

Prayer: Writ petition is filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari, to call for the records pertaining to Part A(I) in defect report submitted by the second respondent for the auditing years 2015-2016 and 2016-2017 and quash the same.

For Petitioner	: Mr.V.O.S.Kalaiselvam
For Respondents	: Mr.M.Rajarajan
	Additional Government Pleader



O R D E R

Heard the learned counsel on either side.

2. The Writ petitioner is a registered Co-operative Society. They challenge the audit report submitted by the second respondent herein.

3. The petitioner's counsel points out certain serious flaws in the said report. Though the contention urged by the petitioner's counsel appears to be persuasive, I am afraid I cannot grant relief in the first instance. Section 80(7) and (8) of the Tamil Nadu Co-operative Societies Act, 1983 read as follows:

" (7). If the result of the audit discloses any defect, the registered society shall, within three months from the date of communication of the result of the audit, take steps to remedy the defects disclosed as a result of the audit and report to the Registrar of the action taken by it thereon.

(8) If it appears to the Registrar, on an application by a registered society or otherwise, that it is necessary or expedient to re-audit any account of that society, the Registrar may by order provide for such re-audit and the provisions of this Act applicable to audit of accounts of that society shall apply to such re-audit"

4. Therefore, the petitioner society has to take steps to remedy the defects disclosed in the audit report and report to the Registrar of the action taken by them. But Section 80 (7) and (8) of the Tamil Nadu Co-operative Societies Act, 1983 enable the society to apply to the Registrar, if it has any objection as regards the audit report. It appears that the petitioner has not so far challenged the audit report before the Registrar. I permit the petitioner to apply to the second respondent to ask for re-auditing of the accounts by pointing out the defects in the impugned audit report. The petitioner is given four weeks time to submit such an objection. It is for the second respondent or the Registrar of the Co-operative Society to pass orders on the said application. If the petitioner is still aggrieved by the said order, it is definitely open to the petitioner to move this Court. All that I am clarifying is that the petitioner cannot straight away challenge the audit report before the writ Court. He must draw the attention of the concerned authority. If the authority does not respond favorably to the petitioner's request, then against the said consequential action or order, the writ petition may lie and it would not lie in the first instance.



5. Leaving open the petitioner's contentions, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

Sd/-

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Assistant Registrar(CS)

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

msa

Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

To:

1. The Deputy Registrar of Co-operative Societies
Palani
Dindigul District

2. The Assistant Director of Audit
Department of Audit
Velu Nachiar Valagam
Collectorate Complex
Dindigul

3. The Assistant Commissioner of Labour
(Conciliation)
Nehruji Nagar
Dindigul

+1 CC to M/s.SPL GP (SR-17082[F] dated 16/09/2020)

+1 CC to M/s.V.O.S.KALAISELVAN, Advocate (SR-17179[F] dated 16/09/2020)

W.P. (MD)No.11630 of 2018

and

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15.09.2020

SJ(CO)

TR(22.09.2020) 3P 6C